UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ **Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended: December 31, 2025

Or

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from [ ] to [ ]

Commission file number: 001-38205

ZAI LAB LIMITED
(Exact Name of Registrant as Specified in its Charter)

Cayman Islands **(State or Other Jurisdiction of Incorporation or Organization)**	**98-1144595** **(I.R.S. Employer Identification No.)**
899 Halei Road **Building B, Pudong** **Shanghai** **China**	**201203**
314 Main Street **4th Floor, Suite 100** **Cambridge, MA, USA**	**02142**
(Address of Principal Executive Offices)	**(Zip Code)**

+86 21 6163 2588
+1 857 706 2604
(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
American Depositary Shares, each representing 10 Ordinary Shares, par value $0.000006 per share	**ZLAB**	**The Nasdaq Global Market**
Ordinary Shares, par value $0.000006 per share*	**9688**	**The Stock Exchange of Hong Kong Limited**

* Included in connection with the registration of the American Depositary Shares with the Securities and Exchange Commission. The ordinary shares are not registered or listed for trading in the United States but are listed for trading on the Stock Exchange of Hong Kong Limited.

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.:

Large accelerated filer	☒	Accelerated Filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of June 30, 2025, the last business day of the registrant's most recently completed second fiscal quarter, the aggregate market value of the ordinary shares, including in the form of American Depositary Shares ("ADSs"), each representing ten ordinary shares, held by non-affiliates of the registrant was approximately $3.8 billion, based upon the closing price of the registrant's ADSs on the Nasdaq Global Market of $34.97 on June 30, 2025.

As of February 20, 2026, 1,106,407,390 ordinary shares, par value $0.000006 per share, were outstanding, of which 307,140,690 ordinary shares were held in the form of ADSs.

DOCUMENTS INCORPORATED BY REFERENCE

The registrant intends to file a definitive proxy statement pursuant to Regulation 14A within 120 days of the end of the fiscal year ended December 31, 2025. Portions of such definitive proxy statement are incorporated by reference into Part III of this Annual Report on Form 10-K.

Zai Lab Limited
2025 Annual Report on Form 10-K
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Forward-Looking Statements

This report contains certain forward-looking statements, including statements relating to our strategy and plans; potential of and expectations for our business, commercial products, and pipeline programs; the market for our commercial and pipeline products; capital allocation and investment strategy; clinical development programs and related clinical trials; clinical trial data, data readouts, and presentations; risks and uncertainties associated with drug development and commercialization; regulatory discussions, submissions, filings, and approvals and the timing thereof; the potential benefits, safety, and efficacy of our products and product candidates and those of our collaboration partners; the anticipated benefits and potential of investments, collaborations, and business development activities; our profitability and timeline to profitability; and our future financial and operating results. All statements, other than statements of historical fact, included in this report are forward-looking statements, and can be identified by words such as "aim," "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "forecast," "goal," "intend," "may," "plan," "possible," "potential," "predict," "project," "seek," "should," "target," "will," "would," or the negative of these terms or similar expressions. Such statements constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not guarantees or assurances of future performance. Forward-looking statements are based on our expectations and assumptions as of the date of this report and are subject to inherent uncertainties, risks, and changes in circumstances that may differ materially from those contemplated by the forward-looking statements. We may not actually achieve the plans, carry out the intentions, or meet the expectations or projections disclosed in our forward-looking statements, and you should not place undue reliance on these forward-looking statements. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including but not limited to the following:

- Our ability to successfully commercialize and generate revenue from our approved products;
- Our ability to obtain funding for our operations and business initiatives;
- The results of our clinical and pre-clinical development of our product candidates;
- The content and timing of decisions made by the relevant regulatory authorities regarding regulatory approvals of our product candidates;
- Any inability of third parties on whom we rely, such as our licensors, CMOs, and others that supply certain of our products and product candidates; CROs that conduct or support some of our pre-clinical and clinical trials; and distributors that sell our commercial products, to successfully carry out their contractual duties or meet expected deadlines;
- Any issues that our Chinese manufacturing facilities may have with operating in conformity with established GMPs and international best practices, and with passing FDA, NMPA, and EMA inspections;
- Any inability to obtain or maintain sufficient patent protection for our products and product candidates;
- Changes in U.S. and China trade policies and relations, as well as relations with other countries, and/or changes in laws, regulations, and/or sanctions;
- Actions the Chinese government may take to intervene in or influence our operations;
- Economic, political, and social conditions in mainland China as well as governmental policies;
- Significant business disruptions caused by events or developments outside of our control, such as pandemics, international war or conflict, natural disasters or extreme weather events, and other geopolitical events;
- Uncertainties in the Chinese legal system, including with respect to the anti-corruption enforcement efforts in mainland China and those addressing espionage, protection of and transfer restrictions on data, including personal information, data processing and security, and cybersecurity, and other future laws and regulations or amendments to such laws and regulations;
- Approval, filing, or procedural requirements imposed by the CSRC or other Chinese regulatory authorities in connection with issuing securities to foreign investors under Chinese law;
- Any violation or liability under the FCPA or Chinese anti-corruption, anti-bribery, and anti-fraud laws;
- Variations in currency exchange rates and restrictions on currency exchange;
- Limitations on the ability of our Chinese subsidiaries to make payments to us;
- Chinese requirements on the ability of residents in mainland China to establish offshore special purpose companies;

- Chinese regulations regarding acquisitions of companies based in mainland China by foreign investors;
- Expiration of, or changes to, financial incentives or discretionary policies granted by local governments in mainland China;
- Restrictions or limitations on the ability of overseas regulators to conduct investigations or collect evidence within mainland China;
- Unfavorable tax consequences to us and our non-Chinese shareholders or ADS holders if we were to be classified as a Chinese resident enterprise for Chinese income tax purposes;
- Failure to comply with applicable Chinese, U.S., and Hong Kong regulations that could lead to government enforcement actions, fines, other legal or administrative sanctions, and/or harm to our business or reputation;
- Delays or obstacles for closing transactions, such as review by the CFIUS in our investments; and
- Any inability to renew our current leases on desirable terms or otherwise locate desirable alternatives for our leased properties.

For more information on these factors and other risks and uncertainties that may affect our business, see *Risk Factors*. These factors should not be construed as exhaustive and should be read with the other cautionary statements and information in this report. Forward-looking statements are based on our management's beliefs and assumptions and information currently available to our management. These statements, like all statements in this report, speak only as of their date. We anticipate that subsequent events and developments will cause our expectations and assumptions to change, and we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as may be required by law. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this report.

Usage of Terms

Throughout this report, we use certain acronyms and terms that are defined in the *Glossary*. Unless the context requires otherwise, references to "Zai Lab," the "Company," "we," "us," and "our" refer to Zai Lab Limited, a holding company, and its subsidiaries, on a consolidated basis; and references to "Zai Lab Limited" refer to Zai Lab Limited, a holding company. Zai Lab Limited is the entity in which investors hold their interest.

Our operating subsidiaries consist of Zai Lab (Hong Kong) Limited, domiciled in Hong Kong; Zai Auto Immune (Hong Kong) Limited, domiciled in Hong Kong; Zai Anti Infectives (Hong Kong) Limited, domiciled in Hong Kong; Zai Lab (Shanghai) Co., Ltd., domiciled in mainland China; Zai Lab International Trading (Shanghai) Co., Ltd., domiciled in mainland China; Zai Lab (Suzhou) Co., Ltd., domiciled in mainland China; Zai Biopharmaceutical (Suzhou) Co., Ltd., domiciled in mainland China; Zai Lab Trading (Suzhou) Co., Ltd., domiciled in mainland China; Zai Lab (Zhejiang) Co., Ltd., domiciled in mainland China; Zai Lab (Taiwan) Limited, domiciled in Taiwan; Zai Lab (AUST) Pty. Ltd., domiciled in Australia; and Zai Lab (US) LLC, domiciled in the United States.

We own various trademarks, including various forms of the Zai Lab brand (in English and Chinese), as well as several domain names that incorporate such trademarks. Trademarks and trade names of other companies appearing in this report are the property of their respective holders. Solely for convenience, some of the trademarks and trade names in this report are referred to without the ® and ™ symbols, but such references should not be construed as any indicator that their respective owners will not assert, to the fullest extent under applicable law, their rights thereto. We do not intend our use or display of other companies' trademarks and trade names to imply a relationship with, or endorsement or sponsorship of, any other company.

Disclosures Relating to Our Chinese Operations

Zai Lab Limited is an exempted company incorporated in the Cayman Islands with limited liability in March 2013. We have substantial operations in mainland China. Below is a summary of certain risks related to our Chinese operations. For more information on material risks that may affect our business and securities, see *Risk Factors*.

Zai Lab Limited is not a Chinese operating company, but a holding company incorporated in the Cayman Islands.

Zai Lab Limited is not a Chinese operating company, but a holding company incorporated in the Cayman Islands. As a holding company, we conduct a substantial portion of our operations through wholly owned subsidiaries based in mainland China. Our investors do not hold direct investments in our Chinese operating companies. The Chinese government regulates Chinese companies raising capital outside of mainland China, including through VIEs. Currently, our corporate structure contains no VIEs, and the life sciences industry in which we operate is not subject to foreign ownership limitations in mainland China. There are uncertainties with respect to the Chinese legal system, and there may be changes in laws, regulations, and policies, including how those laws, regulations, and policies will be interpreted or implemented, that may affect our business or an investment in our business. If, in the future, the Chinese government determines that our corporate structure does not comply with Chinese regulations, or if Chinese regulations change or are interpreted differently, the value of our securities may decline or become worthless.

There are significant legal and operational risks associated with conducting a substantial portion of our operations in mainland China, including with respect to changes in the political and economic policies of the Chinese government, relations between mainland China and the United States, or applicable Chinese or U.S. laws and regulations, that may materially and adversely affect our business, financial condition, and results of operations.

There are significant legal and operational risks associated with conducting a substantial portion of our operations in mainland China, including with respect to changes in the political and economic policies of the Chinese government, relations between mainland China and the United States, or applicable Chinese or U.S. laws and regulations. For example, geopolitical events, such as developments with respect to Taiwan, continue to cause heightened tensions between the United States and China. In addition, new and evolving laws and regulations, including those addressing espionage, protection of and transfer restrictions on data, including personal information, data processing and security, and cybersecurity, and regulations and guidelines relating to the multi-level protection scheme, have imposed, and may continue to impose, additional restrictions or obligations and compliance-related costs on our business. In addition, our business, or our directors or employees, may be subject to enforcement actions or penalties if it is determined that we, or they, have not complied with applicable laws and regulations. Such legal and operational risks may materially and adversely affect our business, financial condition, and results of operations.

We are or may be required to obtain certain permissions from Chinese authorities to operate in mainland China, transfer certain scientific data, and issue our securities to foreign investors.

The Chinese government has exercised, and may continue to exercise, substantial influence or control over virtually every sector of the Chinese economy through regulation and state ownership. As a result, we are or may be required to obtain certain approvals or permissions from Chinese authorities to operate in mainland China, transfer certain scientific data, and issue our securities to foreign investors.

For example, we are required to obtain certain approvals from Chinese authorities to operate our Chinese subsidiaries. To operate our general business activities in mainland China, each of our Chinese subsidiaries is required to obtain a business license from the local counterpart of the SAMR. Each of our Chinese subsidiaries has obtained such a business license. Our Chinese subsidiaries are also required to obtain certain licenses and permits, including but not limited to the following: Pharmaceutical Manufacturing Permits, Pharmaceutical Distribution Permits, and Medical Device Distribution Permits to manufacture and/or distribute drugs and/or applicable medical devices. To date, no application for any such material license or permit has been denied.

Further, we are required to obtain certain approvals from Chinese authorities before transferring certain scientific data abroad or to foreign parties or entities established or controlled by those foreign parties. In addition, we may be subject to additional such requirements pursuant to the Security Assessment Measures, which may affect our Chinese subsidiaries or clinical trials. The Security Assessment Measures may require us to complete security assessments for certain cross-border data transfers, obtain prior approval from the CAC for transfers out of mainland China of certain important or personal data, or obtain prior clearance or approval from the HGRAC for certain transfers of data derived from human organs, tissues, or cells of Chinese individuals that contain human genetic materials. If we are not able to obtain or maintain

the necessary permissions or approvals, our ability to operate in mainland China may be restricted or prohibited, which may have a material adverse effect on our business prospects, financial condition, results of operations, and the price of our securities.

Although we are not currently required to obtain prior approval or permission from the CSRC or any other Chinese regulatory authority to issue our securities to foreign investors, the CSRC has promulgated the Trial Measures and five supporting guidelines, which require us to submit filings to the CSRC following the submission of future overseas listings and the completion of future offerings of our equity securities to foreign investors. For example, we were required to file with the CSRC with respect to the registered offering of our ADSs in November 2024. If we are not able to complete the necessary filings for future securities offerings, our ability to raise capital may be adversely affected.

PART I

Item 1. Business

Overview

We are a patient-focused, innovative, commercial-stage, global biopharmaceutical company with a substantial presence in both Greater China and the United States. We are focused on discovering, developing, and commercializing products that address medical conditions with significant unmet needs in the areas of oncology, immunology, neuroscience, and infectious disease. We intend to leverage our competencies and resources to positively impact human health. To that end, our experienced team has secured partnerships with leading global biopharmaceutical companies to generate a broad pipeline, including multiple commercial products and multiple programs in late-stage clinical development. We have also built an in-house R&D team with strong product discovery and translational research capabilities and are establishing a pipeline of proprietary product candidates with global rights.

Our Mission and Corporate Strategic Goals

Our mission is to be a leading global biopharmaceutical company focused on discovering, developing, and commercializing innovative therapies that improve the lives of patients. To execute on that mission, we have developed a corporate strategy with the following three pillars to help us drive innovation:

- **Accelerate Medicines to Patients:** We seek to advance our global and regional pipelines by continuing to invest in research and development activities;
- **Expand and Strengthen Our Pipeline:** We seek to continue to expand and strengthen our differentiated global and regional pipelines through our internal discovery efforts and synergistic collaborations and corporate development activities; and
- **Continue Our Commercial Excellence and Execution:** We seek to continue delivering strong financial performance through increased access to our existing commercial products and further increases in our efficiency and productivity as we prepare to launch additional products or new indications for existing products, as we advance along our path to achieve profitability.

We also seek to build and maintain the trust of our stakeholders, including through our Trust for Life strategy, which includes three commitments: improve human health, create better outcomes, and act right now with ethical business practices and strong corporate governance. As part of our corporate strategy, and the actions taken in support of our corporate goals, we will continue to develop and integrate our Trust for Life strategy into our business and operations.

Our Commercial Products and Operations

We currently have seven commercial programs with products that have received marketing approval and that we have commercially launched in one or more territories in Greater China.

The following table provides an overview of our partners and the approved indications and current geographic markets for our commercial products:

Product	Our Approved Indications	Our Current Markets	Partner
Once-daily oral Zejula niraparib	1L ovarian cancer maintenance treatment Platinum sensitive relapsed ovarian cancer maintenance treatment	Mainland China, Hong Kong, and Macau	GSK
VYVGART™ (efgartigimod alfa-fcab)	gMG	Mainland China	argenx
VYVGART® Hytrulo (efgartigimod alfa and hyaluronidase-qvfc) Subcutaneous Injection 180 mg/mL and 2000 U/mL vial	gMG and CIDP		
NUZYRA™ (omadacycline)	CABP and ABSSSI	Mainland China and Macau	novo holdings
OPTUNE GIO™	Newly diagnosed and recurrent GBM	Greater China	novocure®
QINLOCK® (ripretinib) 50 mg tablets	4L GIST	Greater China	deciphera®
XACDURO®	HABP and VABP caused by ABC	Mainland China	INNOVIVA®
AUGTYRO™ (repotrectinib) 40 mg capsules	*ROS1*+ NSCLC and *NTRK*+ solid tumors	Greater China	Bristol Myers Squibb®

We have established a strong commercial infrastructure to support the sales of our commercial products. Our sales and marketing teams cover major medical centers across Greater China, and our commercial team has capabilities that cover the product sales cycle, including medical affairs, marketing, market access, and distributor management. Our commercial team has a proven track record and experience from leading global pharmaceutical companies including AstraZeneca, Roche, Novartis, and BMS, and we tailor our commercialization strategies according to our individual products and their market potential. For example, we work to increase access for our commercial products through NRDL inclusion or supplemental insurance coverage and increase brand perception and adoption through education and outreach.

The following sections include more information on our commercial products. For additional information on the license agreements for our commercial products, see *Overview of Significant License and Collaboration Agreements*, and for more information on how we source and sell our commercial products, see *Our Customers* and *Manufacturing, Suppliers, and Quality Control.* We are also evaluating other potential indications for our commercial products, as discussed in *Our Oncology Pipeline* and *Our Immunology, Neuroscience, and Infectious Disease Pipeline*.

ZEJULA (Niraparib)

ZEJULA is an orally administered PARP 1/2 inhibitor. PARP is a protein that helps repair DNA damage in cells. PARP inhibitors block PARP from repairing DNA damage, such as may be caused by radiation and/or certain

chemotherapies, which may lead to cancer cell death and slow the return or progression of cancer. Tumors that are deficient in key DNA damage repair pathways, such as BRCA1 mutant tumors, are particularly sensitive to ZEJULA. As a maintenance therapy, ZEJULA is for women who have had prior chemotherapy treatment but are at high risk of cancer recurrence. ZEJULA is intended to avoid or slow recurrence of the cancer if it is in remission after prior treatment. In the maintenance setting, ZEJULA does not require the addition of radiation or chemotherapies to kill tumor cells. We have an exclusive license from Tesaro (now a subsidiary of GSK) to develop and commercialize ZEJULA in mainland China, Hong Kong, and Macau.

Our primary market for ZEJULA is patients with ovarian cancer in mainland China. Ovarian cancer is one of the most common gynecological cancers in China, with over 61,100 newly diagnosed cases and 32,600 deaths in China annually. We launched ZEJULA in mainland China in 2020, and it has been included in the NRDL since 2021 as a maintenance treatment for women with recurrent platinum-sensitive ovarian cancer and for adult patients with advanced ovarian cancer who are in a complete or partial response to first-line platinum-based chemotherapy and since 2022 as a maintenance treatment for first-line ovarian cancer.

We also launched ZEJULA in Hong Kong in 2018 as a maintenance therapy for adult patients with platinum-sensitive, relapsed high-grade, serous epithelial ovarian cancer who are in a complete or partial response to platinum-based chemotherapy and in Hong Kong and Macau in 2021 as a maintenance therapy for adult patients with high-grade serous epithelial ovarian cancer who are in a complete or partial response to first-line platinum-based chemotherapy.

VYVGART / VYVGART Hytrulo (Efgartigimod)

Efgartigimod is a human IgG1 antibody fragment that binds to FcRn. FcRn is widely expressed throughout the body and plays a central role in rescuing IgG antibodies from lysosomal degradation. Blocking FcRn prevents FcRn from binding IgG antibodies and rescuing them from lysosomal degradation resulting in a reduction in circulating IgG antibodies which may include pathogenic IgG antibodies that contribute to certain autoimmune diseases such as gMG and CIDP. We have an exclusive license from argenx to develop and commercialize efgartigimod in Greater China.

Our primary market for efgartigimod is patients with gMG in mainland China. There are approximately 200,000 patients in China living with MG. Approximately 85% of people with MG progress to gMG within 2 years, and of those patients, 85% are estimated to have confirmed AChR antibodies. We launched the IV formulation of efgartigimod, under the brand name VYVGART, in mainland China in September 2023 as an add on to standard therapy for the treatment of adult patients with gMG who are AChR antibody positive, and VYVGART has been included in the NRDL for this indication since January 2024. We launched the subcutaneous formulation of efgartigimod, under the brand name VYVGART Hytrulo, for this indication in mainland China in the fourth quarter of 2024.

In the fourth quarter of 2024, we also launched VYVGART Hytrulo for the treatment of adult patients with CIDP. There are approximately 50,000 patients diagnosed with CIDP in mainland China.

NUZYRA (Omadacycline)

NUZYRA, a novel tetracycline-class antibacterial with both oral and IV formulations, is a broad-spectrum antibiotic. We have an exclusive license from Paratek (subsequently acquired by Gurnet Point Capital and Novo Holdings) to develop, manufacture, and commercialize NUZYRA in Greater China.

Our primary market for NUZYRA is patients with CABP or ABSSSI in mainland China. CABP is the most common type of pneumonia that is acquired outside of the hospital. It is one of the most common infectious diseases and is a significant cause of mortality and morbidity worldwide. ABSSSI are bacterial infections of skin and associated soft tissues, such as loose connective tissue and mucous membranes. ABSSSI are common and encompass a variety of disease presentations and degrees of severity. The World Health Organization has identified the worldwide development of resistance to currently available antibacterial agents as one of the greatest threats to human health. In 2020, the estimated incidence of CABP in mainland China was approximately 10 million patients, and in 2015, the estimated incidence of ABSSSI in mainland China was 2.8 million patients. We launched the oral and IV formulations of NUZYRA in mainland

China in 2021 for the treatment of adults with CABP and/or ABSSSI. The IV formulation of NUZYRA has been included in the NRDL for these indications since January 2023, and the oral formulation has been included since January 2024.

NUZYRA is locally manufactured by CMOs in mainland China. We have an exclusive promotion agreement with Huizheng, a subsidiary of Hanhui, one of the leading pharmaceutical companies for antibiotics in mainland China, which allows us to use Hanhui's existing infrastructure for sales of NUZYRA in mainland China.

OPTUNE (Tumor Treating Fields)

OPTUNE is a cancer therapy that uses electric fields tuned to specific frequencies to kill tumor cells via a variety of mechanisms. TTFields therapy is delivered through a portable medical device. The complete delivery system for OPTUNE includes a portable electric field generator, arrays, rechargeable batteries, and accessories. We have an exclusive license from NovoCure to develop and commercialize any TTFields products in Greater China in the field of oncology.

Our primary market for OPTUNE is patients in mainland China with GBM, the most aggressive form of brain tumor. We estimate that there are more than 45,000 patients with GBM in China each year. We launched OPTUNE GIO in mainland China in 2020 for the treatment of patients with newly diagnosed GBM in combination with TMZ and as a monotherapy for the treatment of patients with recurrent GBM. We have also launched OPTUNE GIO for these GBM indications in Hong Kong, Taiwan, and Macau. Since launch, we have helped improve patient access to OPTUNE GIO in mainland China through supplemental insurance coverage.

QINLOCK (Ripretinib)

QINLOCK is an orally administered switch-control TKI that broadly inhibits KIT and PDGFRα tyrosine kinases, including wild-type and mutated forms with multiple primary and secondary mutations. Switch-control tyrosine kinases KIT and PDGFRα regulate kinase activity through a main activation switch and an auxiliary inhibitory switch that control kinase conformation in either an "on" or "off" position. Oncogenic kinase mutations predominantly function by disrupting one or more regulatory switch mechanisms, leading to dysregulated function and loss of normal, physiologic conformational control. Blocking the switch pocket region and the activation switch region locks KIT and PDGFRα kinases in an inactive conformation by a dual mechanism of action that provides broad inhibition of KIT and PDGFRα kinase activity thereby preventing downstream signaling and cell proliferation. We have an exclusive license from Deciphera to develop and commercialize QINLOCK in Greater China.

Our primary market for QINLOCK is patients with GIST in mainland China, where we believe QINLOCK is the standard of care. GISTs are the most common mesenchymal tumors of the gastrointestinal tract, accounting for about 0.1-3% of gastrointestinal tumors, with an estimated annual incidence of around 30,000 newly diagnosed patients per year in mainland China. We launched QINLOCK in mainland China in 2021 for the treatment of adult patients with advanced GIST who have received prior treatment with three or more kinase inhibitors, including imatinib, or 4L GIST. QINLOCK has been included in the NRDL for this indication since January 2023. We have also launched QINLOCK for 4L GIST in Hong Kong, Taiwan, and Macau.

XACDURO (Sulbactam/Durlobactam or SUL-DUR)

XACDURO is a combination of a beta-lactam antibiotic (sulbactam) and a beta-lactamase inhibitor (durlobactam). We have an exclusive license from Entasis (now a wholly owned subsidiary of Innoviva) to develop and commercialize SUL-DUR in Asia Pacific.

Our primary market for XACDURO is patients with HABP and VABP caused by ABC in mainland China. *Acinetobacter* belongs to a group of bacteria commonly found in the environment, such as soil and water. *Acinetobacter baumannii* accounts for most *Acinetobacter* infections in humans; the organism can cause infections in all organs, but bloodstream infection and pneumonia are most dangerous and associated with high mortality. In recent years, *Acinetobacter baumannii* has become multi-drug resistant. For carbapenem-resistant *Acinetobacter baumannii* infections,

treatment options are extremely limited because remaining antibiotics are either toxic or of limited efficacy. In mainland China, *Acinetobacter baumannii* infections are often seen in the hospital setting. Based on the 2022 Annual Report of CARSS (China Antimicrobial Resistance Surveillance System), there were around 300,000 *Acinetobacter* infections reported in mainland China in 2022. According to recent surveillance data from China, overall resistance of *Acinetobacter baumannii* to the carbapenem class of antibiotics is approximately 53%, with some provinces as high as 70%. We commercially launched XACDURO in mainland China in January 2025 for the treatment of adult patients with HABP and VABP caused by ABC.

In November 2024, we entered into a strategic collaboration with Pfizer that allows us to leverage the industry-leading commercialization infrastructure of Pfizer's affiliated companies in the anti-infective therapeutic area to support sales of XACDURO in mainland China.

AUGTYRO (Repotrectinib)

AUGTYRO is a next-generation TKI that targets *ROS1* oncogenic fusions. We have an exclusive license from Turning Point (now a wholly owned subsidiary of BMS) to develop and commercialize repotrectinib in Greater China.

Our primary market for AUGTYRO is patients with *ROS1*+ NSCLC in mainland China. In China, there were approximately 1.1 million new cases of lung cancer in 2022. NSCLC accounts for approximately 85% of lung cancer, and approximately 70% of NSCLC is locally advanced or metastatic at initial diagnosis. *ROS1* rearrangements occur in approximately 2% of patients with advanced NSCLC. We launched AUGTYRO in mainland China in December 2024 for the treatment of adult patients with locally advanced or metastatic *ROS1*+ NSCLC, and AUGTYRO has been included in the NRDL for this indication since January 2025.

In December 2025, the NMPA approved the sNDA for AUGTYRO for the treatment of adult patients with *NTRK*+ solid tumors. The approval is intended for patients whose disease is locally advanced or metastatic, or where surgical resection is likely to result in severe morbidity, and who have either progressed following prior therapies or have no satisfactory alternative treatment options. The NMPA's approval is based on results from the pivotal Phase 1/2 TRIDENT-1 study, which demonstrated robust and durable efficacy and a manageable safety profile of AUGTYRO in patients with NTRK fusion-positive solid tumors. Zai Lab contributed to the global pivotal TRIDENT-1 study. The incidence of NTRK fusion-positive solid tumors is estimated to be less than 1% in China.

In December 2025, we entered into a strategic collaboration with SciClone Pharmaceuticals that allows us to leverage SciClone's commercialization infrastructure to support sales of AUGTYRO in mainland China.

Our Pipeline of Product Candidates and R&D Activities

We believe research and development is important to our future growth and ability to remain competitive, and we are dedicated to discovering or licensing, and then developing and commercializing, innovative products that address significant unmet medical needs. We have a deep and differentiated pipeline of potential first-in-class / best-in-class products across our therapeutic areas. Our pipeline includes additional indications for our commercial products as well as new products for which we may seek regulatory approval and commercialization. Our pipeline includes both in-licensed assets as well as assets that we have internally developed. Our product candidates are in various stages of development, including several assets in late-stage development and various others in clinical and pre-clinical development.

We have assembled an integrated drug discovery and development team with extensive experience in discovery, translational medicine, and pre-clinical and clinical development in China and the United States. This team has been directly involved in the discovery and development of several innovative global product candidates. We also supplement our internal capabilities through collaborations with commercial partners and external research partners, such as leading CROs and academic institutions, for the execution of our pre-clinical studies and clinical trials.

We will continue to evaluate the developmental possibilities of the programs in our pipeline. For example, our programs may have significant potential beyond those indications we are currently evaluating. We may in the future expand our research and development efforts to evaluate additional indications to those discussed below. In addition, we

or our partners may decide to discontinue development of certain products based on a review of the competitive landscape and market opportunity or otherwise.

Global Pipeline

We are continuing to focus on expanding and advancing our global pipeline of innovative products through our internal discovery efforts and business development activities. Our innovative global pipeline includes:

- **Zoci (ZL-1310)**, a potential first-in-class and best-in-class DLL3-targeting ADC for SCLC and other neuroendocrine carcinomas, for which we are conducting a Phase 3 study in extensive stage SCLC, a global Phase 1 study in 1L SCLC, and a global Phase 1/2 study in selected solid NEC;
- **ZL-1503**, our internally developed IL-13/IL-31Rα bispecific antibody for the treatment of atopic dermatitis and other immunologic diseases, for which we are conducting a global Phase 1/1b study evaluating safety, tolerability, and pharmacokinetics in healthy volunteers and participants with moderate to severe atopic dermatitis;
- **ZL-6201**, a novel potential first-in-class ADC targeting LRRC15, using our internally developed anti-LRRC15 antibody, for the treatment of certain solid tumors, for which the FDA approved the IND in January 2026 and a global Phase 1 study was initiated in the first quarter of 2026;
- **ZL-1222**, our internally developed PD-1/IL-12 bispecific antibody using a potency-reduced IL-12 and PD-1 cis-activation of IL-12/IL12R to restore T cell function in the tumor microenvironment for the treatment of solid tumors, for which we have initiated IND-enabling studies; and
- **ZL-1311**, a MUC17/CD3 T-cell engager, which is in pre-clinical development for solid tumors including gastric and gastroesophageal junction cancer.

We also have multiple other undisclosed IND-enabling assets, and we are targeting at least 1 new IND per year.

Regional Pipeline

We will continue to advance and expand our regional pipeline through synergistic opportunities that help us further address significant unmet patient needs. The following table provides an overview of our key regional product candidates, including key indications we are evaluating for those products, their clinical stage and related studies in which we are participating, and our partners and potential geographic markets:

Product	Description	Potential Indications and Clinical Stage (Studies)	Our Potential Markets	Partner
Oncology Pipeline				
Tumor Treating Fields	Portable device for delivery of electric fields	Pancreatic Cancer – Phase III (PANOVA-3)	Greater China	NovoCure
Tisotumab vedotin (TIVDAK)	Tissue Factor ADC	2L+ Cervical Cancer – Phase 3 (innovaTV 301) 1L r/m Cervical Cancer - Phase 2 (innovaTV 205)	Greater China	Seagen (now owned by Pfizer)
Immunology, Neuroscience, and Infectious Disease Pipeline				
Efgartigimod (VYVGART, VYVGART Hytrulo, Pre-Filled Syringe)	FcRn blocker	Sjogren's – Phase 3 (UNITY) Myositis - Phase 3 (ALKIVIA) sn-gMG - Phase 3 (ADAPT-SERON) Ocular MG - Phase 3 (ADAPT-OCULUS)	Greater China	argenx

Xanomeline and Trospium Chloride (KarXT)	Combination of muscarinic receptor agonist and antimuscarinic agent	Schizophrenia – Phase 3 (EMERGENT); approved by the NMPA in December 2025	Greater China	Karuna (now owned by BMS)
Povetacicept	Fc fusion protein that enhances inhibition of APRIL and BAFF	IgAN – Phase 3 (RAINIER) pMN – Phase 2/3 (OLYMPUS)	Greater China and Singapore	Vertex
Elegrobart	Immunoglobulin G1-K monoclonal antibody targeting IGF-1R	TED – Phase 3 (Phase 3 Bridging Study in Greater China)	Greater China	Zenas

The following sections include more information on significant product candidates in our oncology and immunology, neuroscience, and infectious disease pipelines. For more information on license agreements for our significant product candidates, see *Overview of Significant License and Collaboration Agreements*; for how we source our product candidates, see *Manufacturing, Suppliers, and Quality Control*; and for risks related to our potential products and R&D activities, including clinical trials and reliance on third parties, see *Risk Factors*.

Our Oncology Pipeline

Zocilurtatug Pelitecan (Zoci, DLL3-Targeting ADC) (formerly ZL-1310)

Zoci is a potential first-in-class and best-in-class next generation ADC targeting DLL3, an antigen that is overexpressed in many neuroendocrine carcinomas and is a validated therapeutic target for SCLC. Zoci comprises a humanized anti-DLL3 monoclonal antibody linked to a novel camptothecin derivative (a topoisomerase 1 inhibitor) as its payload. The compound was designed with a novel ADC technology platform called TMALIN®, which leverages the tumor microenvironment to overcome challenges associated with first-generation ADC therapies, including off-target payload toxicity. We have an exclusive global license from MediLink to research, develop, manufacture, and commercialize zoci.

We are evaluating zoci for the treatment of SCLC and other NECs.

- **SCLC:** We are conducting a global registrational Phase 3 clinical trial for zoci for the treatment of patients with previously treated extensive stage SCLC after at least one prior platinum-based chemotherapy regime in 1L, or platinum followed by tarlatamab (DLL3/CD3) in 2L. This study follows a promising global Phase 1 clinical trial evaluating zoci for the treatment of patients with ES-SCLC. Data from the Phase 1 trial demonstrated a best overall response rate of 68% in 2L patients treated at the 1.6 mg/kg dose in patients with ES-SCLC. The median duration of response was 6.1 months across all patients and is clinically meaningful in this population with advanced disease. Meaningful activity in patients with brain metastases was also observed, including an 80% response rate in patients with untreated brain metastases. The data also demonstrated a well-tolerated safety profile in patients with ES-SCLC. Grade ≥ 3 TRAEs occurred in 13% of those treated at the 1.6mg/kg dose.

  In January 2025, the FDA granted Orphan Drug Designation to zoci as a treatment for patients with SCLC, and in May 2025, the FDA granted Fast Track Designation for this indication. As a result of this Orphan Drug Designation, certain forms of financial assistance for development of zoci are available, and there is the potential, upon product approval, for the FDA to grant market exclusivity for a 7-year period. SCLC is one of the most aggressive and lethal solid tumors, accounting for around 15% of the approximately 2.5 million patients diagnosed with lung cancer worldwide each year. Two-thirds of all SCLC patients are diagnosed at extensive stage. The current median survival of patients with ES-SCLC is approximately twelve months following initial therapy, and the overall five-year survival rate is 5-10%.

- **Extrapulmonary NECs:** We are conducting a global Phase 1/2 study of zoci in patients with selected solid neuroendocrine carcinomas. Enrollment in the global Phase 1 portion is complete, and in January 2026, we dosed the first patient in the global Phase 2 portion of the study.

TIVDAK (Tisotumab Vedotin)

TIVDAK is an ADC composed of Genmab's human monoclonal antibody directed against cell surface tissue factor and Seagen's ADC technology that utilizes a protease-cleavable linker that covalently attaches MMAE to the antibody. MMAE disrupts the microtubule network of actively dividing cells, leading to cell cycle arrest and apoptotic cell death of actively dividing cells. In vitro, TIVDAK also mediates antibody-dependent cellular phagocytosis and antibody-dependent cellular cytotoxicity. We have an exclusive license from Seagen (a company later acquired by Pfizer) to develop and commercialize tisotumab vedotin in Greater China.

We are evaluating TIVDAK for the treatment of recurrent or metastatic cervical cancer with disease progression on or after chemotherapy. TIVDAK received full approval in the United States for this indication in April 2024 based on results from the global, randomized Phase 3 innovaTV 301 clinical trial, which met its primary endpoint of overall survival. The key secondary endpoints of investigator-assessed progression-free survival and objective response rate also demonstrated statistical significance. The safety profile of TIVDAK in innovaTV 301 was consistent with the known safety profile of TIVDAK as presented in the U.S. prescribing information, and no new safety signals were observed. In January 2025, we announced positive topline results from the China subpopulation of the innovaTV 301 study, which were consistent with those in the global population, and in March 2025, the NMPA accepted the BLA for TIVDAK for the treatment of patients with recurrent or metastatic cervical cancer with disease progression on or after systemic therapy. In September 2025, the Hong Kong Department of Health approved TIVDAK in Hong Kong for the treatment of adult patients with recurrent or metastatic cervical cancer with disease progression on or after chemotherapy, and TIVDAK was approved for the treatment of patients with recurrent or metastatic cervical cancer with disease progression on or after systemic therapy in Macau in August 2024. We estimate that there are around 150,000 new cases of cervical cancer each year in China.

Additional Indications for OPTUNE (TTFields)

As discussed in *Our Commercial Products and Operations*, we have an exclusive license from NovoCure to develop and commercialize any TTFields products in Greater China in the field of oncology, and we have commercially launched TTFields in Greater China for certain GBM indications. Significant additional indications for TTFields therapy that we are evaluating include solid tumor types in 1L pancreatic cancer.

We participated in the Greater China portion of the Phase 3 pivotal PANOVA-3 trial evaluating the efficacy of TTFields therapy administered concomitantly with gemcitabine and nab-paclitaxel as a 1L treatment for patients with unresectable, locally advanced pancreatic cancer. In February 2026, the FDA approved TTFields, under the brand name OPTUNE Pax, for this indication. In August 2025, the NMPA granted Innovative Medical Device Designation for TTFields therapy for patients with pancreatic cancer based on the positive results from the Phase 3 PANOVA-3 trial. This designation offers opportunities to expedite the regulatory review and approval process. The trial met its primary endpoint, demonstrating a statistically significant improvement in median overall survival for patients treated with TTFields. According to the World Health Organization, pancreatic cancer was the eighth-leading cancer type in China in 2020. There are approximately 134,000 new cases of pancreatic cancer diagnosed each year in China. The current median survival of patients with metastatic pancreatic cancer is four to six months, and the five-year survival rate of pancreatic cancer is 7.2%. We filed for regulatory approval in China in the fourth quarter of 2025.

Our Immunology, Neuroscience, and Infectious Disease Pipeline

Additional Opportunities for Efgartigimod

As discussed in *Our Commercial Products and Operations*, we have an exclusive license from argenx to develop and commercialize efgartigimod in Greater China, and in mainland China, we have launched VYVGART for the

treatment of adult patients with gMG and VYVGART Hytrulo for gMG and CIDP. In April 2025, our partner argenx announced that the FDA had approved VYVGART Hytrulo pre-filled syringe for self-injection in gMG and CIDP. PFS is the third approved administration option for efgartigimod, providing additional flexibility and convenience for patients. We submitted for Chemical Manufacturing and Control (CMC) variation for PFS for these indications in China in 2025.

We are also evaluating significant additional indications for efgartigimod SC and the pre-filled syringe, including for the treatment of Sjogren's disease, myositis, seronegative gMG, and ocular MG.

- **Sjogren's Disease:** We are participating in the Greater China portion of the global registrational Phase 3 UNITY study of efgartigimod for the treatment of Sjogren's disease. We estimate that there are around 2.3 million patients with Sjogren's disease in China.
- **Myositis:** We are participating in the Greater China portion of the global registrational Phase 2/3 ALKIVIA study of efgartigimod for the treatment of myositis, also known as idiopathic inflammatory myopathies. We estimate that there are around 170,000 myositis patients diagnosed in China.
- **sn-gMG:** In August 2025, our partner argenx announced topline results from the pivotal ADAPT SERON study of VYVGART in patients with AChR-Ab sn-gMG. The study met its primary endpoint (p-value=0.0068), demonstrating that AChR-Ab sn-gMG patients treated with VYVGART achieved a statistically significant and clinically meaningful improvement in MG-ADL (Myasthenia Gravis Activities of Daily Living) total score compared to placebo. VYVGART was well tolerated and safe across AChR-Ab seronegative subtypes and consistent with the established safety profile in patients with AChR-Ab seropositive gMG and other indications. No new safety concerns were identified. We participated in the study in Greater China. In January 2026, the FDA accepted for priority review an sBLA submitted by argenx seeking expansion of the VYVGART label to include adult AChR-Ab sn-gMG patients with a PDUFA target action date of May 10, 2026. We are considering a potential China regulatory submission. We estimate that there are around 25,000 patients diagnosed with sn-gMG in China.
- **Ocular MG:** In February 2026, our partner argenx announced topline results from the global registrational Phase 3 ADAPT-OCULUS study of efgartigimod for the treatment of ocular MG. The study met its primary endpoint (p-value=0.012), demonstrating that patients living with ocular MG and treated with VYVGART demonstrated statistically significant improvement from baseline in Myasthenia Impairment Index (MGII) Patient Reported Outcome (PRO) ocular scores at Week 4 compared to placebo. In the overall population, mean change from baseline in patients treated with VYVGART was a 4.04 point improvement in MGII PRO versus a mean change of 1.99 MGII PRO score in patients treated with placebo. VYVGART was well tolerated and had a favorable safety profile in patients with oMG, consistent with prior studies. We participated in the study in Greater China. We estimate that there are around 44,000 patients diagnosed with ocular MG in China.

KarXT (Xanomeline and Trospium Chloride)

KarXT is a combination of an oral M1/M4-preferring muscarinic acetylcholine receptor agonist and a peripheral acting antimuscarinic agent, which is in development for the treatment of psychiatric and neurological conditions, including schizophrenia. KarXT preferentially stimulates muscarinic receptors implicated in these conditions, as opposed to current antipsychotic medicines, which mostly target dopamine or serotonin receptors. KarXT has the potential to represent a new class of treatment for schizophrenia based on its differentiated mechanism of action. We have an exclusive license from Karuna (a company later acquired by BMS) to develop, manufacture, and commercialize xanomeline and trospium chloride in Greater China.

In September 2025, the "China Schizophrenia Prevention and Treatment Guidelines (2025 Edition)" were officially released, and KarXT was included for the first time, marking the first national-level guideline globally to include KarXT. The guidelines emphasize KarXT's broad efficacy across all three symptom domains (positive, negative, and cognitive symptoms), and in December 2025, the NMPA approved the NDA for KarXT for the treatment of schizophrenia in adults. The NDA submission was supported by data from the Phase 1 PK study conducted in China, Phase 3 China study, and

three global Phase 3 EMERGENT clinical trials. This follows FDA approval of KarXT, under the brand name COBENFY, for the treatment of schizophrenia in adults in September 2024. COBENFY does not have atypical antipsychotic class warnings and precautions and does not have a boxed warning. We expect to commercially launch KarXT in China in the first half of 2026. We estimate that there are more than 8 million people living with schizophrenia in China.

Povetacicept (Pove, Anti-APRIL/BAFF)

Pove is an investigational product of an affinity optimized fusion protein that inhibits both APRIL and BAFF. We have an exclusive license from Vertex to develop and commercialize pove in Greater China and Singapore.

We are evaluating pove for the treatment of IgA nephropathy and primary membranous nephropathy.

- **IgAN:** Our partner Vertex has completed enrollment of the global Phase 3 RAINIER study of pove in IgAN, including the interim analysis cohort for potential accelerated approval in the United States. We participated in the study in Greater China. In September 2025, the FDA granted Breakthrough Therapy Designation. There are approximately three to five million patients with IgAN in China, including approximately 750,000 already diagnosed with the disease.
- **pMN:** Our partner Vertex initiated a pivotal single Phase 2/3 OLYMPUS study of pove versus standard of care for pMN. We joined the Greater China portion of the study in December 2025. In October 2025, the FDA granted Fast Track Designation. There are approximately 2.2 million patients with pMN in China.

Elegrobart (Anti-IGF-1R, SC)

Elegrobart is a humanized monoclonal antibody (IgG1-κ) that blocks the Insulin-like Growth Factor 1 Receptor (IGF-1R) We have an exclusive license from Zenas to develop and commercialize elegrobart in Greater China.

We are evaluating elegrobart for the treatment of TED. We are conducting a Phase 3 bridging study in Greater China. We estimate that there are around 1 million patients with moderate to severe TED in China.

Overview of Significant License and Collaboration Agreements

We have entered into various license and collaboration agreements with third parties, such as biopharmaceutical companies with innovative products in our therapeutic areas and external research parties, for the development and commercialization of our products and product candidates. We are generally required to make upfront payments upon our entry into such agreements and milestone payments upon the achievement of certain development, regulatory, and sales-based milestones for the licensed products under these agreements as well as certain royalties at tiered percentage rates based on annual net sales of the licensed products in the licensed territories. For a discussion of aggregate potential payments under our license and collaboration arrangements, see *Note 16* and *MD&A – License and Collaboration Arrangements*.

These agreements may include intellectual property rights associated with the products or product candidates, including the responsibility for obtaining and maintaining patents as well as enforcement of those patents.

These agreements generally remain in effect, unless earlier terminated, until the expiration of the last-to-expire royalty term for the last licensed product. The royalty terms generally continue until the latest of: (i) the expiration of the last-to-expire valid claim with respect to licensed patent rights; (ii) the expiration of market or regulatory exclusivity; or (iii) a specified period of time, generally around ten years, after the date of the first commercial sale of the licensed product. These agreements also contain customary provisions for termination by either party, including in the event of a material breach by the other party that remains uncured; by us for convenience upon a specified notice period; for certain bankruptcy, insolvency, or other similar events; and by our partners upon challenge of their licensed patent rights.

The following sections provide additional information on the license and collaboration arrangements for our commercial products and significant product candidates, such as the scope of the licensed products and licensed territories and any related supply arrangements. We have also entered into other license and collaboration arrangements that are not considered significant to our business at this time, such as because they relate to earlier stage assets. Such other license agreements may become material to our business in the future.

GSK (Niraparib)

In September 2016, we entered into a collaboration, development, and license agreement with Tesaro, a company later acquired by GSK, pursuant to which we obtained an exclusive sublicense under certain patents and know-how of GSK (including such patents and know-how licensed from Merck, Sharp & Dohme Corp., a subsidiary of Merck & Co., Inc., and AstraZeneca UK Limited) to develop, manufacture, and commercialize GSK's proprietary PARP inhibitor, niraparib (ZEJULA), for the diagnosis and prevention of any human diseases or conditions (other than prostate cancer) in mainland China, Hong Kong, and Macau. We also obtained the right of first negotiation to obtain a license to develop and commercialize certain follow-on compounds of niraparib being developed by GSK in the licensed territory. Under the agreement, we agreed not to research, develop, or commercialize certain competing products, and we also granted GSK the right of first refusal to license certain immuno-oncology assets developed by us. In February 2018, we entered into an amendment with GSK that eliminated GSK's option to co-market niraparib in the licensed territory. We will purchase ZEJULA from GSK for commercial use in Hong Kong. We are not otherwise obligated to purchase ZEJULA or other licensed products from GSK.

argenx (Efgartigimod)

In January 2021, we entered into a collaboration and license agreement with argenx, pursuant to which we obtained an exclusive license under certain patents and know-how of argenx to develop and commercialize products containing efgartigimod (including VYVGART and VYVGART Hytrulo) as an active ingredient in all human and animal uses for any preventative or therapeutic indications in Greater China. Under the terms of the agreement, we are responsible for recruiting patients in Greater China to argenx's global registrational trials for the development of efgartigimod. We will purchase the licensed products exclusively from argenx.

Novo Holdings (Omadacycline)

In April 2017, we entered into a license and collaboration agreement with Paratek (which was subsequently acquired by Gurnet Point Capital and Novo Holdings A/S), pursuant to which we obtained both an exclusive license under certain patents and know-how of Paratek and an exclusive sub-license under certain intellectual property that Paratek licensed from Tufts University to develop, manufacture, and commercialize products containing omadacycline (NUZYRA) as an active ingredient in the field of all human therapeutic and preventative uses other than biodefense in Greater China. Under certain circumstances, our exclusive sub-license to certain intellectual property Paratek licensed from Tufts University may be converted to a non-exclusive license if Paratek's exclusive license from Tufts University is converted to a non-exclusive license under the Tufts Agreement. We also obtained the right of first negotiation to be Paratek's partner to develop certain derivatives or modifications of omadacycline in our licensed territory. Paratek retains the right to manufacture the licensed products in our licensed territory to support development and commercialization of the same outside of our licensed territory. We also granted Paratek a non-exclusive license to certain of our intellectual property. Under the agreement, we agreed not to commercialize certain competing products in our licensed territory.

NovoCure (Tumor Treating Fields)

In September 2018, we entered into a license and collaboration agreement with NovoCure, pursuant to which we obtained an exclusive license under certain patents and know-how of NovoCure to develop and commercialize any Tumor Treating Fields (OPTUNE) products in all human therapeutic and preventative uses in the field of oncology in Greater China. We will purchase the licensed products exclusively from NovoCure.

Deciphera (Ripretinib)

In June 2019, we entered into a license agreement with Deciphera, pursuant to which we obtained an exclusive license under certain patents and know-how of Deciphera to develop and commercialize products containing ripretinib (QINLOCK) in the field of prevention, prophylaxis, treatment, cure, or amelioration of any disease or medical condition in humans in Greater China. We will purchase the licensed products exclusively from Deciphera.

Innoviva (Sulbactam-Durlobactam)

In April 2018, we entered into a license and collaboration agreement with Entasis (now a wholly owned subsidiary of Innoviva), pursuant to which we obtained an exclusive license under certain patents and know-how of Entasis to develop and commercialize Entasis's proprietary compounds, durlobactam with sulbactam (the combination, SUL-DUR also known as XACDURO) with the possibility of developing and commercializing a combination of such compounds with imipenem in all human diagnostic, prophylactic and therapeutic uses in Greater China, Korea, Vietnam, Thailand, Cambodia, Laos, Malaysia, Indonesia, the Philippines, Singapore, Australia, New Zealand, and Japan. We will purchase the licensed products exclusively from Innoviva.

Pursuant to the terms of the agreement, we are responsible for (i) developing and commercializing the licensed products in the territory under a mutually agreed development plan; and (ii) providing Entasis (or its CRO) with clinical and financial support in the territory for the global pivotal Phase 3 ATTACK clinical trial of SUL-DUR as set forth in mutually agreed development plans. We are also responsible for a portion of the costs of the global pivotal Phase 3 ATTACK clinical trial of SUL-DUR outside of the licensed territory.

BMS (Repotrectinib)

In July 2020, we entered into an exclusive license agreement with Turning Point (a company later acquired by BMS) pursuant to which we obtained an exclusive license to develop and commercialize products containing repotrectinib (AUGTYRO) as an active ingredient in all human therapeutic indications in Greater China. We will purchase the licensed products exclusively from BMS.

Pfizer (Tisotumab Vedotin)

In September 2022, we entered into a collaboration and license agreement with Seagen (a company later acquired by Pfizer), pursuant to which we obtained an exclusive license to develop and commercialize tisotumab vedotin (TIVDAK) in Greater China. We will purchase the licensed products exclusively from Pfizer.

BMS (Xanomeline and Trospium Chloride)

In November 2021, we entered into a license agreement with Karuna (a company later acquired by BMS), pursuant to which we agreed to collaboratively develop xanomeline and trospium chloride (KarXT or COBENFY) in Greater China. Under the agreement, we obtained an exclusive license to develop, manufacture, and commercialize xanomeline and trospium chloride in Greater China.

MediLink (DLL3 ADC)

In April 2023, we entered into a license agreement with MediLink, pursuant to which we obtained an exclusive global license to research, develop, manufacture, and commercialize MediLink's proprietary ADC targeting DLL3.

Intellectual Property

Our commercial success depends, in part, on our ability to obtain and maintain proprietary protection for our know-how and innovation pertaining to our commercial products and product candidates as well as our core technologies; to operate without infringing, misappropriating, or otherwise violating the proprietary rights of others; and to prevent others from infringing, misappropriating, or otherwise violating our proprietary rights. We expect that we will seek to protect our

commercial products, product candidates, and core technologies, among other methods, licensing or procuring patent rights to inventions that are important to the development and implementation of our business; relying on trade secrets, know-how, and confidential agreements with third parties; and relying on continuing technological innovation.

Patents

Patent rights are important in our industry to protect innovation pertaining to our commercial products, product candidates, and technologies. We hold patent rights to our commercial products, product candidates, and technologies, in part, through our licenses or other agreements. For our internally developed product candidates, we consider on a case-by-case basis whether to procure patent rights to protect certain innovation pertaining to our commercial products, product candidates, and technologies.

As with other biotechnology and pharmaceutical companies, our ability to protect our commercial products, product candidates, and technologies will depend, in part, on our success in obtaining and maintaining effective patent rights. For more information regarding the risks related to our intellectual property, see *Risk Factors – Risks Related to Intellectual Property*.

The term of a patent depends upon the laws of the country in which it is issued. In most jurisdictions that we principally operate in, a patent term is 20 years from the earliest filing date of a non-provisional patent application. The laws of each jurisdiction vary, and patent term adjustment or patent term extension may not be available in any or all jurisdictions in which we hold rights. For information on intellectual property included in our license and collaboration agreements for our commercial products, see *Overview of Significant Licensed and Collaboration Arrangements*.

Trade Secrets

We also rely upon trade secrets, know-how, and continuing technological innovation to develop and maintain our competitive position. Such trade secrets and know-how can be difficult to protect. We seek to protect our proprietary information, in part, by executing confidentiality agreements with our partners, collaborators, scientific advisors, employees, consultants, and other third parties. These confidentiality agreements are designed to protect our proprietary information and generally include clauses requiring assignment of inventions to us to grant us ownership of technologies that are developed through our relationship with the respective counterparty. Such agreements may not provide adequate protection of our proprietary information. If any of the parties we contract with in this manner breaches or violates the terms of any such agreement or otherwise discloses our proprietary information, we may lose our competitive position and ability to protect such proprietary information (e.g., trade secrets). For more information regarding the risks related to our trade secrets, see *Risk Factors – Risks Related to Intellectual Property – If we are unable to maintain the confidentiality of our trade secrets, our business and competitive position may be harmed*.

Trademarks and Domain Names

We conduct our business using trademarks with various forms of the "ZAI LAB" and "再鼎医药" brands, as well as domain names incorporating some or all of these trademarks.

Government Regulation

Chinese Government Regulation of Pharmaceutical Product Development, Approval, and Marketing

Since mainland China's entry into the World Trade Organization in 2001, the Chinese government has made significant efforts to standardize regulations, develop its pharmaceutical regulatory system and strengthen intellectual property protection.

The Drug Administration Law and related implementing measures established the legal framework for the administration of pharmaceutical products, including the development and manufacturing of new drugs and the medicinal preparations by medical institutions. The Drug Administration Law also regulates the distribution, packaging, labels and

advertisements of pharmaceutical products in mainland China. These rules are highly complex and require significant resources, time, and expense for compliance.

Clinical Trials

Clinical trials conducted both within and outside of mainland China, and the data derived from those trials, may be used to obtain marketing approval in mainland China, subject to various rules and regulations, including the regulations for the use of patients' human genetic resources and derived data. We participate in clinical trials in multiple geographic locations, and compliance with the complex regulations applicable to the conduct of such trials and the use of data derived therefrom is critical to our ability to obtain approval for our products in mainland China and in our other markets.

Clinical trials on investigational products must be approved by the relevant authorities before their commencement. Following approval of a CTA approval, the applicant (i.e., sponsor) generally conducts the clinical trial at one or more institutions, subject to rules and regulations governing good practices associated with such clinical trial.

With certain governmental approvals, companies may simultaneously perform clinical trials in different centers using the same clinical trial protocol through International Multi-Center Clinical Trials in China. Where the applicant plans to make use of the data derived from the IMCCTs, such IMCCTs shall satisfy certain requirements, including on-site inspections by Chinese regulatory authorities, in addition to other applicable regulatory requirements. IMCCTs are required to adhere to certain principles and ethical requirements and are subject to governmental supervision and disclosure requirements.

Trial sponsors may also use the data of foreign clinical trials to support marketing authorization in mainland China, provided that sponsors satisfy the authenticity, completeness, accuracy, and traceability requirements, and that such data is obtained in accordance with the relevant principles and ethics requirements applicable to IMCCTs. Clinical trial sponsors must be attentive to potentially meaningful ethnic differences in the subject population.

In addition, investigational products approved outside of mainland China may be approved in mainland China on a conditional basis without pre-approval clinical trials being conducted in mainland China. Applicants are required to establish a risk mitigation plan and may be required to complete post-approval trials in mainland China.

Marketing

We must obtain approval of marketing authorizations before our products can be manufactured and sold in the mainland China market. An applicant may submit an application for marketing authorization to relevant governmental authorities. The NMPA, which monitors and supervises the administration of pharmaceutical products, medical appliances and equipment, and cosmetics, then determines whether to approve the application following a technical review process. Accelerated review and approval procedures are available for certain types of innovative products, such as products with distinctive clinical benefits, which have not been sold within or outside mainland China, and products using advanced technology, innovative treatment methods, or distinctive treatment advantages, and in cases of public health emergency.

Domestic pharmaceutical and medical research and development institutions and individuals are eligible to hold marketing authorizations without having to become manufacturers. The marketing authorization holder is responsible for their products throughout the life cycle, including nonclinical studies, clinical trials, production and distribution, post-market studies, and the monitoring, reporting, and handling of adverse reactions in connection with pharmaceuticals. The marketing authorization holders may engage contract manufacturers for manufacturing and distribution, subject to certain requirements. We serve as the marketing authorization holder and thus have primary regulatory responsibility for the development and approval of certain of our products in China.

Drug Manufacturing Operations

To manufacture pharmaceutical products in mainland China, a pharmaceutical manufacturing enterprise must first obtain a Pharmaceutical Manufacturing Permit issued by the relevant provincial medical products administration where the enterprise is located, which is effective for five years. The grant of such license is subject to annual inspection of the

manufacturing facilities, production premises and facilities, equipment, hygiene conditions, production management, quality controls, product operation, raw material management, maintenance of sales records, and management of customer complaints and adverse event reports.

Pharmaceutical Distribution

To distribute pharmaceutical products in mainland China, including wholesale and retail distribution, a pharmaceutical distribution enterprise must first obtain a Pharmaceutical Distribution Permit, which is effective for five years. Any enterprise holding a Pharmaceutical Distribution Permit is subject to periodic review and inspection by the relevant regulatory authorities. Additional rules and regulations govern the process of procurement, storage, sales, and transportation.

Coverage and Reimbursement

Historically, most Chinese healthcare costs were borne by patients out-of-pocket, which limited the growth of more expensive pharmaceutical products. However, in recent years, the number of people covered by government and private insurance has increased. According to the NHSA, as of the end of 2024, approximately 1.33 billion residents in mainland China were enrolled in the Basic Medical Insurance scheme, representing a coverage rate remaining at 95% of the total population.

Under the applicable regulations, expenses of drugs listed in the Basic Medical Insurance Catalog, typically known in the industry as the "NRDL", will be paid in full or part from the basic medical insurance fund in accordance with applicable provisions, and the drugs with the same generic names as those specified in the Basic Medical Insurance Catalog will be automatically regulated by the Basic Medical Insurance Catalog and shall also be eligible for the reimbursement by the basic medical insurance fund. The Chinese Ministry of Human Resources and Social Security, together with other government authorities, have the power to determine the medicines included in the NRDL. Admission to the NRDL depends on a number of factors, including on-market experience, scale of patient adoption, physician endorsement, cost effectiveness, and budget impact. Patients purchasing medicines included in the NRDL are entitled to reimbursement of the entire amount or a certain percentage of the purchase price. We currently have five products included in the NRDL: ZEJULA for certain ovarian cancer indications, VYVGART for gMG, NUZYRA for CABP and/or ABSSSI, QINLOCK for 4L GIST, and AUGTYRO for *ROS1*+ NSCLC.

In addition to the NRDL, there is an evolving medical insurance system that makes innovative drugs more affordable and available to the Chinese population, which offers greater opportunities to drug manufacturers that focus on the research and development of innovative drugs, such as higher-cost cancer therapeutics. This system includes commercial health insurance and various forms of supplemental insurance. We have focused on increasing insurance coverage in the private-pay market for certain of our commercial products and indications, including OPTUNE for GBM.

Inclusion in the NRDL and supplemental insurance coverage can significantly increase the reach and visibility of, and potential market for, our products, and we continue to devote significant resources to increasing access to our products through NRDL listing and/or supplemental insurance coverage, which efforts may not be successful on our desired timeline or at all.

Price Negotiations

The Chinese government has initiated several rounds of price negotiations with manufacturers of patented drugs, drugs with an exclusive source of supply, and oncology drugs. Once the government agrees with drug manufacturers on the supply prices, the drugs are automatically listed in the NRDL and qualified for public hospital purchase. In 2025, 114 drugs were ultimately included in the NRDL through price negotiation, and the NHSA has not disclosed the average price reduction; in 2024, 89 drugs newly included through price negotiation had an average price reduction of 63%; in 2023, 121 drugs newly included through negotiation had an average price reduction of 61.7%.

Regulations Impacting Purchases of Pharmaceutical Products by Medical Institutions

Applicable regulations set forth rules for the tender process and negotiations of the prices of drugs, operational procedures, a code of conduct, and standards or measures of evaluating bids and negotiating prices for public hospitals in mainland China. Under the rules and related guidance, certain not-for-profit medical institutions owned by the government shall purchase pharmaceutical products by online centralized procurement. The centralized tender process takes the form of public tender operated and organized by provincial or municipal government agencies. Only pharmaceuticals that have won in the centralized tender process may be purchased by public medical institutions funded by the governmental or state-owned or -controlled enterprise in the relevant region. While participation in this process can increase the reach and acceptance of our products, it can also result in significant negotiated reductions in the price paid for the products by hospitals or consortiums of hospitals bidding as a group.

In addition, under the "two-invoice system," there cannot be more than two invoices issued for drug products supplied by manufacturers to public hospitals. To meet this requirement, many drug manufacturers have reduced the tiers of distributors, or converted drug distributors into contracted service organizations. As a result, the system significantly limits the options for companies like us to use multiple distributors to reach a larger geographic area in mainland China. The reduction in distribution tiers resulted in a decrease in distribution mark-ups and an accompanying reduction in prices paid by public hospitals. Compliance with the two-invoice system is a prerequisite for pharmaceutical companies to participate in the tender and procurement processes of public hospitals, which currently provide most of Chinese healthcare services. Manufacturers and distributors that fail to implement the two-invoice system may lose their qualifications to participate in the tender and procurement process and may also be blacklisted from engaging in drug sales to public hospitals. The two-invoice system has been implemented in all provinces, each with its own regional implementation rules.

Regulation of Pharmaceutical Product Development and Approval Outside of China

In the United States, the FDA regulates drugs and biological products under the Federal Food, Drug, and Cosmetic Act, the Public Health Service Act, and their implementing regulations. Drugs and biologics are also subject to other federal, state, and local statutes and regulations in the United States as well as laws, regulations, and rules in other applicable jurisdictions outside of mainland China. The process of obtaining marketing approvals and the subsequent compliance with applicable laws, regulations, and rules may require the expenditure of substantial time and financial resources. While we do not currently market our products outside of Greater China, we have certain pre-clinical and early-stage clinical products that are undergoing or will undergo testing in the United States and other jurisdictions, and we may in the future seek approval to commercialize our products in the United States and such other jurisdictions. As our business and the number of products we have in the trial and commercial stage grow, we expect that pharmaceutical laws and regulations in the United States and other jurisdictions will have a greater impact on us. Further, U.S. and other pharmaceutical regulations could impact the availability, reputation, and consumer acceptance of the products that we market and sell in our current markets.

Other Significant Regulations Affecting Our Business Activities in Mainland China

We are subject to additional regulations that apply broadly to companies doing business in mainland China, including those described below.

Data Privacy and Data Protection: Since our subsidiaries located in mainland China operate computer networks as part of their normal operations, we are required to comply with the requirements of mainland China's cyber security, data protection, privacy, and data transfer laws and regulations. In addition, in the ordinary course of our business, we collect and store personal information, including personal information about our clinical trial subjects, customers, and employees in mainland China. We may need to share such personal information with our subsidiaries, licensors, partners, or contractors located outside of mainland China. Mainland China's network and data protection regime is evolving, and we continue to face uncertainties as to whether our efforts to comply with these requirements will be sufficient. Although we develop and maintain compliance protocols and controls designed to maintain compliance with these requirements, development, implementation, improvement, and maintenance of these protocols and controls is costly and requires

significant effort, resources, and time. In addition, in certain cases, our CROs, licensors, licensees, partners, contractors, and other third parties with which we do business are also required to comply with these laws, and our agreements with them require them to comply with these requirements, but there is a risk that they may not fully comply with them.

Foreign Investment: Chinese laws and regulations govern the establishment, operation, and management of corporate entities in mainland China, as well as investment activities by foreign investors in mainland China. To comply with these rules, we must periodically submit certain information regarding our Company and certain investment information to relevant administrative authorities.

Competition Laws: Under Chinese laws governing competition, commercial bribery is prohibited and subject to criminal liability. Further, under certain circumstances, a pharmaceutical company's products may not be purchased by public medical institutions where that pharmaceutical company is involved in a criminal investigation or administrative proceedings related to bribery. These laws also protect "trade secrets," meaning technical and business information that is unknown to the public that has utility and may create business interests or profits for its legal owners or holders and is maintained as a secret by its legal owners or holders. Unlawfully obtaining or disclosing trade secrets is prohibited. Additionally, a company whose concentration of business violates the anti-monopoly rules in mainland China may be subject to fines of up to 10% of the last year's sales revenue, in addition to other remedial measures.

Product Liability: In addition to the strict new drug approval process, certain Chinese laws have been promulgated to protect the rights of consumers and to strengthen the control of medical products in mainland China. Under current Chinese law, manufacturers, and vendors of defective products in mainland China may incur civil and liability for loss and injury caused by such products as well as revocation of business licenses.

Tort Law: Under the PRC Civil Code, producers and sellers of defective products are required to take remedial measures, such as the issuance of a warning or the recall of products, in a timely manner and may be held liable under tort law for any failure to do so, or to do so timely.

Intellectual Property Rights: Mainland China has comprehensive legislation governing intellectual property rights, including patents, trademarks, copyrights, and domain names. We hold patent rights from third parties for some of our programs as described in the *Overview of Significant License and Collaboration Agreements*. Under certain of our agreements, we rely on third parties to file and prosecute patent applications, maintain patents, and otherwise protect the licensed intellectual property.

Labor Protection: Under applicable rules in mainland China, employers must establish a comprehensive management system to protect the rights of their employees and ensure manufacturing safety, including a system governing occupational health and safety to provide employees with occupational training to prevent occupational injury, and employers are required to truthfully inform prospective employees of the job description, working conditions, location, occupational hazards, and status of safe production as well as remuneration and other conditions. Employers are also required to contribute, on behalf of their employees, to a number of social security funds, including funds for basic pension insurance, unemployment insurance, basic medical insurance, work-related injury insurance, and maternity insurance. Additionally, manufacturers of pharmaceutical products are required to establish production safety and labor protection measures in connection with the operation of their manufacturing equipment and manufacturing process.

Regulations Relating to Foreign Exchange: Approval from or registration with appropriate government authorities is required where RMB is to be converted into foreign currency and remitted out of mainland China to pay capital expenses such as repayment of foreign currency-denominated loans. For more information, see *Dividends and Other Distributions*.

Regulations on Securities Offering and Listing Outside of China: Laws in mainland China regulate overseas securities offering and listing activities by domestic companies. These regulations include the requirement to submit filing documents including the offering prospectus to the CSRC. Overseas offering and listing are prohibited under certain circumstances, including where (i) the offering and listing are expressly forbidden by applicable Chinese laws, regulations, and rules; (ii) the intended overseas securities offering and listing may endanger national security as reviewed

and determined by competent authorities under the State Council; or (iii) there are material disputes with regard to the ownership of the equity held by the domestic company's controlling shareholder or by other shareholders that are controlled by the controlling shareholder and/or actual controller. If domestic companies fail to fulfill the above-mentioned filing procedures or offer and list in an overseas market against the prohibited circumstances, they may be warned and fined up to RMB10 million.

Rules for the Regulations on Supervision and Administration of Medical Devices: Laws and regulations in mainland China govern certain aspects of the production, distribution, and clinical trials of medical devices, including reporting, establishment, and maintenance of quality management and quality control measures covering the distribution process, self-inspection, and ethics review.

Other Chinese National- and Provincial-Level Laws and Regulations: We are subject to changing requirements under many other laws and regulations administered by governmental authorities at the national, provincial, and municipal levels, some of which are or may become applicable to our business. For example, regulations control the confidentiality of patients' medical information and the circumstances under which patient medical information may be released for inclusion in our databases or by us to third parties. We are also subject to numerous additional national and provincial laws relating to matters such as safe working conditions, manufacturing practices, environmental protection, and fire hazard control.

Anti-Corruption Laws and Regulations: We are subject to anti-corruption laws and rules in China and the United States, including the FCPA. These laws generally prohibit companies and their representatives from making improper payments to government officials for the purpose of obtaining or retaining business or to otherwise obtain favorable treatment or influence a person working in an official capacity. The health care professionals we regularly interact with may be considered government officials under Chinese anti-corruption laws or the FCPA. Since 2023, Chinese authorities have increased their anti-corruption enforcement efforts with respect to the health care sector.

Our Customers

We rely on independent third-party distributors in Greater China to sell our commercial products, which is consistent with the pharmaceutical industry norm. This allows us to execute marketing strategies that are specifically tailored to each product and the geographic location of the hospitals located within the distribution territories of our customers across mainland China. Our five largest customers accounted for approximately 33.1% and 32.4% of our total product revenue in 2025 and 2024, respectively.

We select distributors based on their business qualifications and distribution capabilities, such as distribution network coverage, quality, number of personnel, cash flow conditions, creditworthiness, logistics, compliance standard, past performance, and capacity for customer management. We offer rebates to our distributors, consistent with pharmaceutical industry practice. We retain no ownership control over the products sold to our distributors, and all significant risks (including inventory risks) and rewards associated with the products are generally transferred to our distributors upon delivery to and acceptance by the distributors.

Manufacturing, Suppliers, and Quality Control

As discussed below, we manufacture or source from third parties our commercial products, product candidates, and materials in accordance with the terms of our license and collaboration agreements. We have our own independent quality control system and devote significant attention to quality control for the designing, manufacturing, and testing of our commercial products and product candidates.

Our Manufacturing Facilities

We operate two manufacturing facilities in Suzhou, China, which support the commercial and clinical production of certain of our products and product candidates, including ZEJULA.

- We have a small molecule facility that manufactures ZEJULA. The oral solids production line is GMP-compliant and is capable of performing the entire production process, including blending, granulation (i.e., wet granulation process, fluidized bed process, and roller compaction), capsule filling, tableting, coating, and packaging for oral solid drug products. The facility has capacity to produce up to 50 million units per year for oral solid dosage form.
- We have a large molecule facility for which we have successfully passed inspections to manufacture supplies for certain product candidates. The facility has a biological drug substance and drug product production line with an annual production capacity of up to 12 to 22 clinical batches, each batch for 200L or 1000L.

Our two manufacturing facilities comply with both the PRC or PIC/S drug manufacturing standards. We procure our manufacturing equipment from leading domestic and international suppliers.

We believe our two manufacturing facilities are sufficient to support our commercial and clinical needs and our business growth in the near term.

CMOs

We have engaged a limited number of external CMOs to produce certain drug substances and products to meet pre-clinical, clinical, and commercial requirements of our products and product candidates. For example, we have obtained the necessary licenses and engaged CMOs to locally manufacture NUZYRA in mainland China. By outsourcing a portion of our manufacturing activities, we can increase our focus on core areas of competence such as product candidate development, commercialization, and research.

We have adopted procedures to promote compliance by our CMOs with relevant regulatory requirements and internal guidelines with respect to production qualifications, facilities, and processes. When selecting our CMOs, we consider a number of factors, including their qualifications, relevant expertise, production capacity, geographic proximity, reputation, track record, product quality, reliability, and proposed terms for the production arrangement. Our CMOs provide services to us on a short-term and project-by-project basis. Our agreements with CMOs typically specify requirements, including product quality or service details, technical standards or methods, delivery terms, agreed price and payment, and product inspection and acceptance criteria. Our CMOs procure the necessary raw materials.

Suppliers

Our suppliers may consist of (i) third-party licensors from which we have licenses for commercial products and product candidates; (ii) suppliers of raw materials in our supply chain; and (iii) CROs to support our clinical trials.

- **Licensors:** We are dependent on some of our third-party partners for the manufacture and supply of certain of our commercial products and product candidates. For example, we source VYVGART and VYVGART Hytrulo from argenx, OPTUNE from NovoCure, QINLOCK from Deciphera, XACDURO from Innoviva, AUGTYRO from BMS, and TIVDAK from Pfizer.
- **Other Suppliers:** We are dependent on third parties for certain raw materials in our supply chain. For example, we obtain raw materials for our clinical trial activities from multiple suppliers who we believe have sufficient capacity to meet our demands. We also believe we would have access to adequate alternative sources for such supplies, if needed. We typically order raw materials and services on a purchase order basis and do not enter into long-term dedicated capacity or minimum supply arrangements. While we experience price fluctuations associated with our raw materials, we have not experienced material disruptions in the supply of our raw materials. We have suppliers in both China and the United States.
- **CROs:** We may depend on certain CROs to support our clinical trials.

Quality Control and Assurance

We have established a strict quality control system in accordance with NMPA regulations. We monitor our operations in real time throughout the entire production process, from inspection of raw and auxiliary materials to manufacture and delivery of finished products to clinical testing at hospitals. Our quality assurance team is also responsible for our compliance with applicable regulations, standards, and internal policies. Our senior management team is actively involved in setting quality policies and managing the internal and external quality performance of the Company.

For information on risks related to our manufacturing and commercialization activities as well as our reliance on third parties, including our third-party partners, CMOs, and suppliers, see *Risk Factors*.

Competition

Competition in the biopharmaceutical industry is intense. There are many companies, including biotechnology and pharmaceutical companies, engaged in developing products for the approved indications of our commercial products and the therapeutic areas we are targeting with our research and development activities. Some of our competitors may have substantially greater financial, marketing, research and development, and other resources than we do.

We believe that competition and leadership in the industry is based on managerial and technological excellence and innovation as well as established patent and other proprietary positions through research and development. The achievement of a leadership position also depends largely upon our ability to maximize the approval, acceptance, and use of our product candidates and the availability of adequate financial resources to fund facilities, equipment, personnel, clinical testing, manufacturing, and marketing. Another key aspect of remaining competitive in the industry is recruiting, motivating, and retaining global leaders and top talent to support our research, development, and commercial activities.

Competition among approved products may be based, among other things, on patent position, product efficacy, safety, patient convenience, delivery devices, reliability, availability, reimbursement, and price. In addition, early entry of a new pharmaceutical product into the market may have important advantages in gaining product acceptance and market share. Accordingly, the relative speed with which we can develop products, complete the testing and approval process and supply commercial quantities of products can have a significant impact on our competitive position.

The introduction of new products or technologies, including the development of new processes or technologies by competitors or new information about existing products or technologies, results in increased competition for, and pricing pressure on, our commercial products. The development of new or improved treatment options or standards of care in our therapeutic areas could reduce or eliminate the use of our products or may limit the utility and application of ongoing clinical trials for our product candidates.

We also face increased competitive pressures from the introduction of generic versions, prodrugs and biosimilars of existing products and products approved under abbreviated regulatory pathways. Such products are likely to be sold at substantially lower prices than branded products, which may significantly reduce both the price that we are able to charge for our products and the volume of products we sell. In addition, in some markets, when a generic or biosimilar version of one of our products is commercialized, it may be automatically substituted for our product and significantly reduce our revenues in a short period of time.

We believe our long-term competitive position depends upon our success in discovering and developing innovative, cost-effective products that serve unmet medical needs, along with our ability to manufacture products efficiently and to launch and market them effectively in a highly competitive environment.

For information on significant risks we face from competition, see *Risk Factors*.

Insurance

We maintain insurance policies that are required under Chinese laws and regulations as well as based on our assessment of our operational needs and industry practice. We maintain liability insurance for certain clinical trials, which covers the patient human clinical trial liabilities such as bodily injury, product liability insurance, general insurance policies covering property loss due to accidents or natural disasters, and D&O insurance. We do not maintain insurance to cover intellectual property infringement or misappropriation.

Human Capital Resources

Our employees are integral to our success, and we are committed to building and maintaining a strong and engaged workforce that is focused on delivering on our mission to become a leading global biopharmaceutical company and to positively impact human health. We seek to attract, retain, and motivate our employees through competitive compensation programs, professional development opportunities, and employee engagement. In evaluating our human capital management, we consider various factors, including employee performance, development, and our ability to recruit well qualified employees to support our business and operations.

As of January 31, 2026, we had 1,784 full-time employees, of which 1,710 were located in Greater China. The number of full-time employees by function as of such date was as follows:

By Function	Number of Employees
Research and Development	494
Commercial	1,095
Manufacturing	67
General and Administrative*	128
Total	**1,784**

* Includes finance, legal, human resources, information technology, and other general and administrative functions.

Our management executive team is comprised of our CEO and her direct reports who, collectively, have management responsibility for our business. Our management team places significant focus and attention on matters concerning our human capital assets, with a focus on being an employer of choice as well as on diversity, employee capabilities and growth, and succession planning.

The competition for top talent in our industry is intense. To help attract, motivate, and retain well qualified employees, we strive to provide competitive compensation programs and benefits, including cash compensation, stock-based compensation, and other benefits to support the financial, physical, and emotional health of our employees. For our employees in China, consistent with Chinese regulations, we participate in a housing fund and various employee social security plans that are organized by applicable local municipal and provincial governments, including housing, pension, medical, work-related injury, maternity, and unemployment benefit plans, under which we make contributions at specified percentages of the salaries of our employees. For our U.S.-based employees, we provide health and welfare benefits, paid parental leave, and retirement benefits in the form of certain matching contributions to tax-qualified 401(k) plans.

We also provide professional development and training opportunities to our employees to help enhance their competencies and capabilities. These opportunities include formal and comprehensive company-level and department-level training for new employees followed by on-the-job training; periodic trainings to promote awareness and compliance with our policies and procedures; leadership development programs to cultivate leadership excellence; and cross-functional trainings to strengthen and reinforce employee collaborations across different functions, groups, and departments that work together to support our day-to-day operations. We have a performance management and talent development process through which managers provide regular feedback and coaching to develop employees. This process also helps the Company identify our pipeline of talent as well as areas in potential need of additional resources or support.

We also engage our employees through employee resource groups, such as our women's leadership community and local diversity, equity, and inclusion committees.

We seek to bring together employees with different backgrounds and expertise while also creating an inclusive culture. We are proud of the diversity, skills, and achievements that our employees bring to our business from various parts of the world. In addition, we are committed to being an equal opportunity employer, where everyone is treated equally and respected, regardless of their gender, nationality, marital status, age, disability, or religious beliefs.

Our worldwide teams are united by a common mission to improve human health. We strive to maintain a good working relationship with our employees. We are committed to encouraging a culture of open communication where employees can ask questions, raise concerns, and contribute creative solutions. Our management team routinely makes themselves available to all employees, including in regular town hall events that encourage open dialogue. None of our employees are represented by a labor union or covered by a collective bargaining agreement, and we have not experienced any material work stoppages or labor disputes.

Risk Management

We are committed to acting ethically, which includes identifying and responsibly managing risk. As a result, we have adopted a consolidated risk management methodology and program, which includes three lines of defense for risk management that identify, assess, evaluate, and monitor key risks associated with our strategic objectives on an on-going basis. We have also established a risk governance structure that includes oversight by the Board of Directors, the Audit Committee, and management. Management oversight includes a Risk Coordination Council that is comprised of leaders of governance and quality functions along with operational line leaders and serves as a forum to discuss and monitor risks across the organization as well as other regional, divisional, or functional risk management committees or working groups, as deemed appropriate.

We conduct an annual enterprise risk assessment to identify our top tier risks and, based on that assessment, will develop an enterprise risk management strategy and plans to manage those risks. Our risk management strategy takes into account various factors including our corporate strategic goals and objectives, our risk tolerance levels and thresholds, and applicable legal and regulatory requirements. We also develop and implement risk strategies for new or evolving risks during the year, as deemed appropriate. Management discusses with the Board of Directors or the Audit Committee the results of its annual enterprise risk assessments as well as its enterprise risk management methodology and guidelines and key risk-related developments.

The following provides additional information on our three lines of defense:

- **First Line of Defense:** Our business functions are primarily responsible for identifying and evaluating risks in their areas of responsibility and for developing and implementing a risk management program, including appropriate controls and procedures, to monitor, manage, and communicate to management key information with respect to these risks. Such risk management program should be consistent with our corporate business objectives and should adhere to risk policies, controls, and guidelines established by management and the Board of Directors or Audit Committee, including risk tolerance levels. Our business functions are also responsible for monitoring ongoing risks in their areas and communicating to management, as appropriate.
- **Second Line of Defense:** Our Legal and Ethics and Compliance functions oversee implementation of our enterprise risk management program and monitoring of business activities aligned with the risk outcomes identified during the annual risk assessment process. For example, our Chief Legal Officer is responsible for developing and updating our enterprise risk management program and targets; reviewing and approving management or mitigation plans for major risk management issues; overseeing implementation of risk management measures; providing guidance and support on our risk management approach to the relevant departments in the Company; and reporting to management, the Board of Directors, and the Audit Committee, as deemed appropriate.

- **Third Line of Defense:** Our Internal Audit function is responsible for evaluating the design, adequacy, operational effectiveness, and efficiency of our enterprise risk management program, including our risk governance structure, processes for enterprise risk identification and management, and risk control processes.

The following provides additional information on certain components of our risk governance structure:

- **Risk Coordination Council:** The Risk Coordination Council, which is comprised of governance function leaders as well as business operations leaders, provides a forum to discuss and identify, monitor, and manage risks across the organization. Potential risks identified through this forum are escalated and managed at the functional line level and communicated directly to executive leadership and/or the Audit Committee, as deemed appropriate.

- **Audit Committee:** The Audit Committee is responsible for assisting the Board of Directors in its oversight of the Company's risk management and internal controls; the integrity of our financial statements; compliance with applicable legal and regulatory requirements; the qualifications, independence, and performance of our auditors; and our internal audit and compliance functions.

- **Board of Directors:** The Board of Directors oversees the management of risks inherent in the operation of our business and the implementation of our business strategies and is responsible for overseeing our enterprise risk management and internal control system and reviewing its effectiveness. The Board of Directors performs its oversight role through several different levels of review. For example, management reports to the Board on our business strategies, operations, and corporate functions, and each of the Board's Committees reports to the Board on the risks within their areas of responsibility.

Investment Risk Management

To help meet our liquidity needs without significantly increasing our risk, we have an investment policy, which was approved by the Audit Committee and provides guidelines and specific instructions for the investment of our funds. Our investment strategy aims to minimize risks by reasonably and conservatively matching the maturities of the portfolio to anticipated operating cash needs. We make our investment decisions on a case-by-case basis after considering a number of factors, including, but not limited to, our cash flow levels, operational needs, and capital expenditures; the macro-economic environment; general market conditions; and the expected profit or potential loss of the investment. In accordance with our investment policy, we may engage in short-term investments with surplus cash on hand. Our investment portfolio primarily consists of time deposits. We are prohibited from investing in high-risk products, and proposed investments must not interfere with our business operations or capital expenditures.

Dividends and Other Distributions

Zai Lab Limited is a holding company, and we may rely on dividends and other distributions on equity paid by our Chinese subsidiaries for our cash and financing requirements, including the funds necessary to pay dividends and other cash distributions to our shareholders or holders of our ADSs or to service any debt we may incur. If any of our Chinese subsidiaries incur debt on their own behalf in the future, the instruments governing such debt may restrict their ability to pay dividends to us. To date, there have not been any such dividends or other distributions from our Chinese subsidiaries to our subsidiaries located in or outside of mainland China. In addition, as of the date of this report, none of our subsidiaries have ever issued any dividends or distributions to us or their respective shareholders in or outside of mainland China, and neither Zai Lab Limited nor any of our subsidiaries has ever directly or indirectly paid dividends or made distributions to U.S. investors. Zai Lab (Shanghai) Co., Ltd., an operating subsidiary of ours that is domiciled in mainland China, received $466.5 million in capital contributions via 24 separate contributions from Zai Lab (Hong Kong) Limited, its sole shareholder, domiciled outside of mainland China, from 2014 to 2025 to fund its business operations in mainland China. Zai Lab International Trading (Shanghai) Co., Ltd., an operating subsidiary of ours that is domiciled in mainland China, received RMB1.0 million in capital contributions via contributions from Zai Lab (Shanghai) Co., Ltd., its sole

shareholder, in 2019 to fund its business operations in mainland China. Zai Lab (Suzhou) Co., Ltd., an operating subsidiary of ours that is domiciled in mainland China, received RMB166.5 million in capital contributions via ten separate contributions from Zai Lab (Hong Kong) Limited, its sole shareholder, domiciled outside of mainland China, from 2015 to 2019 to fund its business operations in mainland China. Zai Lab Trading (Suzhou) Co., Ltd., an operating subsidiary of ours that is domiciled in mainland China, received RMB1.0 million in capital contributions via contributions from Zai Lab (Suzhou) Co., Ltd., its sole shareholder, in 2020 to fund its business operations in mainland China. Zai Biopharmaceutical (Suzhou) Co., Ltd., an operating subsidiary of ours that is domiciled in mainland China, received $15.0 million in capital contributions via four separate contributions from Zai Lab (Hong Kong) Limited, its sole shareholder, domiciled outside of mainland China, from 2017 to 2018 to fund its business operations in mainland China. Zai Lab (Zhejiang) Co., Ltd., an operating subsidiary of ours that is domiciled in mainland China, received $10.0 million in capital contributions via contribution from Zai Lab (Hong Kong) Limited, its sole shareholder, domiciled outside of mainland China, in 2025 to fund its business operations in mainland China. In the future, cash proceeds raised from our overseas financing activities may be transferred by us to our Chinese subsidiaries via capital contributions, shareholder loans or intercompany loans.

According to Chinese laws and regulations, our Chinese subsidiaries may pay dividends only out of their respective accumulated profits as determined in accordance with Chinese accounting standards and regulations. In addition, each of our Chinese subsidiaries is required to set aside at least 10% of its accumulated after-tax profits, if any, each year to fund a certain statutory reserve fund until the aggregate amount of such fund reaches 50% of its registered capital. Where the statutory reserve fund is insufficient to cover any loss the Chinese subsidiary incurred in the previous financial year, its current financial year's accumulated after-tax profits shall first be used to cover the loss before any statutory reserve fund is drawn therefrom. Such statutory reserve funds and the accumulated after-tax profits that are used for covering the loss cannot be distributed to us as dividends. At their discretion, our Chinese subsidiaries may allocate a portion of their after-tax profits based on Chinese accounting standards to a discretionary reserve fund.

Renminbi, or RMB, is not freely convertible into other currencies. As a result, any restriction on currency exchange may limit the ability of our Chinese subsidiaries to use their potential future RMB revenues to pay dividends to us. The Chinese government imposes controls on the convertibility of RMB into foreign currencies and, in certain cases, the remittance of currency out of mainland China. Shortages in availability of foreign currency may then restrict the ability of our Chinese subsidiaries to remit sufficient foreign currency to our offshore entities for those offshore entities to pay dividends or make other payments or otherwise to satisfy our foreign-currency-denominated obligations. RMB is currently convertible under the "current account," which includes dividends and trade- and service-related foreign exchange transactions, but not under the "capital account," which includes foreign direct investment and foreign debt (which may be denominated in foreign currency or RMB), including loans we may secure for our Chinese subsidiaries. Currently, our Chinese subsidiaries may purchase foreign currency for settlement of current account transactions, including payment of dividends to us, without the approval of the SAFE by complying with certain procedural requirements. However, the relevant Chinese governmental authorities may limit or eliminate our ability to purchase foreign currencies in the future for current account transactions. The Chinese government may continue to strengthen its capital controls, and additional restrictions and substantial vetting processes may be instituted by the SAFE for cross-border transactions falling under both the current account and the capital account. Any existing and future restrictions on currency exchange may limit our ability to utilize revenue generated in RMB to fund our business activities outside of mainland China or pay dividends in foreign currencies to holders of our securities. Foreign exchange transactions under the capital account remain subject to limitations and require approvals from, or registration with, the SAFE and other relevant Chinese governmental authorities. This could affect our ability to obtain foreign currency through debt or equity financing for our subsidiaries. See *Risk Factors* for a detailed discussion of the Chinese legal restrictions on the payment of dividends, our ability to transfer cash within the Company, and the potential for holders of our securities to be subject to Chinese taxes on dividends paid by us in the event we are deemed a Chinese resident enterprise for Chinese tax purposes.

Available Information

We file reports and other information with the SEC and the Hong Kong Stock Exchange. We make available on our website our annual reports on Form 10-K, our quarterly reports on Form 10-Q, our current reports on Form 8-K, and all other SEC reports and amendments to those reports. Additionally, we make available on our website our securities filings with the Hong Kong Stock Exchange. We make this information available on our website free of charge as soon as reasonably practicable after we electronically file the information with, or furnish it to, the SEC and the Hong Kong Stock Exchange, as applicable.

We use our website as a means of disclosing material non-public information – including information on our products; business activities and partnerships; research; Trust for Life strategy, commitments, and reports; and other events and developments – and for complying with our disclosure obligations under Regulation FD. Our website address is www.zailaboratory.com. We do not incorporate the information on or accessible through our website into this report, and you should not consider any information on, or that can be accessed through, our website as part of this report.

Item 1A. Risk Factors

Risk Factors

The following section includes the most significant factors that we believe may adversely affect our business and operations. You should carefully consider these risks and other information contained in this report and our other filings with the SEC before deciding to invest in our securities. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial could also adversely affect our business and operations.

Summary

This summary provides an overview of material risks that could affect our business, financial condition, results of operations, cash flows, and prospects, which should be read in conjunction with the more detailed discussion of risks that follows this summary.

- Changes in relations between the United States and China, as well as relations between China and other countries, may adversely impact our business, financial condition, and results of operations;
- We are subject to extensive laws, rules, and regulations. Compliance with these laws, including China's Counter-Espionage Law, Data Security Law, Cyber Security Law, Cybersecurity Review Measures, Personal Information Protection Law, Regulation on the Administration of Human Genetic Resources, Biosecurity Law, Security Assessment Measures, and any other future laws and regulations or amendments to such laws and regulations may entail significant expenses and could materially affect our business. Our failure to comply with such laws and regulations, as a result of uncertainties in the Chinese legal system with respect to recent anti-corruption enforcement efforts or otherwise, could lead to government enforcement actions and significant penalties against us, which could materially and adversely impact our business, financial condition, and results of operations;
- We could be adversely affected by risks of doing business globally. For example, business disruptions or other adverse effects caused by economic, political, and social conditions, including market conditions, changing legal and regulatory requirements and government policies, political instability, trade policies and sanctions, public health crises, international war or conflict, natural disasters, extreme weather events, and other geopolitical events or significant disruptions could adversely affect our business, liquidity, and access to capital;
- We have incurred losses since our inception and anticipate that we will continue to incur losses for at least the next few quarters. If we are unable to generate sufficient revenue from our approved commercial products, on the anticipated timeline or at all, at a level that more than offsets our expenses, we will be unable to achieve or maintain profitability;
- We rely on our licensors, CMOs, and other third parties for the commercial and clinical supply of certain of our products and product candidates. Failure of our third parties to supply us with a sufficient quantity of such products, in a timely matter or at all, will adversely affect us;
- Chinese manufacturing facilities have historically experienced issues operating in line with established GMPs and international best practices, and passing FDA, NMPA, and EMA inspections, which may result in a longer and costlier current GMP inspection and approval process by the FDA, NMPA, or EMA for our Chinese manufacturing processes and third-party contract manufacturers;
- We rely on third parties to conduct our pre-clinical and clinical trials. If these third parties do not successfully carry out their contractual duties or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize our products or product candidates, on the anticipated timeline or at all, and our business could be substantially harmed;
- If we are unable to obtain and maintain intellectual property protection for our products and product candidates (e.g., through patent property rights), or if the scope of such intellectual property rights obtained is not sufficiently broad, third parties may compete directly against us;

- We may not be able to protect our systems and networks, or the confidentiality of our confidential or other information (including personal information), from cyberattacks and other unauthorized access, disclosure, and disruption, which may materially and adversely affect us;
- The pre-approval of, filing, or other procedures with the CSRC or other Chinese regulatory authorities may be required in connection with issuing securities to foreign investors under Chinese law, and, if required, we cannot predict whether or when we will be able to obtain such approval or complete such filing or other procedures;
- We may be exposed to liabilities under the FCPA and Chinese anti-corruption laws, and any determination that we have violated these laws could have a material adverse effect on our business or reputation;
- Certain of our investments may be subject to CFIUS review, which may delay or block a transaction from closing;
- Restrictions on currency exchange may limit our ability to receive and use financing in foreign currencies;
- We may rely on dividends and other distributions on equity paid by our Chinese subsidiaries to fund any cash and financing requirements we may have, and any limitation on the ability of our Chinese subsidiaries to make payments to Zai Lab Limited could have a material and adverse effect on our ability to conduct our business;
- Chinese regulations relating to the establishment of offshore special purpose companies by residents in mainland China may subject our China resident beneficial owners or our wholly foreign-owned subsidiaries in mainland China to liability or penalties, limit our ability to inject capital into these subsidiaries, limit these subsidiaries' ability to increase their registered capital or distribute profits to us, or may otherwise adversely affect us;
- Chinese regulations establish complex procedures for some acquisitions of mainland China based companies by foreign investors, which could make it more difficult for us to pursue growth through acquisitions in mainland China;
- It may be difficult to enforce against us or our management in mainland China any judgments obtained from foreign courts or for overseas regulators to conduct investigations or collect evidence within mainland China; and
- Our business benefits from certain financial incentives and discretionary policies granted by local governments. Expiration of, or changes to, these incentives or policies would have an adverse effect on our results of operations.

Risks Related to Doing Business in China

Uncertainties in the Chinese legal system could materially and adversely affect us.

The Chinese government has promulgated a comprehensive system of laws and regulations governing economic matters. Although such legislation has enhanced protections afforded to foreign investments in mainland China, mainland China has not developed a fully integrated legal system, and recently enacted laws and regulations may not sufficiently cover all aspects of economic activities in mainland China. In particular, the Chinese legal system is based on written statutes and prior court decisions have limited value as precedents. Since these laws and regulations are relatively new and the Chinese legal system continues to evolve, the interpretations of many laws, regulations, and rules may not be uniform and enforcement of these laws, regulations, and rules involves uncertainties. These uncertainties may affect our judgment on the relevance of legal requirements and our ability to enforce our contractual rights or claims. In addition, the regulatory uncertainties may be exploited through unmerited or frivolous legal actions or threats in attempts to extract payments or benefits from us. Furthermore, the Chinese legal system is based in part on government policies and internal rules, some of which are not published on a timely basis or at all and may have a retroactive effect. As a result, we may not be aware of our violation of any of these policies and rules until after an alleged violation has occurred. In addition, any administrative and court proceedings in mainland China may be protracted, resulting in substantial costs and diversion of resources and management attention.

Chinese state regulators have focused on enhancing enforcement against illegal activities in the securities markets and promoting the development of capital markets, which, among other things, requires the relevant governmental authorities to strengthen cross-border oversight of law-enforcement and judicial cooperation, to enhance supervision over

Chinese companies listed overseas, and to establish and improve the system of extraterritorial application of the Chinese securities laws. There are uncertainties with respect to how soon legislative or administrative regulation-making bodies will respond and what existing or new laws or regulations or detailed implementations and interpretations will be modified or promulgated, if any, and the potential impact such modified or new laws and regulations will have on companies like us. It is especially difficult for us to accurately predict the potential impact on the Company of new legal requirements in mainland China because the Chinese legal system is a civil law system and, unlike common law systems, prior court decisions have limited precedential value. Uncertainties with respect to the scope and interpretation of existing laws, rules, and regulations in China, as well as future laws, rules, and regulations or amendments to such laws, rules, and regulations, may adversely affect our business and results of operations.

Changes in relations between the United States and China, as well as relations between China and other countries, may adversely impact our business, financial condition, and results of operations.

The U.S. government, including the SEC, has made statements and taken certain actions that have impacted, and may continue to impact, companies like us with a substantial presence in China, including by imposing tariffs affecting certain products manufactured in China, imposing certain sanctions and restrictions in relation to China, and issuing statements indicating enhanced review of companies with significant China-based operations or the possibility of legislation that restricts or prohibits U.S. investment in certain companies operating in China. The Chinese government has, from time to time, responded by imposing its own tariffs, trade restrictions, and other regulations in response. It is unknown whether and to what extent new legislation, executive orders, tariffs, laws, or regulations will be adopted by the United States or China, or the effect that any such actions would have on companies with a significant presence in mainland China, our industry, or us. We conduct pre-clinical and clinical activities and have significant business operations in mainland China. Any unfavorable legislation, laws, regulations, executive orders, government policies on cross-border relations and/or international trade, including increased scrutiny on companies with significant China-based operations, capital controls, or tariffs, may have an adverse effect on our business, financial condition, and results of operations, such as by affecting the competitive position of our commercial products and product candidates, the hiring of scientists and other research and development personnel, the demand for or our ability to sell our commercial products, the import or export of raw materials in relation to drug development, our ability to raise capital, and the market price of our securities. For example, the U.S. Department of Justice recently issued a new rule which is intended to prevent designated countries of concern, including China, from gaining access to certain categories of sensitive U.S. data, including biometric or "human `omic data" such as such as human genomic data, proteomic data, epigenomic data, and transcriptomic data, by prohibiting or restricting specified data transactions.

The Chinese government may intervene in or influence our business, which could result in a material change in our operations, strategy, research and development activities, commercial activities, business, financial condition, results of operations, prospects, and the value of our securities.

The Chinese government has significant oversight and discretion over the conduct of our business and may intervene or influence our operations at any time as the government deems appropriate to further regulatory, political, and societal goals. The Chinese government has published policies that significantly affect certain industries, such as the education and internet industries, and it may in the future release regulations or policies regarding the life sciences industry that could require us to seek permission from Chinese authorities to continue to operate our business or that may affect our strategy, research and development activities, or commercial activities, which may adversely affect our business, financial condition, results of operations, prospects, and the value of our securities, including potentially making those securities worthless. Furthermore, recent policies adopted by the Chinese government have increased the government's oversight and control over securities offerings of companies with significant operations in mainland China that are to be conducted in foreign markets, including the United States, as well as foreign investment in China-based issuers. Any further action by the Chinese government could significantly limit or completely hinder our ability to offer or continue to offer our securities to our investors and could cause the value of our securities to significantly decline or become worthless.

Because the majority of our operations are in mainland China, there have been concerns regarding oversight of audits of our financial statements filed with the SEC.

In recent years, the U.S. Congress and regulatory authorities have expressed concerns about challenges in their oversight of financial statement audits of U.S.-listed companies with significant operations in mainland China and with auditors located in mainland China. For example, inspections by the PCAOB of auditors located in mainland China and Hong Kong have at times identified deficiencies in those auditors' audit procedures and quality control procedures, and limitations on the ability of the PCAOB to inspect or investigate auditors in mainland China or Hong Kong could deprive investors of the benefits of PCAOB inspections. This focus on access to audit and other information for companies with substantial operations in China has resulted in legislation, such as the HFCAA which requires the SEC to identify issuers that have filed an annual report with an audit report issued by a registered public accounting firm that is located in certain foreign jurisdictions and to prohibit any issuers so identified by the SEC for two consecutive years from trading their securities on a national securities exchange or over-the-counter market in the United States. In the past, we have used auditors located in mainland China; however, in May 2022, the Company engaged KPMG LLP, an auditor located in the United States that is inspected by the PCAOB, as our independent registered public accounting firm, and KPMG LLP has been our auditor for all of the periods presented in this report. Although we are not currently at risk of delisting pursuant to the HFCAA, our ability to access the U.S. capital markets and the market price of our securities could be adversely affected as a result of new legislation, different interpretations of existing legislation, or the anticipated negative impacts of legislative or executive or regulatory actions upon, or negative investor sentiment toward, companies with significant operations in mainland China and Hong Kong that are listed in the United States.

We may be subject to additional approval, filing, and compliance obligations with Chinese authorities in connection with our engagement of KPMG LLP, a U.S. auditor that is subject to PCAOB inspection.

In the first quarter of 2023, the CSRC adopted the Archives Rules. According to the Archives Rules, we may be required to complete certain approval, filing, and regulatory procedures if it becomes necessary for us to disclose or provide to KPMG LLP, our U.S. auditor that is subject to inspection by the PCAOB, any documents or materials relevant to KPMG LLP's audit that are deemed to have a sensitive impact (i.e., be detrimental to national security or the public interest if divulged) or contain state secrets or governmental authority work secrets. Under those circumstances, KPMG LLP would also be required to abide by corresponding approval, filing, and compliance procedures. Due to the lack of further interpretation, we are not certain about the scope of materials that would be deemed to have a sensitive impact or contain state or governmental authority work secrets.

We are subject to extensive data protection, privacy, and information security laws, regulations, and policies in China. Compliance with such laws, rules, and regulations, and any other future laws and regulations in these areas, may entail significant expenses and could materially affect our business and results of operations, including as a result of government enforcement actions and significant penalties.

We are subject to extensive data protection, privacy, and information security laws, rules, and regulations in China, such as the Data Security Law, Cyber Security Law, Cybersecurity Review Measures, Personal Information Protection Law, Regulation on the Administration of Human Genetic Resources, Biosecurity Law, and Security Assessment Measures. These laws, rules, and regulations require us to take certain measures to promote the security of our networks and data stored on our networks (including with respect to collection, storage, processing, and transfer), to monitor and manage related risks, and to disclose certain incidents to affected parties and appropriate regulators. Establishing and maintaining such systems and complying with such requirements, which are regularly updated and clarified through the issuance of additional guidance, takes substantial time, effort, and cost. These laws, rules, and regulations also impose certain requirements on, and may limit our ability to, transfer certain data, such as personally identifiable information of persons located within mainland China and de-identified or anonymized health data for clinical trials, outside of China, including to our third-party partners and foreign law enforcement agencies or judicial authorities without prior approval by the Chinese government. Certain violations of these laws, rules, and regulations could lead to enforcement actions, significant fines, and/or criminal, civil, or administrative penalties. If we are not able to transfer data outside of mainland China to comply with our contractual requirements or requirements of judicial or law enforcement authorities outside of

mainland China, as a result of our requirements in China, it could materially and adversely affect our business and operating results.

Although we believe we are compliant with our material legal obligations in these areas, the interpretation, application, and enforcement of these laws, rules, and regulations may evolve over time or change. Our compliance with such existing laws, rules, and regulations, or any future related laws and regulations, could significantly increase our compliance costs, require significant changes to our operations, result in suspensions or delays of our clinical trials or impair our ability to initiate new clinical trials, or even prevent us from providing certain products in jurisdictions in which we currently operate or may in the future wish to operate. Any actual or perceived failure on our part to comply with such laws, regulations, or obligations relating to privacy, data protection, information security, or national security in China could result in investigations, fines, suspension, or other penalties by Chinese government authorities and private claims or litigation, any of which could materially adversely affect our business, financial condition, results of operations, and reputation. Further, legal uncertainty created by such laws, rules, and regulations as well as recent Chinese government actions could adversely affect our ability to raise capital in the U.S. on favorable terms or at all.

The economic, political, and social conditions in mainland China, as well as governmental policies, could affect the business environment and financial markets in mainland China and our ability to operate our business, financial condition, results of operations, and prospects.

A substantial portion of our operations, and all of our commercial operations, are conducted in mainland China. Accordingly, our business, financial condition, results of operations, and prospects may be significantly influenced by economic, political, legal, and social conditions in mainland China. Mainland China's economy differs from the U.S. economy in many respects, including with respect to the amount of government involvement, level of development, growth rate, control of foreign exchange, and allocation of resources. While mainland China's economy has experienced significant growth, such growth has been uneven across regions and sectors. The Chinese government has implemented various measures to encourage economic development and allocation of resources. Some of these measures may benefit the overall economy in mainland China but may have a negative effect on our business. For example, our financial condition and results of operations may be adversely affected by government control, perceived government interference, and/or changes in tax, cyber and data security, capital investments, cross-border transactions, and other regulations that are currently or may in the future apply to us. Chinese regulators have from time to time announced regulatory actions aimed at providing the Chinese government with greater oversight over certain sectors of mainland China's economy, including the for-profit education and technology sectors. Although the biotech industry is already highly regulated in mainland China and there has been no indication of such actions or oversight in our sector, the Chinese government may in the future take regulatory actions that materially adversely affect our business, financial condition, results of operations, or prospects or the business environment and financial markets in mainland China more broadly.

We are required to obtain certain approvals and licenses from Chinese authorities to operate our Chinese subsidiaries.

The Chinese government has exercised, and may continue to exercise, substantial influence or control over virtually every sector of the Chinese economy through regulation and state ownership. For example, to conduct our business activities in mainland China, each of our Chinese subsidiaries is required to obtain a business license from the local counterpart of the SAMR. Our ability to operate in mainland China could be undermined if our Chinese subsidiaries are not able to obtain or maintain required approvals from Chinese authorities to operate in mainland China. Each of our Chinese subsidiaries has obtained a valid business license from the local counterpart of the SAMR, and no application for any such license has been denied. The central or local governments could impose new, stricter regulations or interpretations of existing regulations that could require additional expenditures and efforts on our part to comply with such regulations or interpretations. If in the future our Chinese subsidiaries do not receive or maintain required approvals, such as because we inadvertently conclude that approvals are not required or because of changes in applicable laws and regulations or interpretations of such laws and regulations, the operations of our Chinese subsidiaries, and as a result our business, results of operations, financial condition, and prospects, could be adversely affected, and the value of our securities could significantly decline or become worthless.

Under Chinese laws and regulations, we may be required by the CSRC or other Chinese regulatory authorities to obtain approval or follow certain procedures to issue our securities to foreign investors, and we cannot predict whether or when we will be able to obtain such approval or complete such procedures.

We are not currently required under Chinese laws and regulations to obtain prior approval or prior permission from the CSRC or any other Chinese regulatory authority to issue securities to foreign investors, and we do not believe we will be required to submit an application to the CSRC for our previous issuances of securities to foreign investors. Under recent guidelines, however, we are required to submit filings to the CSRC following the submission of future overseas listings and the completion of future offerings of our equity securities to foreign investors, including for future securities offerings in the same overseas markets as our previous issuances. For example, we were required to file with the CSRC with respect to the registered offering of our ADSs in November 2024. If, for any reason, we were to fail to obtain any approvals or to complete any filings or other procedures required by the CSRC or other Chinese regulatory authorities, future offerings of our equity securities to foreign investors may be delayed or prevented or we may face sanctions, fines, and/or other penalties; limitations on our ability to pay dividends outside of mainland China; limitations on our operations in mainland China; delays or restrictions on the repatriation of the proceeds from our public offerings into mainland China; or other actions that could have a material adverse effect on our business, financial condition, results of operations, and prospects.

We may be exposed to liabilities under anti-corruption, anti-bribery, and anti-fraud laws in China and the United States, including the FCPA, and any allegation, investigation, or determination that we, or our employees or contracted third parties, have violated such laws could have a material adverse effect on our business or reputation.

We, our employees, and our contracted third parties are subject to anti-corruption laws in China and the United States, including the FCPA, which generally prohibit, among other things, making improper payments to government officials for the purpose of obtaining or retaining business, and Chinese laws governing competition, which prohibit commercial bribery. In addition, we, our employees, and our contracted third parties are subject to laws targeted at medical insurance and other fraud in China and the United States. Although we have implemented controls and procedures to promote compliance with such laws by our Company, employees, and contracted third parties, any failures to comply may harm our business and reputation and may cause us to incur criminal or civil liabilities, penalties, sanctions, and/or other significant expenses, which may have a material adverse effect on our business, financial condition, results of operations, and prospects. For example, under certain circumstances, a pharmaceutical company's products may not be purchased by public medical institutions if that pharmaceutical company is involved in a criminal investigation or administrative proceeding related to bribery.

In addition, Chinese authorities have become increasingly active in enforcing laws affecting the pharmaceutical industry. Specifically, the Chinese authorities have recently increased anti-bribery and anti-fraud efforts to address improper payments and other benefits received by physicians, staff, hospital administrators, and other individuals in connection with the sales, marketing, and purchase of pharmaceutical products. The scope and intensity of such recent anti-corruption and medical insurance fraud enforcement efforts in China have led to increased uncertainty in the healthcare industry, which have impacted and may continue to impact hospital and physician practices. Such uncertainty, and related evaluations and adjustments by hospitals and physicians and other market participants, may adversely affect our business and results of operations.

Furthermore, we have been, and may in the future be, involved in inquiries or investigations by Chinese authorities as part of these enforcement efforts or otherwise. Although we have not experienced a material adverse impact to the Company from such an inquiry or investigation to date, there can be no such assurance that such inquiries or investigations will not have a material adverse effect on our business, reputation, or operations in the future. For example, there have been public reports of recent investigations by Chinese authorities in relation to alleged medical insurance fraud and potential violations of China's data privacy and other laws by a number of persons affiliated with AstraZeneca. Certain of our former and current employees were formerly employed with AstraZeneca. Some of our current and former employees in our ZEJULA sales team are under criminal investigations by Chinese authorities in their personal capacity and have been detained for questioning or otherwise under police compulsory measures in connection with alleged medical insurance fraud, a crime under Chinese law that can be prosecuted only against individuals and not against companies. Such

investigations, allegations, and the reporting thereof, and any potential enforcement actions, formal convictions, or administrative penalties or fines in connection therewith, may materially adversely affect our business and reputation. In addition, such investigations may lead to additional allegations or findings or may implicate or expand to additional employees. There can be no assurance that such allegations or investigations will not result in a material adverse effect on our business.

Restrictions on currency exchange may limit our ability to receive and use financing in foreign currencies effectively.

The ability of our Chinese subsidiaries to exchange currency is subject to significant foreign exchange controls and, in the case of transactions under the capital account, requires the approval of and/or registration with Chinese government authorities, including the SAFE. For example, if we finance our Chinese subsidiaries by means of foreign debt from us or other foreign lenders, the amount is not allowed to exceed the statutory limits, and such loans must be registered with the local counterpart of the SAFE. If we finance our Chinese subsidiaries by means of additional capital contributions, these capital contributions are subject to registration with the SAMR or its local branch, reporting of foreign investment information with the MOFCOM, or registration with other governmental authorities in mainland China.

In light of the various requirements imposed by Chinese regulations on loans to, and direct investment in, China-based entities by offshore holding companies, we may not be able to complete the necessary government formalities or obtain the necessary government approvals on timely basis, if at all, with respect to future loans or capital contributions by us to our Chinese subsidiaries. If we fail to complete such registrations or obtain such approvals, our ability to capitalize or otherwise fund our Chinese operations may be negatively affected, which could materially and adversely affect our liquidity and our ability to fund or expand our business.

We may rely on dividends and other distributions on equity paid by our Chinese subsidiaries to fund any cash and financing requirements we may have, and any limitation on the ability of our Chinese subsidiaries to make payments to us could have a material adverse effect on our business operations.

Zai Lab Limited is a holding company, and we may rely on dividends and other distributions on equity paid by our Chinese subsidiaries for our cash and financing requirements, including the funds necessary to pay dividends and other cash distributions to holders of our securities or to service any debt we may incur. Certain of our Chinese subsidiaries have incurred debt on their own behalf, and these or others may do so in the future. The instruments governing such debt may restrict their ability to pay dividends to us. To date, there have not been any such dividends or other distributions from our Chinese subsidiaries to our subsidiaries located in or outside of mainland China. In addition, none of our subsidiaries have issued any dividends or distributions to us or their respective shareholders in or outside of mainland China, and neither we nor any of our subsidiaries have directly or indirectly paid dividends or made distributions to U.S. investors. Zai Lab (Shanghai) Co., Ltd., an operating subsidiary of ours that is domiciled in mainland China, received $466.5 million in capital contributions via 24 separate contributions from Zai Lab (Hong Kong) Limited, its sole shareholder, domiciled outside of mainland China, from 2014 to 2025, to fund its business operations in mainland China. Zai Lab International Trading (Shanghai) Co., Ltd., an operating subsidiary of ours that is domiciled in mainland China, received RMB1.0 million in capital contributions via contributions from Zai Lab (Shanghai) Co., Ltd., its sole shareholder, in 2019 to fund its business operations in mainland China. Zai Lab (Suzhou) Co., Ltd., an operating subsidiary of ours that is domiciled in mainland China, received RMB166.5 million in capital contributions via 10 separate contributions from Zai Lab (Hong Kong) Limited, its sole shareholder, domiciled outside of mainland China, from 2015 to 2019 to fund its business operations in mainland China. Zai Lab Trading (Suzhou) Co., Ltd., an operating subsidiary of ours that is domiciled in mainland China, received RMB1.0 million in capital contributions via contribution from Zai Lab (Suzhou) Co., Ltd., its sole shareholder, in 2020 to fund its business operations in mainland China. Zai Biopharmaceutical (Suzhou) Co., Ltd., an operating subsidiary of ours that is domiciled in mainland China, received $15.0 million in capital contributions via 4 separate contributions from Zai Lab (Hong Kong) Limited, its sole shareholder, domiciled outside of mainland China, from 2017 to 2018 to fund its business operations in mainland China. Zai Lab (Zhejiang) Co., Ltd., an operating subsidiary of ours that is domiciled in mainland China, received $10.0 million in capital contributions via contribution from Zai Lab (Hong Kong) Limited, its sole shareholder, domiciled outside of mainland China, in 2025 to fund its business operations in

mainland China. In the future, cash proceeds raised from our overseas financing activities may be transferred by us to our Chinese subsidiaries via capital contributions, shareholder loans or intercompany loans, as the case may be.

According to Chinese laws and regulations, our Chinese subsidiaries may pay dividends only out of their respective accumulated profits as determined in accordance with Chinese accounting standards and regulations. In addition, each of our Chinese subsidiaries is required to set aside at least 10% of its accumulated after-tax profits, if any, each year to fund a certain statutory reserve fund, until the aggregate amount of such fund reaches 50% of its registered capital. Where the statutory reserve fund is insufficient to cover any loss the Chinese subsidiary incurred in the previous financial year, its current financial year's accumulated after-tax profits shall first be used to cover the loss before any statutory reserve fund is drawn therefrom. Such statutory reserve funds and the accumulated after-tax profits that are used for covering the loss cannot be distributed to us as dividends. At their discretion, our Chinese subsidiaries may allocate a portion of their after-tax profits based on Chinese accounting standards to a discretionary reserve fund.

RMB is not freely convertible into other currencies. As a result, any restriction on currency exchange may limit the ability of our Chinese subsidiaries to use their potential future RMB revenues to pay dividends to us. The Chinese government imposes controls on the convertibility of RMB into foreign currencies and, in certain cases, the remittance of currency out of mainland China. Shortages in availability of foreign currency may then restrict the ability of our Chinese subsidiaries to remit sufficient foreign currency to our offshore entities for those offshore entities to pay dividends or make other payments or otherwise to satisfy our foreign-currency-denominated obligations. RMB is currently convertible under the "current account," which includes dividends, trade, and service-related foreign exchange transactions, but not under the "capital account," which includes foreign direct investment and foreign debt (which may be denominated in foreign currency or RMB), including loans we may secure for our Chinese subsidiaries. Currently, our Chinese subsidiaries may purchase foreign currency for settlement of current account transactions, including payment of dividends to us, without the approval of the SAFE by complying with certain procedural requirements. However, the relevant Chinese governmental authorities may limit or eliminate our ability to purchase foreign currencies in the future for current account transactions. The Chinese government may continue to strengthen its capital controls, and additional restrictions and substantial vetting processes may be instituted by the SAFE for cross-border transactions falling under both the current account and the capital account. Any existing and future restrictions on currency exchange may limit our ability to utilize revenue generated in RMB to fund our business activities outside of mainland China or pay dividends in foreign currencies to holders of our securities. Foreign exchange transactions under the capital account remain subject to limitations and require approvals from, or registration with, the SAFE and other relevant Chinese governmental authorities. This could affect our ability to obtain foreign currency through debt or equity financing for our subsidiaries.

Chinese regulations relating to the establishment of offshore special purpose companies by residents in mainland China may subject our China resident beneficial owners or our wholly foreign-owned subsidiaries in mainland China to liability or penalties, limit our ability to inject capital into these subsidiaries, limit the ability of these subsidiaries to increase their registered capital or distribute profits to us, or otherwise adversely affect us.

Our shareholders that are residents of mainland China are required to register with local branches of the SAFE or competent banks designated by the SAFE in connection with their direct establishment or indirect control of an offshore entity, for the purpose of overseas investment and financing, with such residents' legally owned assets or equity interests in domestic enterprises or offshore assets or interests, being considered a "special purpose company." If such shareholders do not complete their registration with the local SAFE branches or otherwise fail to comply with the SAFE registration requirements, the Chinese subsidiaries may be prohibited from distributing their profits and proceeds from any reduction in capital, share transfer, or liquidation to the offshore company, and the offshore company may be restricted in its ability to contribute additional capital to its Chinese subsidiaries. Moreover, failure to comply with SAFE registration requirements could result in liability under Chinese law for circumventing applicable foreign exchange restrictions. As a result, our business operations and ability to distribute profits could be materially and adversely affected.

Chinese regulations establish complex procedures for certain acquisitions of mainland China based companies by foreign investors, which could make it more difficult for us to pursue growth through acquisitions in mainland China.

Chinese regulations establish certain additional procedures and requirements that could make merger and acquisition activities by foreign investors more time consuming and complex. For example, companies must notify the MOFCOM in advance of any change-of-control transaction in which a foreign investor takes control of a Chinese domestic enterprise, if (i) any important industry is concerned, (ii) such transaction involves factors that have or may have impact on the national security, (iii) such transaction will lead to a change in control of a domestic enterprise which holds a famous trademark or Chinese time-honored brand, or (iv) such transaction involves the concentration of business undertakings by way of mergers, acquisitions, or contractual arrangements that allow one market player to take control of or to exert decisive impact on another market player. In the future, we may grow our business by acquiring complementary businesses. Complying with the necessary notification and review requirements to complete such transactions may be time consuming, and our ability to obtain any necessary approvals, such as from the MOFCOM or its local counterparts, may delay or prevent our ability to complete such transactions. It is unclear whether our business would be deemed to be in an industry that raises national security concerns. If our business is deemed to be in an industry subject to national security review, our future acquisitions in mainland China may be closely scrutinized or prohibited, and our ability to expand our business through future acquisitions would be materially and adversely affected.

Completing the necessary inspection and approval processes for our Chinese manufacturing facilities, such as by the FDA, NMPA, and EMA, may be time consuming and costly.

As part of obtaining required regulatory approvals for our product candidates, such as by the NMPA in mainland China, FDA in the United States, and EMA in the EU, we will need to undergo strict pre-approval inspections of our manufacturing facilities or the manufacturing facilities of our CMOs, including those located in mainland China and elsewhere. Historically, some manufacturing facilities in mainland China have had difficulty meeting required standards. When inspecting Chinese manufacturing facilities, our regulator(s) might cite GMP deficiencies, both minor and significant. Our efforts to remediate deficiencies to the satisfaction of our regulator(s) can be laborious, time-consuming, and costly and may be unsuccessful. If we cannot satisfy our regulator(s) as to our compliance with GMP, marketing approval for our product candidates could be significantly delayed or prevented, which in turn would delay or prevent commercialization of our product candidates.

Our business benefits from certain financial incentives and discretionary policies granted by local governments. Expiration of, or changes to, these incentives or policies would have an adverse effect on our business, financial condition, and results of operations.

Local governments within mainland China have granted certain financial incentives to our Chinese subsidiaries as part of their efforts to encourage the development of local businesses. The timing, amount, and criteria of government financial incentives are determined within the sole discretion of the local government authorities and cannot be predicted with certainty. We received government grants and subsidies of $5.9 million and $8.2 million in 2025 and 2024, respectively. Local governments may decide to reduce or eliminate incentives that we are receiving at any time. In addition, some government financial incentives are granted on a project basis and are subject to the satisfaction of certain conditions, including compliance with applicable financial incentive agreements and completion of the specified projects. If we fail to satisfy the necessary conditions, we may be deprived of the relevant incentives. Any reduction or elimination of government incentives may have an adverse effect on our business, financial condition, and results of operations.

It may be difficult for shareholders and regulators outside of mainland China to conduct investigations or collect evidence in mainland China.

It may be difficult for shareholders to pursue claims or for regulators outside of mainland China to conduct regulatory investigations in mainland China as a matter of law or practicality. For example, in mainland China, there are significant legal and other obstacles to providing information needed for regulatory investigations or litigation initiated outside of mainland China. Although authorities in mainland China may establish a regulatory cooperation mechanism with authorities of another country or region to implement cross-border supervision and administration, such cooperation with authorities in the United States may not be efficient in the absence of mutual and practical cooperation mechanisms. Furthermore, under Chinese securities laws, no overseas securities regulator is allowed to directly conduct investigation or

evidence collection activities in mainland China, which may further increase difficulties shareholders may face in protecting their interests.

If we are classified as a Chinese resident enterprise for Chinese income tax purposes, such classification could result in unfavorable tax consequences to us and our non-Chinese shareholders or ADS holders.

Under the EIT Law, an enterprise incorporated outside of mainland China whose "de facto management bodies" are located in mainland China is considered a "resident enterprise" and will be subject to a uniform 25% enterprise income tax, or EIT, rate on its global income.

We believe that neither Zai Lab Limited nor any of our subsidiaries outside of mainland China is a Chinese resident enterprise for Chinese tax purposes. However, the tax resident status of an enterprise is subject to determination by Chinese tax authorities, and uncertainties remain with respect to the interpretation of the term "de facto management body." If Chinese tax authorities determine that Zai Lab Limited or any of our subsidiaries outside of mainland China is a Chinese resident enterprise for EIT purposes that entity would be subject to a 25% EIT on its global income. If such entity derives income other than dividends from its wholly owned subsidiaries in mainland China, a 25% EIT on its global income may increase our tax burden.

In addition, if Zai Lab Limited is classified as a Chinese resident enterprise for Chinese tax purposes, we may be required to withhold tax at a rate of 10% from dividends we pay to our shareholders, including the holders of our ADSs that are non-resident enterprises. In addition, non-resident enterprise shareholders (including our ADS holders) may be subject to a 10% Chinese withholding tax on gains realized on the sale or other disposition of ADSs or ordinary shares, if such income is treated as sourced from within mainland China. Furthermore, gains derived by our non-Chinese individual shareholders from the sale of our securities may be subject to a 20% Chinese withholding tax. It is unclear whether our non-China-based individual shareholders (including our ADS holders) would be subject to any Chinese tax (including withholding tax) on dividends received by such non-Chinese individual shareholders in the event we are determined to be a Chinese resident enterprise. If any Chinese tax were to apply to such dividends, it would generally apply at a rate of 20%. Chinese tax liability may vary under applicable tax treaties. However, it is unclear whether our non-Chinese shareholders would be able to claim the benefits of any tax treaties between their country of tax residence and mainland China in the event that Zai Lab Limited is treated as a Chinese resident enterprise.

We and our shareholders may face tax consequences and other requirements in mainland China with respect to indirect transfers of equity interests in Chinese resident enterprises.

The indirect transfer of equity interests in Chinese resident enterprises by a non-Chinese resident enterprise, or Indirect Transfer, is potentially subject to income tax in mainland China at a rate of 10% on the gain if such transfer is considered as not having a commercial purpose and is carried out for tax avoidance. The Chinese State Administration of Taxation has issued several rules and notices to tighten scrutiny over such acquisition transactions in recent years and has provided certain factors and criteria that will be considered in determining whether an indirect transfer has a bona fide commercial purpose. Failure to withhold and remit required taxes may result in tax liability and a penalty of 50% to 300% of the unpaid tax.

It is unclear how these rules and regulations affect future private equity financing transactions, share exchange, or other transactions involving the transfer of shares in Zai Lab Limited by investors that are non-Chinese resident enterprises or the sale or purchase of shares in other non-Chinese resident companies or other taxable assets by us. As a result, we may be required to expend valuable resources to determine whether we or our non-Chinese resident investors are subject to filing, withholding, or tax obligations for certain transactions, such as offshore restructuring transactions or acquisition transactions, and to otherwise comply with these rules and regulations. This may have a material adverse effect on our financial condition, results of operations, and ability to complete such transactions with non-Chinese resident investors.

Certain of our investments may be subject to review from the Committee on Foreign Investment in the United States, which may delay or block a transaction from closing.

The CFIUS has jurisdiction over investments in which a foreign person acquires control over a U.S. company, as well as certain non-controlling investments in U.S. businesses that deal in critical technology, critical infrastructure, or sensitive personal data. Some transactions involving U.S. businesses that deal in critical technology are subject to a mandatory filing requirement. Accordingly, to the extent the U.S. portion of our business decides to take investments from foreign persons, or we decide to invest in or acquire, in whole or in part, a U.S. business, such investments could be subject to CFIUS's jurisdiction. To date, none of our investments have been subject to CFIUS review, but depending on the particulars of ongoing or future investments, we may be obligated to secure CFIUS approval before closing, which could delay the time period between signing and closing. If we determine that a CFIUS filing is not mandatory (or otherwise advisable), there is a risk that CFIUS could initiate its own review, if it determines that the transaction is subject to its jurisdiction. If an investment raises significant national security concerns, CFIUS has the authority to impose mitigation conditions or recommend that the U.S. President block a transaction.

In September 2022, President Biden issued an executive order to instruct CFIUS to consider national security factors when evaluating transactions, specifically a deal's effect on critical U.S. supply chains, U.S. technological leadership in biotechnology and biomanufacturing, cybersecurity risks, or risks to U.S. persons' sensitive data. As a result, companies with significant operations in China will likely face heightened regulatory scrutiny from CFIUS in conducting acquisition of U.S. biotech companies.

Changes in United States and international trade policies and relations, particularly with regard to China, may adversely impact our business, financial condition, and results of operations.

The U.S. government has recently made statements and taken certain actions that have led to changes to United States and international trade policies and relations, including imposing several rounds of tariffs affecting certain products manufactured in China and imposing certain sanctions and restrictions in relation to China. The Chinese government has, from time to time, responded by imposing its own tariffs, sanctions, and restrictions in response. It is unknown whether and to what extent new tariffs or other new executive orders, laws, or regulations will be adopted, or the effect that any such actions would have on us or our industry. We conduct pre-clinical and clinical activities and have business operations both in the United States and mainland China, and any unfavorable government policies on international trade, such as capital controls or tariffs, may affect the demand for our products, the competitive position of our products, the hiring of scientists and other research and development personnel, and import or export of raw materials in relation to drug development or may prevent us from selling our products in certain countries. If any new tariffs, legislation, executive orders, and/or regulations are implemented, existing trade agreements are renegotiated, or the U.S. or Chinese government takes retaliatory actions due to recent U.S.-China tension, such changes could have an adverse effect on our business, financial condition, and results of operations.

It may be difficult to enforce against us or our management in mainland China any judgments obtained from foreign courts.

Zai Lab Limited is a company organized under the laws of the Cayman Islands, and a substantial portion of our assets and operations are located in mainland China. In addition, some of our directors and officers are nationals and residents of countries or regions other than the United States or Hong Kong, and a substantial portion of their assets is located outside of the United States and Hong Kong. As a result, it may be difficult to effect service of process within the United States or Hong Kong upon these persons, or to bring an action against us or these individuals in the United States or Hong Kong in the event of a disagreement, under federal securities laws, or otherwise. Even if a third party successfully obtains a foreign judgment against us or these individuals, the laws of the Cayman Islands and mainland China may render them unable to enforce a judgment against our assets or the assets of our directors and officers. There is uncertainty as to whether the courts of the Cayman Islands or mainland China would recognize or enforce judgments of U.S. courts against us or such persons predicated upon the civil liability provisions of securities laws of the United States or any state.

Although there are some protections with respect to enforcement in mainland China of judgments rendered by Hong Kong courts as a result of reciprocal recognition and enforcement of judgment arrangements, mainland China does not have treaties or agreements providing for the reciprocal recognition and enforcement of judgments awarded by courts of

the United States, the United Kingdom, most other western countries, or Japan. In addition, according to PRC Civil Procedures Law, mainland China courts will not enforce a foreign judgment against us or our directors and officers if they decide that the judgment violates the basic principles of Chinese laws or national sovereignty, security, or public interest. Hence, the recognition and enforcement in mainland China of judgments of a court in any of these jurisdictions in relation to any matter not subject to a binding arbitration provision may be difficult or even impossible.

Failure to renew our current leases or locate desirable alternatives for our leased properties could materially and adversely affect our business.

We lease properties for our offices and manufacturing facilities. We may not be able to successfully extend or renew such leases upon expiration of the current term on commercially reasonable terms or at all and may therefore be forced to relocate our affected operations. This could disrupt our operations and result in significant relocation expenses, which could adversely affect our business, financial condition, and results of operations. In addition, we compete with other businesses for premises at certain locations or of desirable sizes. As a result, even though we could extend or renew our leases, rental payments may significantly increase as a result of the high demand for the leased properties. In addition, we may not be able to locate desirable alternative sites for our current leased properties as our business continues to grow and failure in relocating our affected operations could adversely affect our business and operations.

Risks Related to Our Financial Position

We have incurred significant losses since our inception and anticipate that we will continue to incur losses for at least the next few quarters. If we are unable to generate sufficient revenue from our commercial products, on the anticipated timeline or at all, at a level that more than offsets our expenses, we will be unable to achieve or maintain profitability.

We currently have seven commercial programs with products that are approved and marketed for certain indications in mainland China, and we are pursuing regulatory approval of new products and additional indications for our existing products in our global and regional pipelines. Investment in biopharmaceutical product development is highly speculative because it entails substantial upfront capital expenditures and significant risk that a product candidate will fail to gain regulatory approval or become commercially viable. To date, we have financed our activities primarily through revenues from the sales of our commercial products and offerings on Nasdaq and the Hong Kong Stock Exchange, including a registered offering of our ADSs in November 2024, as well as private placements. Although our annual product revenues have been increasing for the last few years and we continue to focus on efficiency and productivity, we continue to incur significant development, commercialization, and other expenses related to our ongoing operations. As a result, we have incurred net losses since our inception, including $175.5 million for 2025. If we are unable to generate sufficient revenue from sales of our approved commercial products, on our anticipated timeline or at all, at a level that more than offsets our expenses, we will be unable to achieve or maintain profitability.

There are several factors that could impact our ability to achieve and maintain profitability, including the success and costs of our commercial products; our ability to obtain approvals for and commercialize new products or additional indications for existing products and costs of our clinical trials; our ability to build and strengthen our pipeline through internal discovery and business development activities and costs related to any related license and collaboration arrangements; the costs and efficiency of our commercial and R&D teams and other personnel; and our ability to overcome unforeseen challenges or absorb unforeseen expenses that may adversely affect our business. Our failure to become and remain profitable would decrease the value of the Company or our securities and could impair our ability to raise capital, maintain our research and development and commercialization efforts, or expand or maintain our business.

We may seek additional funding, such as for our product development programs and commercialization efforts, which may not be available on acceptable terms or at all. If we are unable to raise capital on acceptable terms when needed, we could be forced to delay, reduce, or terminate certain programs or activities.

Since inception, we have incurred significant costs for our commercialization efforts with respect to our approved products, our research and development efforts related to our product candidates and related clinical or pre-clinical trials, our business development activities and related upfront or milestone fees or royalty payments in our license and

collaboration arrangements, and other costs to develop the infrastructure and otherwise support our operations. To date, we have financed our activities primarily through revenues from the sales of our commercial products and offerings on Nasdaq and the Hong Kong Stock Exchange, including a registered offering of our ADSs in November 2024, as well as private placements. Additionally, as discussed below, we and our subsidiaries have also entered into certain debt arrangements with financial institutions in mainland China to support our working capital needs in mainland China. We may require or seek to obtain additional funding in connection with our operations through public or private equity offerings, debt financing, collaborations or licensing arrangements, or other sources. If we are unable to raise capital when needed or on acceptable terms, we could incur losses or be forced to delay, reduce, or terminate certain programs or activities.

Although we believe our cash and cash equivalents and short-term investments as of December 31, 2025 will enable us to fund our operating expenses and capital expenditure requirements for at least the next twelve months, we could use our capital resources sooner than we currently expect. Our future capital requirements will depend on many factors, including:

- revenues from our approved commercial products and related product costs;
- the cost and timing of future commercialization activities for our products and any other product candidates for which we receive regulatory approval;
- the cost, timing, and outcome of seeking, obtaining, and maintaining regulatory approval for our products and product candidates;
- the scope, progress, timing, results, and costs of researching and developing our product candidates, including additional indications for our existing commercial products, and conducting pre-clinical and clinical trials;
- our ability to establish and maintain strategic partnerships, including collaboration, licensing, or other arrangements and the economic and other terms, timing, and success of such arrangements, such as with respect to any upfront fees, development and regulatory milestones that may be payable prior to commercialization or before we have generated revenue from the related product, and sales-based milestones or royalty payments that may be payable after commercial launch;
- the cost, timing, and outcome of preparing, filing, and prosecuting patent applications, maintaining and enforcing our intellectual property rights, and defending any intellectual property related claims;
- cash requirements of any future acquisitions;
- resources and costs required to promote compliance with applicable laws and regulations by us and our third-party partners;
- costs of our personnel; and
- the costs of operating as a public company in both the United States and Hong Kong.

We and our subsidiaries have entered into debt arrangements with certain financial institutions in China, and we may in the future consider additional debt arrangements, to fund our business or working capital needs. Such debt arrangements may restrict our future operations.

We may enter into debt arrangements with certain financial institutions to support our business and working capital needs. To date, we have entered into certain debt arrangements with Chinese financial institutions that allow certain of our wholly-owned subsidiaries to borrow up to approximately $317.4 million (or RMB2,271.7 million) to support our working capital needs in mainland China, and Zai Lab Limited has agreed to guarantee approximately $294.9 million (or RMB2,111.7 million) of this debt. Such debt requires us or our subsidiaries to dedicate a portion of our or their cash flow to service interest and principal payments and, if interest rates rise, this amount may increase. As a result, our existing debt may limit our ability to use our cash flow to fund capital expenditures, to engage in transactions, or to meet other capital needs. Additionally, our subsidiaries' debt service obligations may limit their ability to make future distributions to us. Our debt could also limit our flexibility to plan for and react to changes in our business or industry and may increase our vulnerability to general adverse economic and industry conditions, including a downturn in our business or the economy.

This debt is denominated in RMB, and some bears interest at variable rates. As a result, increases in market interest rates and changes in foreign exchange rates could require a greater portion of our cash flow to be used to pay interest, which could further hinder our operations. We may also have difficulty refinancing our existing debt or incurring new debt on terms that we would consider commercially reasonable or at all. To the extent that we incur additional indebtedness, the foregoing risks could increase.

We may enter into certain capital raising, business collaboration, or other arrangements that may cause dilution to our shareholders, restrict our operations, or require us to relinquish rights to our technologies or product candidates.

We may seek business opportunities or additional funding in the future through equity offerings, debt financings, collaborations, licensing arrangements, strategic alliances, and marketing or distribution arrangements. To the extent that we raise additional capital through the sale of equity or convertible debt securities, such as our registered offering of our ADSs in November 2024, our shareholders' ownership interest will be diluted, and the terms may include liquidation or other preferences that adversely affect rights of our security holders. The incurrence of additional indebtedness or the issuance of certain equity securities could result in increased fixed payment obligations and additional restrictive covenants, such as limitations on our ability to incur additional debt or issue additional equity, limitations on our ability to acquire or license intellectual property rights, and other operating restrictions that could adversely impact our ability to conduct our business. In addition, issuance of additional equity securities, or the possibility of such issuance, may cause the market price of our securities to decline. Additionally, to finance any acquisitions, licensing arrangements, or strategic alliances, we may choose to issue our securities as consideration, which could dilute the ownership of our shareholders. In the event that we enter into collaboration or licensing arrangements to raise capital, we may be required to accept unfavorable terms, including relinquishing or licensing to a third party our rights to technologies or product candidates.

We may not be able to access the capital and credit markets on terms that are favorable to us.

We may seek access to the capital and credit markets to supplement our existing funds and cash generated from operations for working capital, capital expenditure and debt service requirements, and other business initiatives. The capital and credit markets are experiencing, and have in the past experienced, extreme volatility and disruption, which leads to uncertainty and liquidity issues for borrowers and investors. That volatility and unpredictability in the financial markets has adversely affected, and may in the future adversely affect, access to capital and credit for life sciences companies, particularly for companies like ours with significant operations in China as a result of geopolitical tensions between the United States and China or otherwise. In the event of adverse market conditions, we may be unable to obtain adequate capital or credit market financing, obtain that capital or credit on favorable terms, or access such capital or credit in the market(s) or manner most favorable to the Company.

Our results of operations may be adversely affected by sustained periods of increased inflation.

The global economy, including the U.S. economy, has experienced rising inflation in recent years. We source our products, product candidates, and key materials from third parties located in the United States, including our licensors, other suppliers, and CROs. For example, we rely on argenx for VYVGART and VYVGART Hytrulo, NovoCure for OPTUNE, Deciphera for QINLOCK, Innoviva for XACDURO, and BMS for AUGTYRO. Although we have not been materially affected by inflation in the past, sustained or increased inflation may result in increased product costs or other expenses. As a result, our results of operations may be adversely affected.

Risks Related to Our Business and Industry

Our ability to generate revenues is highly dependent on the success of our commercial products and our ability to obtain regulatory approvals for our product candidates.

Our ability to generate product revenues depends on the success of our commercial products, including our current commercial products as well as new products or additional indications for our current commercial products that we may launch in the future. Our ability to successfully generate revenue from our commercial products will depend on, among other things, our ability to:

- maintain sufficient manufacturing or supply arrangements with third-party licensors or manufacturers;
- produce through a validated process or procure internally or from third-party manufacturers sufficient quantities and inventory of our commercial products;
- build and maintain sufficient internal sales, distribution, and marketing capabilities;
- increase awareness and education for our commercial products to promote acceptance from physicians, healthcare payors, patients, and the medical community;
- improve access to, and affordability of, our commercial products, such as through NRDL listings or supplemental insurance coverage in the private-pay market;
- maintain compliance with ongoing regulatory labeling, packaging, storage, advertising, promotion, recordkeeping, safety, and other post-marketing requirements;
- manage our growth and spending as costs and expenses increase due to commercialization; and
- manage business interruptions resulting from the occurrence of any public health crisis, international war or conflict, natural disaster, extreme weather event, or other significant or catastrophic event outside of our control.

We have several product candidates in late-stage clinical development and various others in earlier stage clinical and pre-clinical development. Our ability to generate revenue from our product candidates is dependent on the results of clinical and pre-clinical development, our receipt of regulatory approval, and successful commercialization of such products, which may not occur on the anticipated timeline or at all. The success of our product candidates will depend on several factors, including the following:

- successful enrollment of patients in, and completion of, clinical trials and pre-clinical studies;
- receipt of regulatory approvals from applicable regulatory authorities for planned clinical trials, future clinical trials or drug registrations, manufacturing, and commercialization;
- successful completion of all safety and efficacy studies required to obtain regulatory approval in Greater China, the United States, and other jurisdictions for our product candidates;
- adapting our commercial manufacturing capabilities to the specifications for our product candidates for clinical supply and commercial manufacturing and/or making and maintaining necessary arrangements with third-party manufacturers or suppliers;
- obtaining, maintaining, and successfully enforcing or defending patent, trade secret, and other intellectual property protection and/or regulatory exclusivity for our product candidates;
- launching commercial sales of our product candidates, if and when approved, whether alone or in collaboration with others;
- the success of our marketing efforts and market acceptance of the product candidates by patients, the medical community, and third-party payors;
- effectively competing with any competing products or therapies;
- obtaining and maintaining healthcare coverage and adequate reimbursement;
- successfully enforcing and defending intellectual property rights and claims; and
- maintaining a continued acceptable safety, tolerability, and efficacy profile of the product candidates following regulatory approval.

We are not permitted to market any of our products or product candidates in mainland China, the United States, the EU, or any other jurisdictions until we have received required regulatory approvals. The process to develop, obtain

regulatory approval, and commercialize product candidates is long, complex, and costly and varies among countries. The successful completion of clinical trials or regulatory approval in one country does not mean that clinical trials will be successful, or regulatory approval will be obtained, in any other country. Our product candidates could be delayed in receiving, or fail to receive, regulatory approval for many reasons, including the following:

- disagreement regarding the number, design, size, conduct, or implementation of our clinical trials;
- failure to demonstrate to the satisfaction of the regulator(s) that a product candidate is safe and effective for its proposed indication, including as a result of safety issues, product recalls, or other incidents related to products approved and marketed in other jurisdictions;
- failure of CROs, clinical study sites, or investigators to comply with the ICH-good clinical practice, or GCP, requirements imposed by the regulator(s);
- failure of the clinical trial results to meet the required level of statistical significance;
- failure to demonstrate that clinical and other benefits outweigh safety risks;
- disagreement regarding the interpretation of data from pre-clinical studies or clinical trials;
- insufficient data collected from clinical trials to support the submission of an NDA, PMA, or other submission required to obtain regulatory approval in Greater China, the United States, the EU, or elsewhere;
- failure to obtain approval of the manufacturing processes for our clinical and commercial supplies;
- changes in the approval policies or regulations; and
- actions by our CROs or licensors that materially and adversely affect the clinical trials.

If we are not successful in gaining broad acceptance of our commercial products, our business would be harmed.

Sales of our commercial products will depend on our ability to educate and increase physician awareness of the benefits, safety, and cost-effectiveness of such products, in general and relative to any competing therapies. The degree of market acceptance of our commercial products among physicians, patients, healthcare payors, and the medical community may depend on a number of factors, including:

- acceptable evidence of safety and efficacy;
- relative convenience and ease of administration;
- prevalence and severity of any adverse side effects;
- availability of alternative treatments;
- pricing, cost effectiveness, and value propositions;
- effectiveness of our sales and marketing capabilities and strategies;
- ability to obtain sufficient insurance coverage and reimbursement;
- the clinical indications for which such product are approved, as well as changes in the standard of care for their targeted indications;
- the effectiveness of manufacturing and supply chain;
- warnings and limitations contained in the approved labeling;
- safety concerns with respect to similar or competing products marketed by others;

- our ability to comply with regulatory post-marketing requirements;
- the market size for such product, which may be larger or smaller than expected;
- entry timing and price for any competing products; and
- our ability to manage complications or barriers that inhibit our commercial team from reaching the appropriate audience to promote our product(s), such as because of government actions or business disruptions caused by public health crises, natural disasters, extreme weather events, and other significant or catastrophic events.

We may not obtain regulatory approval of our product candidates, on the anticipated timeline or at all, which could delay or limit our ability to realize the full potential of our product pipeline.

In order to market products in any given jurisdiction, we must obtain regulatory approval and comply with numerous and varying regulatory requirements regarding safety, efficacy, and quality. We have obtained approval for our current commercial products for certain indications in certain jurisdictions in Greater China. We may not obtain regulatory approval for our product candidates, including new products or additional indications for our current commercial products, on the anticipated timeline or at all, which could delay or limit our ability to realize the full potential of our pipeline.

We have limited experience manufacturing our products and product candidates on a large clinical or commercial scale. We rely on third parties for our supply chain, and if we experience problems with any of these third parties, the manufacture of our products or product candidates could be delayed, which could harm our business and results of operations.

We currently manufacture, or have rights to manufacture, our internally developed products and certain of our licensed commercial products and product candidates under the terms of our licensing arrangements. We rely on our two manufacturing facilities in Suzhou to support the clinical development and commercial production of such products and product candidates, including ZEJULA and NUZYRA. If our manufacturing facilities are unable to meet our intended production capacity in a timely fashion, we may have to engage a CMO(s) for the production of clinical supplies of our products or product candidates. We may not be able to identify qualified CMOs or alternative suppliers that are able to meet our product production needs on commercially reasonable terms, in a timely manner, or at all. If we are not able to maintain sufficient quantity of our manufactured products and product candidates, our business and results of operations could be adversely affected.

If our manufacturing facilities are damaged or destroyed, or production at such facilities is otherwise interrupted, or if any new manufacturing facilities are not approved by regulators, our business and prospects would be negatively affected.

We have two manufacturing facilities in Suzhou that have received required approvals from our regulators, and we rely on these facilities for the manufacture of clinical and commercial supply for certain of our products and product candidates. If our facilities were damaged or destroyed, or otherwise subject to disruption, it would require substantial lead-time to replace our manufacturing capabilities. In such event, we would be forced to identify and rely partially or entirely on third-party CMOs for an indefinite period. Any new facility needed to replace an existing production facility would need to comply with necessary regulatory requirements and be tailored to our production requirements and processes. We also would need regulatory approvals before using any products or drugs manufactured at a new facility in clinical trials or selling any products or drugs that have been approved. Any disruptions or delays at our facilities or their failure to comply with regulatory requirements would impair our ability to develop and commercialize certain of our products or product candidates, which may adversely affect our business and results of operations.

We have a limited operating history, which may make it difficult for you to evaluate the success of our business and to assess our future prospects.

We are a commercial-stage biopharmaceutical company with a relatively limited operating history. Consequently, any predictions about our future success, performance, or prospects are subject to significant uncertainty, particularly in

light of the dynamic and evolving industry in which we operate. We will encounter risks and difficulties frequently experienced by companies in our industry as we continue to expand or enhance our commercial activities. In addition, as a commercial-stage business, we may be more likely to encounter unforeseen expenses, difficulties, complications, and delays. If we do not address these risks and difficulties successfully, our business will suffer.

We may decide to pursue a particular product, product candidate, or indication and fail to pursue other products, product candidates, or indications that may later prove to be more profitable or for which there is a greater likelihood of success.

We may decide to focus our licensing, research and development, and commercialization programs to specific products and product candidates or to specific indications for those products and product candidates based on our expectations with respect to the potential benefits of the therapies, patient needs and the potential markets, synergies with our existing business, competitive landscape, or otherwise. We may incorrectly assess the benefits, costs, and risks for any potential product or product candidate. As a result, we may forego or delay pursuit of opportunities for other products or product candidates or for other indications that later prove to have greater commercial potential, and our resource allocation decisions may cause us to fail to capitalize on promising commercial drugs or profitable market opportunities. If we do not accurately evaluate the commercial potential or target market for a particular product candidate, we may also relinquish valuable rights to that product candidate through collaboration, licensing, or other royalty arrangements when it would have been more advantageous for us to retain sole development and commercialization rights to such product candidate. Such developments would have an adverse effect on our business, financial conditions, results of operations, and prospects.

The market opportunities for certain of our products and product candidates may be small, such as when those opportunities are limited to patients who are ineligible for other treatment options or who have not responded to prior treatments, and our estimations with respect to these populations may be inaccurate.

The potential markets for certain indications of our commercial products and product candidates may be small, such as when we are seeking approval of our product candidates as a later stage therapy for patients who are ineligible for other treatment options or who have not responded to prior treatments or other approved treatments. We may consider such indications or market indications as an initial entry point for certain of our product candidates or as an additional indication for our current commercial products. We may not be able to achieve such regulatory approval or to generate sufficient revenue from such opportunities to recover related costs, without obtaining regulatory approval for additional indications.

In addition, as part of our evaluation of the commercial prospects for our products and product candidates, we periodically make estimates regarding the incidence and prevalence of our target populations, including with respect to the number of people who have the indications we are targeting, as well as the subset of people with those indications who may be in a position to receive our therapies and who have the potential to benefit from treatment with our products. We also make projections regarding sales, revenues, costs, and reimbursement for our products and product candidates. We may also use such estimates in making decisions regarding our product development strategy, including business development opportunities as well as our research and development activities and the focus of pre-clinical and clinical trials. These estimates and projections are based on our beliefs, internally generated analyses, and third-party sources, and they may prove to be inaccurate or based on imprecise data. For example, the actual size of the potential market opportunity and patient population for a product or product candidate will depend on a variety of factors, including acceptance by the medical community, patient access, product pricing, reimbursement, and availability of other treatment options. Further, new studies or market data may change the estimated incidence or prevalence of these indications. The number of patients may turn out to be lower than expected, such as because patients may not be amenable to treatment with our products and product candidates or new patients may become increasingly difficult to identify or reach. All of this could significantly harm our business, financial condition, results of operations, and prospects.

The pharmaceutical industry is highly regulated, and such regulations are subject to change, which may affect the approval and commercialization of our products and product candidates, and any failure to comply with such regulations could have adverse legal and financial impact.

The pharmaceutical industry in Greater China, the United States, the EU, and some other jurisdictions is subject to extensive and comprehensive regulation and oversight by numerous regulatory authorities, including with respect to approval, manufacturing, distribution, marketing, and other activities related to new drug candidates and certain other therapies and treatments.

In recent years, there have been a number of legislative and regulatory changes in our industry that could prevent or delay regulatory approval of our products and product candidates, restrict or regulate post-approval activities, and affect the commercial prospects of our products and product candidates, including in our primary market of mainland China. We expect evolution in the Chinese healthcare industry to continue. Any changes or amendments, or proposed further changes or amendments, with respect to applicable laws, rules, and regulation and supervision of the pharmaceutical industry in mainland China, including recent anti-corruption enforcement efforts, may result in uncertainties with respect to the interpretation and implementation of applicable laws and regulations and may adversely affect the development or commercialization of our products and product candidates in mainland China. Efforts to comply with these extensive regulatory requirements may involve substantial costs. If our operations were found to be in violation of applicable legal and regulatory requirements, we could be subject to significant civil, criminal, and administrative penalties, including, without limitation, damages, fines, imprisonment, and exclusion from participation in government healthcare programs or contracting with government authorities and the curtailment or restructuring of our operations, which could significantly harm our business.

In addition, the commercial success of our approved products depends, in part, on adequate insurance coverage and reimbursement by third party payors, including government health benefit programs and authorities. We expect that healthcare reform measures may result in more rigorous coverage criteria and in additional downward pressure on the reimbursement available for any approved product which could adversely affect pricing for such product. Any reduction in reimbursement from government programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may adversely affect our ability to generate revenue or attain profitability for our commercial products or to successfully launch our product candidates.

If safety, efficacy, manufacturing, or supply issues arise with any therapy or treatment that we use in combination with our products and product candidates, such as chemotherapy drugs, we may be unable to market such products or product candidate or may experience significant regulatory delays or supply shortages, and our business could be materially harmed.

Certain of our products are approved for treatment, and certain of our product candidates are being evaluated as a potential treatment, in combination with other products, such as chemotherapy drugs. For example, we have commercially launched OPTUNE GIO in combination with TMZ for the treatment of patients with newly diagnosed GBM, and we are evaluating OPTUNE as a combination therapy in pancreatic cancer. Additionally, in September 2025, the Hong Kong Department of Health approved TIVDAK for the treatment of adult patients with recurrent or metastatic cervical cancer with disease progression on or after chemotherapy. TIVDAK is currently under regulatory review for its Biologics License Application by the NMPA, which was accepted in March 2025.

If the NMPA, FDA, or another regulatory agency were to revoke its approval of any therapeutic we use in combination with our products and product candidates, we would not be able to market our products and product candidates in combination with such revoked therapeutics. If safety or efficacy issues arise with the therapeutics that we seek to combine with our products and product candidates in the future, we may experience significant regulatory delays, and we may be required to redesign or terminate the related clinical trials. In addition, if manufacturing or other issues result in a supply shortage of any combination therapeutic, we may not be able to successfully commercialize our products or product candidates on our anticipated timeline or at all.

We face substantial competition, which may result in our competitors discovering, developing, or commercializing drugs before or more successfully than we do, or developing products or therapies that are more advanced or effective than ours, which may adversely affect our financial condition and our ability to successfully market or commercialize our products and product candidates.

The development and commercialization of new drug products or medical devices is highly competitive. We face competition with respect to our current products and product candidates and will face competition with respect to any product candidates that we may seek to develop or commercialize in the future, from major pharmaceutical companies, specialty pharmaceutical companies, biotechnology companies, and medical device companies. Some of these competitive drugs and therapies are based on scientific approaches that are similar to that of our products and product candidates. Potential competitors also include academic institutions, government agencies, and other public and private research organizations that conduct research, seek patent protection, and establish collaborative arrangements for research, development, manufacturing, and commercialization.

Many of the companies against which we are competing or may in the future compete have significantly greater financial resources and may have additional resources or capabilities with respect to research and development, manufacturing, pre-clinical testing, conducting clinical trials, obtaining regulatory approvals, and marketing approved drugs than we do. Additionally, some of our competitors may successfully adopt or use emerging technologies to enhance their clinical or business operations before we are able to do so, which could leave us at a competitive disadvantage or with higher costs relative to our peers. Mergers and acquisitions in the pharmaceutical, biotechnology, and diagnostic industries may result in resources being further concentrated among a smaller number of our competitors. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These competitors also compete with us in recruiting and retaining global leaders and qualified scientific and management personnel; establishing clinical trial sites and patient registration for clinical trials; and acquiring technologies complementary to, or necessary for, our programs.

Our commercial opportunities could be reduced or eliminated if our competitors develop and commercialize products that are safer, more effective, have fewer or less severe side effects, are more convenient, or are less expensive than our products or if they are more successful in their marketing and distribution efforts. Our commercial opportunities also may be adversely affected if the availability of competitor products limits or reduces the prices we are able to charge for our products. Our competitors also may obtain regulatory approvals in our target markets before we do, which could allow them to establish a strong market position before we are able to enter the market. Additionally, technologies developed by our competitors may render our products or product candidates uneconomical or obsolete. We may also be adversely affected as a result of the expiration or successful challenge of our patent rights with respect to the validity and/or scope of patents relating to our competitors' products. Any such development could adversely affect our business, financial condition, results of operations, and prospects.

Clinical development involves a lengthy and expensive process with an uncertain outcome.

There is a risk of failure for each of our product candidates. It is difficult to predict when or if any of our product candidates will prove effective and safe in humans or will receive regulatory approval. Before obtaining regulatory approval, our product candidates must complete pre-clinical studies and extensive clinical trials to demonstrate their safety and efficacy. Clinical testing is expensive, difficult to design and implement, and can take many years to complete.

The outcomes of pre-clinical testing and early clinical trials may not be predictive of the success of later clinical trials, and interim results of a clinical trial do not necessarily predict final results. Moreover, pre-clinical and clinical data are often susceptible to varying interpretations and analyses, and many companies that have believed their product candidates performed satisfactorily in pre-clinical studies and clinical trials have nonetheless failed to obtain regulatory approval of their product candidates. Future clinical trials of our product candidates may not be successful.

Before commencing clinical trials, we must finalize the trial design based on ongoing discussions with the NMPA for trials in mainland China, the FDA for trials in the United States, and any other applicable regulatory authorities. The regulatory authorities may subsequently change their position on the acceptability of trial designs or clinical endpoints, which could require us to complete additional clinical trials or impose unexpected additional approval conditions. Successful completion of our clinical trials is a prerequisite to submitting an NDA (or equivalent filing) to the NMPA, FDA, or other applicable regulatory authorities and to the ultimate approval and commercial launch of our products or product candidates. A number of companies in the pharmaceutical and biotechnology industries have suffered significant

setbacks in advanced clinical trials due to lack of efficacy or adverse safety profiles, notwithstanding promising results in earlier trials. There are inherent uncertainties associated with the development of our products and product candidates. We do not know whether the clinical trials for our product candidates will begin or be completed on schedule or at all or whether the clinical trial results will be favorable.

We may incur additional costs or experience delays in completing pre-clinical or clinical trials or ultimately be unable to complete the development and commercialization of our product candidates.

We may experience delays in completing our pre-clinical or clinical trials, and numerous unforeseen events could arise during, or as a result of, such clinical trials, which could delay or prevent us from receiving regulatory approval, including:

- regulators or institutional review boards, or IRBs, or ethics committees may not authorize us or our investigators to commence or conduct a clinical trial at a prospective trial site;
- we may experience delays in reaching, or may fail to reach, agreement on acceptable terms with prospective trial sites and prospective CROs who conduct clinical trials on our behalf, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;
- clinical trials may produce negative or inconclusive results, and we may decide, or regulators may require us, to conduct additional clinical trials or we may decide to abandon product development programs;
- the number of patients required for clinical trials of our products and product candidates may be larger than we anticipate, enrollment in these clinical trials may be slower than we anticipate, or participants may drop out of these clinical trials or fail to return for post-treatment follow-up at a higher rate than we anticipate;
- third-party contractors used in our clinical trials may fail to comply with regulatory requirements or meet their contractual obligations in a timely manner, or at all, or may deviate from the clinical trial protocol or drop out of the trial, which may require that we add new clinical trial sites or investigators;
- we may not be able to conduct a companion diagnostic test to identify patients who are likely to benefit from our products and product candidates in a timely manner or at all;
- we may elect to, or regulators, IRBs or ethics committees may require that we or our investigators, suspend or terminate clinical research for various reasons, including non-compliance with regulatory requirements or a finding that participants are being exposed to unacceptable health risks;
- the cost of clinical trials may be greater than we anticipate;
- the supply or quality of our product candidates or other materials necessary to conduct clinical trials may be insufficient or inadequate; and
- our products and product candidates may have undesirable side effects or unexpected characteristics, causing us or our investigators, regulators, IRBs, or ethics committees to suspend or terminate the trials, or reports may arise from pre-clinical or clinical testing of other therapies that raise safety or efficacy concerns about our products and product candidates.

We could encounter regulatory delays if a clinical trial is suspended or terminated by us or, as applicable, the IRBs or the ethics committee of the institutions in which such trials are being conducted, by the data safety monitoring board, which is an independent group of experts that is formed to monitor clinical trials while ongoing, or by the NMPA, FDA, or other applicable regulatory authorities. Such authorities may impose a suspension or termination due to a number of factors, including: a failure to conduct the clinical trial in accordance with regulatory requirements or the applicable clinical protocols; a failure to obtain the regulatory approval and/or complete record filings with respect to the collection, preservation, use, and export of mainland China's human genetic resources; inspection of the clinical trial operations or trial site by the NMPA, FDA, or other regulatory authorities that results in the imposition of a clinical hold, unforeseen

safety issues, or adverse side effects; failure to demonstrate a benefit from using a product candidate; changes in government regulations or administrative actions; or lack of adequate funding to continue the clinical trial. Many of the factors that could cause a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of our product candidates. Further, the NMPA, FDA, or other applicable regulatory authorities may disagree with our clinical trial design or our interpretation of data from clinical trials or may change the requirements for approval even after it has reviewed and commented on the design for our clinical trials. Our business will be adversely affected if we are unable to successfully complete clinical development, obtain regulatory approval, and successfully commercialize our products and product candidates.

If we are required to conduct additional clinical trials or other testing of our products or product candidates beyond those that are currently contemplated, or if we are unable to successfully complete clinical trials of our products or product candidates or other testing, or if the results of these trials or tests are not positive or are only modestly positive or if there are safety concerns, we may:

- be delayed in obtaining regulatory approval for our products and product candidates;
- not obtain regulatory approval at all;
- obtain approval for indications or patient populations that are not as broad as intended or desired;
- be subject to post-marketing testing requirements;
- encounter difficulties obtaining or be unable to obtain reimbursement for use of our products and product candidates;
- be subject to restrictions on the distribution and/or commercialization of our products and product candidates; or
- have our products and product candidates removed from the market after obtaining regulatory approval.

Our product development costs will also increase if we experience delays in testing or regulatory approvals. We do not know whether any of our clinical trials will begin as planned, will need to be restructured or will be completed on schedule, or at all. Significant pre-clinical study or clinical trial delays also could allow our competitors to bring products to market before we do and impair our ability to successfully commercialize our products and product candidates and may harm our business and results of operations. Any delays in our clinical development programs may harm our business, financial condition, and prospects significantly.

If we experience delays or difficulties in the enrollment of patients in clinical trials, the progress of such clinical trials and our receipt of necessary regulatory approvals could be delayed or prevented.

We may not be able to initiate or continue clinical trials for our products and product candidates if we are unable to locate and enroll a sufficient number of eligible patients to participate in these trials as required by the NMPA, FDA, or applicable regulatory authorities. In particular, we have designed many of our clinical trials, and expect to design future clinical trials, to include some patients with the applicable genomic mutation with a view to assessing possible early evidence of potential therapeutic effect. Genomically defined diseases, however, may have relatively low prevalence, and it may be difficult to identify patients with the applicable genomic mutation. The inability to enroll a sufficient number of patients with the applicable genomic alteration or that meet other applicable criteria for our clinical trials would result in significant delays and could require us to abandon one or more clinical trials. In addition, some of our competitors have ongoing clinical trials for products or product candidates that treat the same indications as our products or product candidates, and patients who would otherwise be eligible for our clinical trials may instead enroll in clinical trials of our competitors' products or product candidates.

Our products and product candidates may cause undesirable side effects that could delay or prevent their regulatory approval, limit the commercial profile of an approved label, or result in significant negative consequences following any regulatory approval.

Undesirable side effects, including adverse safety events, caused by our products or product candidates could have a negative impact on our business. Discovery of safety issues with our products could create issues with respect to product liability, additional regulatory scrutiny and requirements for additional labeling or safety monitoring, withdrawal of products from the market, and the imposition of fines or criminal penalties. Adverse safety events may also damage physician, patient, and/or investor confidence in our products and our reputation. Any of these events could result in liability, loss of revenues, material write-offs of inventory, material impairments of intangible assets, goodwill and fixed assets, material restructuring charges, or other adverse impacts on our results of operations.

Furthermore, undesirable side effects could cause us to interrupt, delay, or halt clinical trials or could cause regulatory authorities to interrupt, delay, or halt our clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the NMPA, FDA, or other applicable regulatory authorities. For example, side effects, such as fatigue, nausea, and low blood cell levels, are common in the case of oncology products or product candidates. If trial results for our products or product candidates reveal a high and unacceptable severity and prevalence of these or other side effects, trials of our products or product candidates could be suspended or terminated, and the NMPA, FDA, or other applicable regulatory authorities could order us to cease further development or deny approval of our products or product candidates for any or all targeted indications. The product-related side effects could affect patient recruitment or the ability of enrolled patients to complete the trial or result in potential product liability claims. Any of these occurrences may harm our business, financial condition, and prospects significantly.

Additionally, our products and product candidates could cause undesirable side effects related to off-target toxicity. For example, many of the currently approved PARP inhibitors have been associated with off-target toxicities. Many compounds that initially showed promise in early-stage testing for treating cancer have later been found to cause side effects that prevented further development of the compound.

Clinical trials assess a sample of the potential patient population. With a limited number of patients and duration of exposure, rare and severe side effects of our products or product candidates may only be uncovered with a significantly larger number of patients exposed to the product candidate. Even after a product or product candidate receives regulatory approval, if we, our partners, or others identify undesirable side effects caused by such product candidates (or any other similar product candidates) after such approval, a number of significant negative consequences could result, including:

- our revenue may be negatively impacted;
- our regulatory authorities may withdraw or limit their approval of such products or product candidates;
- our regulatory authorities may require the addition of labeling statements, such as a “boxed” warning or a contraindication;
- we may be required to create a medication guide outlining the risks of such side effects for distribution to patients;
- we may be required to change the way such products or product candidates are distributed or administered, conduct additional clinical trials or change the labeling of our products or product candidates;
- our regulatory authorities may require a Risk Evaluation and Mitigation Strategy, or REMS (or analogous requirement), plan to mitigate risks, which could include medication guides, physician communication plans, or elements to assure safe use, such as restricted distribution methods, patient registries, and other risk minimization tools;
- we may be subject to regulatory investigations and government enforcement actions;
- we may decide to remove such products or product candidates from the marketplace;
- we could be sued and held liable for injury caused to individuals exposed to or taking our products or product candidates; and
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of the affected products or product candidates, could substantially increase the costs of commercializing our products and product candidates, if approved, and could otherwise significantly impact our ability to successfully commercialize our products and product candidates and generate revenue.

If we are unable to obtain NMPA approval for our products and product candidates to be eligible for an expedited registration pathway, the time and cost we incur to obtain regulatory approvals may increase. Even if we receive a Category 1 drug designation, it may not lead to a faster development, review, or approval process.

The NMPA can designate innovative drugs as Category 1 drugs. To qualify for a Category 1 designation, a drug needs to have a new and clearly defined structure, pharmacological property, and apparent clinical value and to have not been marketed anywhere in the world. Our CTAs for ZEJULA and NUZYRA were approved as Category 1 drugs by the NMPA. A Category 1 designation by the NMPA may not be granted for any of our other product candidates that will not be first approved in mainland China or, if granted, such designation may not lead to a faster development or regulatory review or approval process. Moreover, a Category 1 designation does not increase the likelihood that our product or product candidates will receive regulatory approval.

Furthermore, despite positive regulatory changes in mainland China which have significantly accelerated time to market for innovative drugs, the regulatory process is still relatively ambiguous and unpredictable. The NMPA might require us to change our planned clinical study design or otherwise spend additional resources and effort to obtain approval of our product candidates. In addition, policy changes may contain significant limitations related to use restrictions for certain age groups, warnings, precautions, or contraindications, or we may be subject to burdensome post-approval study or risk management requirements. If we are unable to obtain regulatory approval for our product candidates in our target markets, or any approval contains significant limitations, we may not be able to obtain sufficient funding or generate sufficient revenue to continue the development of our other product candidates or to in-license, acquire, or develop additional product candidates in the future.

We continue to be subject to ongoing obligations and continued regulatory review with respect to our commercial products, which may result in significant additional expense, and if we fail to comply with ongoing regulatory requirements or experience any unanticipated problems with any of our commercial products, we may be subject to penalties.

After obtaining regulatory approval, our commercial products are subject to, among other things, ongoing regulatory requirements governing the labeling, packaging, promotion, recordkeeping, data management, and submission of safety, efficacy, and other post-marketing information. These requirements include submissions of safety and other post-marketing information and reports, registration, and continued compliance with cGMPs and GCPs. Such post-approval development and regulatory requirements may limit how our commercial products are manufactured and marketed, and could materially impair our ability to generate revenue. As such, we and our partners and any of our and their respective contract manufacturers will be subject to ongoing review and periodic inspections to assess compliance with applicable post-approval regulations. To the extent we want to make changes to the approved products, product labeling, or manufacturing processes, we will need to submit new applications or supplements to the applicable regulatory authority and obtain their approval.

Additionally, any regulatory approvals that we receive for our products or product candidates may be subject to limitations on the approved indications for which the products may be marketed or to the conditions of approval or may contain requirements for potentially costly post-marketing studies, including Phase IV studies for the surveillance and monitoring of the safety and efficacy of the products. For example, we are collecting additional safety and efficacy data for post-market safety and efficacy analysis for OPTUNE and monitoring adverse effects related to skin irritation, and we continue to collect safety events for all approved products.

In addition, once a product is approved by the applicable regulatory authority for marketing, it is possible that there could be a subsequent discovery of previously unknown problems with the product, including problems with third-party

manufacturers or manufacturing processes, or failure to comply with regulatory requirements. If any of the foregoing occurs with respect to our products, it may result in, among other things:

- restrictions on the marketing or manufacturing of the product, withdrawal of the product or drug from the market, or voluntary or mandatory product recalls;
- fines, warning letters or holds on clinical trials;
- refusal by the applicable regulatory authority to approve pending applications or supplements to approved applications filed by us, or suspension or revocation of product license approvals;
- drug seizure, detention, or refusal to permit the import or export of the product; and
- injunctions or the imposition of civil, administrative, or criminal penalties.

Any government investigation of alleged violations of law could require us to expend significant time and resources and could generate negative publicity. Moreover, regulatory policies may change, or additional government regulations may be enacted, that could prevent, limit, or delay regulatory approval of our products or product candidates. If we are not able to maintain regulatory compliance, regulatory approval that has been obtained may be lost, and we may not achieve or sustain profitability, which may harm our business, financial condition, and prospects significantly.

Our future success depends on our ability to retain key executives and to attract, retain, and motivate qualified personnel.

We are highly dependent on the expertise of our global leaders, including Samantha (Ying) Du, our Founder, Chief Executive Officer, and Chairperson of the Board of Directors, our executive management team, and members of our research and development and commercial teams. Although we have entered into employment agreements with our executive officers, they may terminate their employment with us at any time following a reasonable notice of not less than thirty days. We do not maintain “key person” insurance for any of our executives or employees.

Recruiting and retaining qualified management, scientific, clinical, manufacturing, and sales and marketing personnel is critical to our success. In addition, our management will be required to devote significant time to compliance initiatives from our dual primary listing on Nasdaq and the Hong Kong Stock Exchange. The loss of the services of certain of our executive officers or other key employees could impede the achievement of our research, development, and commercialization objectives and seriously harm our ability to successfully implement our business strategy. Furthermore, replacing certain of our executive officers and key employees may be difficult and may take an extended period of time because of the limited number of individuals in our industry with the breadth of skills and experience required to successfully develop, gain regulatory approval of, and commercialize products. Competition to hire from this limited pool is intense, and we may be unable to hire, train, retain, or motivate key personnel on acceptable terms given the competition among numerous pharmaceutical and biotechnology companies for similar personnel. We also experience competition for the hiring of scientific and clinical personnel from universities and research institutions, and failure to succeed in clinical trials may make it more challenging to recruit and retain qualified scientific personnel.

As the Company develops globally, we may increase the size and capabilities of our organization, and we may experience difficulties in managing such growth.

As the Company develops globally, we may experience growth in the number of our employees and consultants and the scope of our operations, particularly in the areas of product development, product commercialization, regulatory affairs, and business development. To manage future growth, we may continue to implement and improve our managerial, operational and financial systems, expand our facilities, and continue to recruit and train additional qualified personnel. We may not be able to effectively manage the expansion of our operations or recruit and train additional qualified personnel. The expansion of our operations may lead to significant costs and may divert the attention of our management and business development resources. Any inability to manage growth could delay the execution of our business plans or disrupt our operations and could have a materially adverse effect on our business.

We may explore additional regional or global licensing or collaboration arrangements for the development and/or commercialization of product candidates, which may expose us to significant additional costs, such as upfront fees, milestone payments, royalty payments, and the costs of related clinical or pre-clinical trials, may divert management attention or resources away from our other products and product candidates, and may expose us to additional risks of conducting business in additional international markets.

The majority of our products and product candidates are in-licensed for development and commercialization in Greater China. We have and may in the future explore additional global or regional licensing or collaboration agreements, including in territories outside of Greater China. Efforts to enter into license or collaboration with third parties may divert our management's attention away from other corporate strategic goals or objectives, business operations, or potential acquisition or development opportunities for additional product candidates. Further, these arrangements involve significant costs, including upfront fees; development, regulatory, and sales-based milestones; and certain royalties at tiered percentage rates based on annual net sales. Such milestone payments are contingent on product performance, and upfront fees, certain development and regulatory milestones, and costs of clinical or pre-clinical trials may occur before we have commercialized or received any revenue from the related product candidate.

Moreover, international business relationships subject us to additional risks that may materially adversely affect our business, including:

- difficulty of effective enforcement of contractual provisions in other jurisdictions;
- potential third-party patent rights or potentially reduced protection for intellectual property rights;
- unexpected changes in tariffs, trade barriers and regulatory requirements, including the loss of normal trade status between mainland China and the United States;
- economic weakness, including inflation;
- compliance with tax, employment, immigration, and labor laws for employees traveling abroad;
- the effects of applicable foreign tax structures and potentially adverse tax consequences;
- currency fluctuations, which could result in increased operating expenses and reduced revenue;
- workforce uncertainty and labor unrest;
- failure of our employees and contracted third parties to comply with anti-bribery laws in mainland China, Office of Foreign Asset Control rules and regulations and the FCPA and other anti-bribery and corruption laws; and
- business interruptions resulting from geopolitical actions, including trade disputes, public health crises, international war or conflict, natural disasters, extreme weather events, and other significant or catastrophic events outside of our control.

These and other risks may materially adversely affect our business, results of operations, and financial condition.

We may engage in future partnerships, in-licensing arrangements, joint ventures, or other types of business acquisitions that could disrupt our business, cause dilution to holders of our securities, and harm our financial condition and operating results.

We have engaged, and may again in the future engage, in partnership or strategic collaboration opportunities or investments, including those that require acquisitions of, or investments in, companies that we believe have products or capabilities that are a strategic or commercial fit with our current business and corporate strategic goals. In connection with such partnership or collaboration opportunities, acquisitions, or investments, we may:

- issue securities that would dilute the percentage of ownership of the holders of our securities;
- incur debt and assume liabilities; and

- incur amortization expenses related to intangible assets or incur large and immediate write-offs.

For example, in January 2021, we entered into a strategic collaboration with argenx pursuant to which we obtained an exclusive license for the development and commercialization of efgartigimod in Greater China in exchange for a combination of cash and ordinary shares.

We may form or seek strategic alliances, create joint ventures or collaborations, or enter into additional licensing arrangements with third parties that we believe will complement or augment our research, development, and commercialization efforts with respect to our products and product candidates. Any of these relationships may require us to incur non-recurring and other charges, increase our near- and long-term expenditures, issue securities that dilute our existing shareholders, or disrupt our management and business. Additionally, establishment of a joint venture involves significant risks and uncertainties, including (i) our ability to cooperate with our strategic partner, (ii) our strategic partner having economic, business, or legal interests or goals that are inconsistent with ours, and (iii) the potential that our strategic partner may be unable to meet its economic or other obligations, which may require us to fulfill those obligations alone.

We may be unable to find suitable acquisition candidates, and we may not be able to complete partnership or strategic collaboration opportunities or investments on favorable terms, if at all. If we do enter into partnerships or strategic collaborations or make other investments, such arrangements may not ultimately strengthen our competitive position or may be viewed negatively by customers, financial markets, or investors. Further, future partnerships, strategic collaborations, or other investments could also pose numerous additional risks to our operations, including:

- problems integrating the purchased business, products, personnel, or technologies;
- increases to our expenses;
- failure to have discovered undisclosed liabilities of the acquired asset or company;
- diversion of management's attention;
- harm to our operating results or financial condition;
- entrance into markets in which we have limited or no prior experience; and
- potential loss of key employees, including those of the acquired entity.

We may not be able to realize the benefit of current or future collaborations, strategic partnerships, or licensed products and product candidates if we are unable to successfully integrate such products with our existing operations and company culture, which could delay our timelines or otherwise adversely affect our business. Following a strategic transaction or license, we may not be able to achieve sufficient revenue or net income to justify such transaction. If we elect to fund and undertake development or commercialization activities on our own, we may need to obtain additional expertise and additional capital, which may not be available to us on acceptable terms or at all. If we fail to enter into collaborations and do not have sufficient funds or expertise to undertake the necessary development and commercialization activities, we may not be able to further develop or commercialize our products and product candidates, which would harm our business, financial condition, results of operations, and prospects.

We may need to significantly reduce our prices for our approved products in mainland China to be included in the NRDL for reimbursement, which could diminish our sales or adversely affect our profitability.

The regulations that govern pricing and reimbursement for pharmaceutical drugs and devices vary widely from country to country. In mainland China, the NHSA is responsible for administering mainland China's social security system, including price negotiations with drug companies seeking to include their products in the NRDL. Such price negotiations have resulted in average price reductions ranging from around 50% to 63% over the past few years. The NHSA, together with other government authorities, review the inclusion or removal of drugs from the NRDL, and the category of the NRDL under which a drug will be classified, both of which affect the reimbursement ratio and purchase limits for patients participating in NRDL-related medical insurance coverage. These determinations are made based on a number of factors,

including price and efficacy. In connection with obtaining NRDL listing for ZEJULA, VYVGART, NUZYRA, QINLOCK, and AUGTYRO for certain indications, we lowered the selling price of each product in preparation. Although NRDL listing may increase patient access to, and demand for, our commercial products, the lowered price after NRDL price negotiation could negatively affect our revenues or product margins and may not be sufficient to cover our costs, including licensing fees and research, development, manufacturing, marketing, and distribution expenses. We may also continue to experience additional pricing pressure for our products, including as a result of the centralized tender process or otherwise, which may further adversely affect our revenues or results of operations.

Prior to any potential NRDL listing, revenues for our commercial products will depend on sales that are self-paid by patients or otherwise covered by insurance in the private-pay market. Higher patient prices or lower patient access may reduce demand for, and sales of, our commercial products.

Companies in mainland China that manufacture or sell drugs and medical devices are required to comply with extensive regulations and hold a number of permits and licenses to carry on their business. Our ability to obtain and maintain these regulatory approvals is uncertain, and future government regulation may place additional burdens on our efforts to commercialize our products and product candidates.

The life sciences industry in mainland China is subject to extensive government regulation and supervision. In order to manufacture and distribute drug and medical device products in mainland China, we are required to:

- obtain a manufacturing permit for each production facility from the NMPA and its relevant branches for the manufacture of drug and device products domestically;
- obtain a marketing authorization, which includes an approval number, from the NMPA for each drug or device for sale in mainland China;
- obtain a Pharmaceutical Distribution Permit from the provincial medical products administration if we were to sell drugs manufactured by third parties; and
- renew the Pharmaceutical Manufacturing Permits, the Pharmaceutical Distribution Permits, and marketing authorizations every five years, among other requirements.

Laws governing medical devices continue to evolve in China. New or revised regulations may be more onerous or costly for us to comply with and may expose us to additional regulatory oversight.

If we are unable to obtain or renew such permits or any other permits or licenses required for our operations, we will not be able to engage in the commercialization, manufacture, and distribution of our products and product candidates and our business may be adversely affected.

If we fail to maintain our licenses or other intellectual property-related agreements for our products or product candidates or if we otherwise experience disruptions or disputes relating to our business relationships, we could lose the ability to continue the development and commercialization of our products and product candidates, and such disputes could cause us to use substantial resources.

Our business relies, in large part, on our ability to develop and commercialize products and product candidates from third parties in accordance with our license and collaboration agreements and other intellectual property-related agreements. If we fail to maintain such licenses or other intellectual-property-related agreements that are relevant to our products and product candidates, we may be unable to develop and commercialize the affected products or product candidates, and our business, financial condition, results of operations, and prospects could be materially harmed. If we fail to comply with our obligations under such agreements or if our licensors or collaboration partners fail to comply with obligations under such agreements or other agreements from which our rights are based, we may be unable to successfully develop and commercialize the affected products or product candidates, and our business, financial condition, results of operations, and prospects could be materially harmed.

Failure to meet obligations under any of the aforementioned agreements may result in termination of same by the other contracting party. Even though we may exercise all rights and remedies available to us and otherwise seek to preserve our rights, we may not be able to do so in a timely manner, at an acceptable cost, or at all. Any uncured, material breach under such agreements could result in loss of our rights and may lead to a complete termination of our rights to applicable products or product candidates. Any of the foregoing could have a material adverse effect on our business, financial conditions, results of operations, and prospects. In addition, we have had, and may in the future have, disputes regarding our rights under license, collaboration, or other intellectual property related agreement, including but not limited to:

- the scope of rights granted under such agreement;
- the use of intellectual property rights under such agreement;
- the satisfaction of diligence obligations under such agreement;
- the ownership of inventions or know-how resulting from such agreement; and
- the payments due under such agreement.

Such dispute may disrupt our business relationships or otherwise hinder our ability to successfully develop and commercialize the affected products or product candidates, which could have a material adverse effect on our business, financial conditions, results of operations, and prospects. Such disputes may also require or result in substantial costs and diversion of resources, including the consumption of significant management and other personnel time, to defend or assert our contractual rights or interpretation or to settle, arbitrate, or litigate such disputes. Any such settlements of contractual disputes, and the negotiations in connection therewith, could have a material adverse effect on our business, reputation, financial condition, results of operations, and prospects.

In addition, the resolution of any disputed contractual interpretation of any of the foregoing agreements could result in a narrower interpretation of the scope of our rights or increase our financial or other obligations and thereby may prevent or impair our ability to maintain our current agreement on commercially acceptable terms. Accordingly, we may be unable to successfully develop and commercialize the affected products or product candidates. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations, and prospects.

Reputational harm to our products, including product liability claims or lawsuits against us or any of our licensors, could cause us to incur substantial liabilities or loss of revenue or harm our reputation.

We face an inherent risk related to the use of our products and product candidates anywhere in the world. If we or our licensors cannot successfully defend the reputation of our licensed products, including against product liability or other claims, then we may incur substantial liability, loss of revenue, or loss of reputation. Regardless of merit or eventual outcome, the consequences to us from those claims (whether resulting from our sales in our licensed territories, or those of our licensors' sales elsewhere in the world) may result in:

- significant negative media attention and reputational damage;
- withdrawal of clinical trial subjects and inability to continue clinical trials;
- significant costs to defend related litigation;
- substantial monetary awards to trial subjects or patients;
- the inability to commercialize any products or product candidates that we may develop;
- initiation of investigations by regulators;
- a diversion of management's time and our resources; and
- a decline in the market price of our securities.

Any litigation or investigation might result in substantial costs and diversion of resources. While we maintain liability insurance for certain clinical trials (which covers the patient human clinical trial liabilities including, among others, bodily injury), product liability insurance to cover our product liability claims and general liability and D&O insurance to cover other commercial liability claims, these insurance policies may not fully cover our potential liabilities. Additionally, inability to obtain sufficient insurance coverage at an acceptable cost could prevent or inhibit the successful commercialization of products or drugs we develop, alone or with our collaborators. Any negative reputational harm to our licensors' products anywhere in the world may have an adverse impact on our ability to sell those same products in our licensed territories. If our licensors incur such harm or liability, it may also cause damage to our revenues and reputation which may not be covered by insurance.

Potential cybersecurity threats are changing rapidly and advancing in sophistication. We may not be able to protect our systems and networks, or the confidentiality of our confidential or other information (including personal information), from cyberattacks and other unauthorized access, disclosure, and disruption.

Cybersecurity risks for companies like ours have significantly increased in recent years, in part because of the proliferation of new technologies, the use of the internet and certain technologies to conduct business, and the increased sophistication and activities of organized crime, hackers, terrorists, and other external parties, including foreign state-sponsored actors.

Like many companies, from time to time we have been, and expect to continue to be, the target of attempted cyberattacks and other cybersecurity incidents. Such incidents may include malware, ransomware, denial-of-service attacks, social engineering, unauthorized access, human error, theft or misconduct, fraud, and phishing, as part of an effort to disrupt operations, potentially test cybersecurity capabilities, or obtain confidential, proprietary, or other information (including personal information). Our cybersecurity risk and exposure depend on various factors, including the evolving nature and increasing frequency, levels of persistence, sophistication, and intensity of these threats, the outsourcing of some of our business operations, and the current global economic and political environment. The increase in remote work environments also may increase our cybersecurity risk if our employees, vendors, service providers, and other third parties with which we interact are working remotely on less secure systems and environments.

Because we are dependent on third parties for certain elements of our business and operations, we could also be adversely affected if any of them are subject to a successful cyberattack or other cybersecurity incident. Third parties with which we do business may also be sources of cybersecurity or other technology risks. We routinely transmit and receive confidential, proprietary, and other information (including personal information) by electronic means. This information could be subject to interception, misuse, or mishandling. Our exposure to these risks could increase as a result of our migration of core systems and applications to a third-party cloud environment. While we generally perform cybersecurity diligence on our key vendors, because we do not control third parties with whom we do business and our ability to monitor their cybersecurity posture is limited, the cybersecurity measures they take may not be sufficient to protect any information we share with them.

Although we devote significant resources to protect our systems, network, and information, the security measures we have implemented may not provide effective security. Our internal computer systems, software, devices, and networks – and those of our CROs, CMOs, and other third-party providers – may be vulnerable to cyberattacks and other cybersecurity incidents, business or supply chain disruptions, or other attempts to harm our business or reputation or misuse or steal information (including personal information). We routinely identify cybersecurity threats as well as vulnerabilities in our system and work to address them, but these efforts may be insufficient. Outside parties may attempt to induce employees, third-party partners, vendors, service providers, or other users of our systems or networks to disclose confidential, proprietary, or other information (including personal information) in order to gain access to our systems and networks and the information they contain. Unauthorized access or disclosure, or breaches of our security, also may result from human error. We may not be able to anticipate, prevent, detect, recognize, or react to threats to our systems, networks, and assets, or implement effective preventative measures against cyberattacks or other security incidents, especially because the techniques used change frequently or are not recognized until launched.

A cyberattack or other cybersecurity incident could occur and persist for an extended period of time without detection. We expect that any investigation of such an incident would take time, during which we would not necessarily know the extent of the harm or how best to remediate it. Although we have not experienced any such incident resulting in a material impact to the company to date, our cybersecurity risk management program may not prevent such an incident from having a material impact in the future. We have obtained insurance coverage relating to cybersecurity risks, but this insurance may not be sufficient to provide adequate loss coverage (including if the insurer denies future claims) and may not continue to be available to us on economically reasonable terms, or at all. Further, any limitations of liability provisions in our agreements with vendors, customers, and other third parties with which we do business may not be enforceable or adequate or otherwise protect us from any liabilities or damages with respect to any particular claim in connection with a cyberattack or other security incident of a third party on which we rely.

The occurrence of one or more cyberattacks or other cybersecurity incidents could result in the unauthorized disclosure, misuse, or corruption of confidential, proprietary, and other information (including personal and other information about our employees and patients and company and vendor confidential data) or could otherwise cause interruptions or malfunctions in our operations or the operations of our partners, customers, vendors, and other third parties with which we do business. This could result in significant losses or reputational damage, adversely affect our relationships with our partners, customers, vendors, and other third parties, negatively affect our competitive position, or otherwise harm our business. We could also face regulatory and other legal action, including for any failure to provide timely disclosure concerning, or appropriately to limit trading in our securities following, an incident. We may be required to expend significant additional resources to repair or replace information systems or networks, modify our internal controls, and implement or enhance other protective measures or to investigate or remediate vulnerabilities or other exposures. We also may be subject to litigation and financial losses that are not fully insured.

We may experience operational, regulatory, and competitive risks due to our use of artificial intelligence.

Artificial intelligence is increasingly being used in the biopharmaceutical industry, and we are exploring and implementing its use in our business operations, including potential use in clinical, discovery, and commercialization activities. The effective development, management, and use of AI require substantial resources, including the implementation of appropriate governance, safeguards, and employee training, and involve risks to our business and operations that may arise from potentially flawed algorithms, insufficient, poor quality or biased data sets, and inappropriate or controversial data practices by data scientists or end-users. If AI applications assist in producing analyses that are deficient or inaccurate, we could be subject to competitive harm, potential legal liability, and reputational harm. We may develop certain AI systems internally and rely on vendors or other third-party providers for integration of specialized capabilities, whose use or development of AI may not meet applicable regulatory standards, which could present additional risks to our business. Use of AI-based software may also lead to the inadvertent release of confidential information. Additionally, the legal and regulatory framework governing AI is rapidly evolving, and existing and future laws, regulations, and regulatory guidance may impose significant compliance obligations, increase costs, or limit how we use AI. Furthermore, some of our competitors may successfully adopt or use AI to enhance their clinical or business operations before we are able to do so, which could leave us at a competitive disadvantage or with higher costs relative to our peers.

We, our employees, and our contracted third parties are subject to laws and government regulations relating to privacy and data protection that have required us to modify certain of our policies and procedures with respect to the collection and processing of personal data, and future laws and regulations may cause us to incur additional expenses or otherwise limit our ability to collect and process personal data.

We, our employees, and our contracted third parties are subject to data privacy and security laws in the various jurisdictions in which we operate, obtain, or store personally identifiable information, including in mainland China, the United States, and the EU. The legislative and regulatory landscape for privacy and data protection continues to evolve, and there has been an increasing focus on privacy and data protection issues with the potential to affect our business.

We could be subject to regulatory actions and/or claims made by individuals and groups in private litigation involving privacy issues related to data collection and use practices and other data privacy laws and regulations, including claims under the laws described, as well as for alleged unfair or deceptive practices. If our operations are found to be in violation of any of the privacy laws, rules, or regulations that apply to us, we could be subject to penalties, including civil penalties, damages, injunctive relief, and other penalties, which could adversely affect our ability to operate our business and our financial results. We will continue to review these and all future privacy and other laws and regulations to assess whether additional procedural safeguards are warranted, which may cause us to incur additional expenses or otherwise limit our ability to collect and process personal data.

While we maintain and enforce policies and practices designed so that we and our employees comply with such data privacy and security laws in the various jurisdictions in which we operate, we have identified, and may in the future identify, instances of non-compliance with such policies and practices by our employees. Such non-compliance may result in a material adverse effect on our business, reputation, or operations, and our policies and practices may not prevent such an incident from having a material adverse impact in the future. In addition, our employees and contracted third parties may become subject to regulatory actions involving privacy issues related to data collection and use practices and other data privacy laws and regulations. Such regulatory actions may result in criminal or civil penalties, convictions, or sanctions, which may materially adversely affect our business and reputation. Such investigations of our employees and contracted third parties could also lead to allegations against, or investigations into, the Company and our practices with respect to such data and privacy laws and regulations.

We may face further restrictions (or even prohibitions) on our ability to transfer our scientific data abroad if Chinese regulators impose new restrictions (or change their interpretation of existing restrictions) on life sciences companies like us and the scientific data we obtain, generate, and maintain.

The Scientific Data Administrative Measures promulgated by the General Office of the State Council provides a regulatory framework for the collection, submission, retention, exploitation, confidentiality, and security of scientific data. All scientific data generated by research entities, including research institutions, higher education institutions, and enterprises that is created or managed with government funds, or funded by any source that concerns state secrets, national security, or social and public interests, must be submitted to data centers designated by the Chinese government for consolidation. Disclosure of scientific data will be subject to regulatory scrutiny.

The definition of scientific data is broad, and its applicability to clinical trial datasets can be fact-dependent. While none of our clinical study or other scientific data has been created or managed with government funds or funded by any source that concerns state secrets, national security, or social and public interests and, to date, we have received requisite permissions to transfer clinical study data abroad, we are closely monitoring legal and regulatory developments in this area to see how scientific data is interpreted, and we may be required to comply with additional regulatory requirements for sharing clinical study or other scientific data with our licensors or foreign regulatory authorities. The scope of such requirements, if any, is currently unknown.

Risks Related to Our Dependence on Third Parties

We rely on third parties, including our licensors, CMOs, and other suppliers, to support the commercial and clinical supply of our products and product candidates. Failure of such third parties to supply us with a sufficient quantity of products, in a timely matter or at all, may adversely affect our business.

We rely on third-party manufacturers to manufacture some of our products and product candidates. For example, with respect to our commercial products, we rely on argenx for VYVGART and VYVGART Hytrulo, NovoCure for OPTUNE, Deciphera for QINLOCK, Innoviva for XACDURO, and BMS for AUGTYRO. We also rely on CMOs for the local production in mainland China of certain drug substances and products, including NUZYRA.

Such reliance on third-party manufacturers entails risks to which we would not be subject to if we manufactured products or product candidates ourselves, including reliance on the third party for regulatory compliance and quality assurance, the possibility of breach of the manufacturing or supply agreement by the third party because of factors beyond

our control (including a failure to synthesize and manufacture our products or product candidates in accordance with our specifications), and the possibility of termination or nonrenewal of the agreement by the third party, based on its own business priorities, at a time that is costly or damaging to us. In addition, the NMPA and other regulatory authorities require that our product candidates and any products that we may eventually commercialize be manufactured according to cGMP standards. Any failure by our third-party manufacturers to comply with cGMP standards or failure to scale up manufacturing processes, including any failure to deliver sufficient quantities of product candidates in a timely manner, could lead to a delay in, or failure to obtain, regulatory approval of our product candidates. In addition, such failure could be the basis for the NMPA to issue a warning or untitled letter, withdraw approvals for product candidates previously granted to us, or take other regulatory or legal action, including recall or seizure, total or partial suspension of production, suspension of ongoing clinical trials, refusal to approve pending applications or supplemental applications, detention or product, refusal to permit the import or export of products, injunction, or imposing civil and criminal penalties.

Any significant disruption in our supplier relationships could harm our business. We currently source key materials from third parties, either directly through agreements with suppliers or indirectly through our manufacturers who have agreements with suppliers, as well as through our licensors. Any significant disruption in our potential supplier relationships, whether due to price increases, manufacturing, or supply-related issues, could harm our business. We anticipate that, in the near term, our key materials will be sourced through third parties. There are a small number of suppliers for certain capital equipment and key materials that are used to manufacture some of our products and product candidates. Such suppliers may not sell these key materials to us or our manufacturers at the times we need them or on commercially reasonable terms. We currently do not have any agreements for the commercial production of these key materials. Any significant delay in the supply of a product or product candidate or its key materials could considerably delay completion of our clinical studies, product or drug testing, and potential regulatory approval of our products or product candidates. If we or our manufacturers are unable to purchase key materials after regulatory approval has been obtained, the commercialization or the commercial launch of our product candidates could be delayed or there could be a shortage in supply, which would impair our ability to generate revenues from the sale of such products.

Furthermore, because of the complex nature of our compounds, we or our manufacturers may not be able to manufacture our compounds at a cost, in quantities, or in a timely manner necessary to make our products commercially successful. In addition, as our product pipeline develops, we may have a greater need for clinical study and commercial manufacturing capacity or third-party supply of our products and product candidates. We may not be able to increase our scale of production or supply on commercially reasonable terms, in a timely manner, or at all.

We rely on third parties to conduct our pre-clinical and clinical trials. If these third parties do not successfully carry out their contractual duties or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize our products or product candidates and our business could be substantially harmed.

Our internal capacity to perform pre-clinical and clinical trials is limited. As a result, we have relied upon and plan to continue to rely upon third-party CROs to monitor and manage data for some of our ongoing pre-clinical and clinical programs. We rely on these third parties for execution of our pre-clinical and clinical trials, and we control only certain aspects of their activities. Nevertheless, we are responsible for ensuring that each of our studies is conducted in accordance with applicable protocols and legal, regulatory, and scientific standards, and our reliance on the CROs does not relieve us of our regulatory responsibilities. We also rely on third parties to assist in conducting our pre-clinical studies in accordance with Good Laboratory Practices, and the Regulations for the Administration of Affairs Concerning Experimental Animals. We and our CROs are required to comply with Good Clinical Practice and relevant guidelines enforced by the NMPA, and other applicable regulatory authorities for all of our products or product candidates in clinical development. Regulatory authorities enforce these GCP requirements through periodic inspections of trial sponsors, investigators, and trial sites. If we or any of our CROs fail to comply with applicable GCP requirements, the clinical data generated in our clinical trials may be deemed unreliable, and the NMPA and other applicable regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. In addition, our clinical trials must be conducted with products or drugs produced under cGMP requirements. Failure to comply with these regulations may require us to repeat pre-clinical and clinical trials, which would delay the regulatory approval process.

Our CROs are not our employees, and except for remedies available to us under our agreements with such CROs, we cannot control whether they devote sufficient time and resources to our on-going clinical, nonclinical, and pre-clinical programs. Our CROs may not perform contracted services to our standards, may not produce results in a timely manner, or may fail to perform at all. If our CROs do not successfully carry out their contractual duties or obligations or meet expected deadlines or if the quality or accuracy of the clinical data they obtain is compromised due to their failure to adhere to our clinical protocols, regulatory requirements, or for other reasons, our clinical trials may be extended, delayed, or terminated and we may not be able to obtain regulatory approval for or successfully commercialize our products or product candidates. As a result, our results of operations, and the commercial prospects for our products and product candidates would be harmed, our costs could increase, and our ability to generate revenues could be delayed or compromised.

If we lose our relationships with CROs, our product development efforts could be delayed.

We rely on third-party vendors, including CROs, for some of our pre-clinical studies and clinical trials related to our product development efforts. Switching or adding additional CROs involves additional cost and requires management time and focus. Our CROs have the right to terminate their agreements with us in the event of an uncured material breach. In addition, some of our CROs have an ability to terminate their respective agreements with us if they can reasonably demonstrate that the safety of the subjects participating in our clinical trials warrants such termination, if we make a general assignment for the benefit of our creditors, or if we are liquidated. If any of our relationships with our third-party CROs are terminated, we may not be able to enter into arrangements with alternative CROs in a timely manner, on commercially reasonable terms, or at all. In addition, there is a natural transition period when a new CRO commences work and the new CRO may not provide the same type or level of services as the original provider. Any such developments could cause our product development efforts to be delayed, which could adversely affect our business and operations.

We depend on other parties to manage certain intellectual property rights that are material to our business. Any failure to effectively protect these rights could adversely affect our business and operations.

We depend on other parties to manage certain of our intellectual property rights that are material to our business. In accordance with certain of our licensing agreements, we rely on other parties to manage responsibility for protection of certain intellectual property rights that we hold rights to for our products and product candidates. If such parties fail to procure or maintain intellectual property rights, the rights we hold may be reduced or eliminated, which could materially harm our business, financial conditions, results of operations, and prospects.

Pursuant to the terms of certain of our licensing agreements, we may rely on others to procure, maintain, enforce, or defend certain patent rights we hold that are material to our business. Additionally, even if we are contractually permitted to pursue the enforcement or defense of a patent we hold rights to under an agreement, we require the cooperation of any applicable patent owners to enforce such patent, and such cooperation may not be provided to us. Furthermore, even if we are able to participate in any such legal actions, an adverse outcome could materially harm our business, financial conditions, results of operations, and prospects.

We rely on third-party distributors to sell our commercial products, and a limited number of customers have generated a substantial portion of our revenue. If we fail to maintain an effective distribution channel for our products, our business and sales of the relevant products could be adversely affected.

We rely on third-party distributors to sell our commercial products, which is consistent with the general practices of the pharmaceutical industry. A substantial amount of our revenue is derived from sales to a limited number of customers, which are distributors. For 2025 and 2024, our five largest customers accounted for approximately 33.1% and 32.4% of our product revenue, respectively. Product revenue generated from our largest customer for the same periods accounted for approximately 17.0% and 16.9% of our product revenue, respectively. We have relatively limited control over our distributors, and they may fail to distribute our products in a timely manner or in the manner we contemplate. Further, while we believe alternative distributors are readily available, if any of our major customers significantly reduces its purchase volume or ceases to purchase from us, and we are not able to identify new customers in a timely manner, our business, financial condition, and results of operation may be materially and adversely affected. In addition, our major customers may seek to negotiate more favorable terms for them in the future. Under such circumstances, we may have to

agree to less favorable terms in order to maintain the ongoing cooperative relationships with our major customers. If we are unable to reduce our production costs accordingly, our profitability, results of operations, and financial condition may be materially and adversely affected.

The illegal distribution and sale by third parties of counterfeit versions of our products or stolen products could have a negative impact on our reputation and business.

Third parties might illegally distribute and sell counterfeit or unfit versions of our products, which do not meet our or our collaborators' rigorous manufacturing and testing standards. A patient who receives a counterfeit or unfit product may be at risk for a number of dangerous health consequences. Our reputation and business could suffer harm as a result of counterfeit or unfit products sold under our or our collaborators' brand name(s). In addition, thefts of inventory at warehouses, plants, or while in-transit, which are not properly stored and which are sold through unauthorized channels, could adversely impact patient safety, our reputation, and our business.

Our business, results of operations, and financial condition may be adversely affected by deterioration in the credit quality of, or defaults by, our customers, and our deposits and investments may be negatively affected by fluctuations in interest rates.

We are exposed to the risk that our distributors and customers may default on their obligations to us as a result of bankruptcy, lack of liquidity, operational failure, or other reasons. As our business evolves, the amount and duration of our credit exposure may increase, as will the breadth of the entities to which we have credit exposure. Although we regularly review our credit exposure to specific distributors and customers that we believe may present credit concerns, default risks may arise from events or circumstances that are difficult to detect or foresee.

The carrying amounts of cash and cash equivalents, restricted cash, and short-term investments represent the maximum amount of loss due to credit risk. As of December 31, 2025 and 2024, we had cash and cash equivalents of $679.6 million and $449.7 million, respectively, restricted cash of $101.1 million and $101.1 million, respectively, and short-term investments of $10.0 million and $330.0 million, respectively, most of which are deposited in financial institutions outside of mainland China. Although our cash and cash equivalents in mainland China, Hong Kong, Australia, Taiwan, and the United States are deposited with various major reputable financial institutions, deposits placed with these financial institutions are not protected by statutory or commercial insurance. In the event of bankruptcy of one of these financial institutions, we may be unlikely to claim our deposits back in full. We are also exposed to risks related to changes in interest rates on our cash and cash equivalents, restricted cash, and short-term investments, as a decrease in interest rate may impact our investment income and related cash flows.

Although we believe that U.S. Treasury securities are of high credit quality, concerns about, or a default by, one or more institutions in the market could lead to significant liquidity problems, losses, or defaults by other institutions, which in turn could adversely affect us.

Risks Related to Intellectual Property

If we are unable to obtain and maintain protection for our products and product candidates through intellectual property rights, or if the scope of such intellectual property rights obtained is not sufficiently broad, third parties may compete directly against us.

Our success depends, in part, on our ability to protect our products, product candidates, and technologies from competition by obtaining, maintaining, and enforcing our intellectual property rights. We seek to protect our products and product candidates as well as technologies that we consider commercially important through intellectual property rights, such as patents and trade secrets.

We do not own or hold an exclusive license to patent rights in all of the territories in which we plan to commercialize certain of our products and product candidates. Further, we cannot predict whether patent applications that we hold rights to or any of our other owned or in-licensed pending patent applications will result in the issuance of patents

that effectively protect our products, product candidates, and technologies, or whether our issued patents will effectively exclude competitors. It is also possible that we do not identify and/or secure patent rights to certain patentable aspects of our products, product candidates, or technologies. If we do not secure patent rights with respect to our products, product candidates, and technologies, our business, financial condition, results of operations, and prospects could be materially harmed.

The patent prosecution process is expensive, time-consuming, and complex, and we may not be able to file, prosecute, maintain, license, or defend all necessary or desirable patent rights at a reasonable cost or in a timely manner, and patents may be invalidated, in whole or in part, and thereby rendered unenforceable. In addition, our licenses may not provide us with exclusive rights to products and product candidates in all relevant fields of use and in all territories in a manner which we may wish to develop or commercialize products in the future. As a result, we may not be able to prevent competitors from developing and commercializing competitive products in all such fields and territories.

The coverage claimed in a patent application can be significantly reduced before the patent is issued, and its scope can be reinterpreted after issuance. Even if patent applications we license or own currently or in the future have issued or do issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors or other third parties from competing with us, or otherwise provide us with any competitive advantage. In addition, the patent position of biotechnology and pharmaceutical companies generally is highly uncertain, involves complex legal and factual questions, and has been the subject of much litigation in recent years.

The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, and our patents may be challenged in the courts or patent offices. An adverse determination in any such submission, proceeding or litigation could reduce the scope of, or invalidate, our owned or in-licensed patent rights. Such challenges may result in loss of patent rights, loss of exclusivity, or in patent claims being narrowed, invalidated, or held unenforceable, which could limit the scope and/or duration of patent protection for our product(s) or product candidate(s). Consequently, we may not be able to exclude others from using certain technology without compensating us or possibly may be unable to exclude a competitor from commercializing a competitive product which may materially adversely impact our sales and may also cause us to reduce, more than we otherwise might, the price at which we sell our products. For example, granted claims of a patent issued by the PRC that pertain to certain aspects related to OPTUNE have been the subject of a successful invalidation proceeding, which is currently being appealed. Such proceedings also may result in substantial costs and require significant time from our scientists and management, even if the eventual outcome is favorable to us. Consequently, we do not know whether any of our technology, products or product candidates will be protectable or remain protected by valid and enforceable patents. Our competitors or other third parties may be able to circumvent our owned or in-licensed patents by developing similar or alternative technologies or products in a non-infringing manner.

Furthermore, the term of a patent is finite and generally expires 20 years from its earliest non-provisional filing date provided that associated fees are timely paid. Given the amount of time required for the development, testing, and regulatory review of products and new product candidates, patents protecting such products and product candidates might expire before or shortly after such products or product candidates are commercialized. For example, certain of our in-licensed patents related to OPTUNE are projected to expire in 2026. As a result, the patent rights we hold may be insufficient to protect our products and product candidates from competitors' products, including those that are generic.

Moreover, in the case of any patent rights that are jointly owned by us and another party, if we are unable to obtain an exclusive license or otherwise limit the other party's right to license such patent rights to a third party, such patent rights may be licensed to third parties, including our competitors. In addition, we may need the cooperation of any joint owner of such jointly-owned patent to enforce it against third parties, and such cooperation may not be provided to us. Any of the foregoing could have a material adverse effect on our competitive position, business, financial conditions, results of operations, and prospects.

Our owned or in-licensed patents could be found invalid or unenforceable if challenged in court or before the U.S. Patent and Trademark Office or other foreign authority.

We or our licensors or collaboration partners may become involved in patent litigation against third parties, for example, to enforce our patent rights, to invalidate patents held by such third parties, or to defend against such claims. Further, third parties could claim that we infringed, misappropriated, or otherwise violated their intellectual property rights or that a patent we or our licensors or collaboration partners have asserted against them is invalid or unenforceable. In patent litigation, defendant counterclaims challenging the validity, enforceability or scope of asserted patents are common, and there are numerous grounds upon which a party can assert invalidity or unenforceability of a patent. In addition to court proceedings, in certain jurisdictions, parties may initiate legal proceedings before administrative bodies to assert challenges to intellectual property rights, including patent rights. Such proceedings could result in revocation, cancellation, or amendment to the scope of our patent rights and could negatively affect our business.

The outcome of any such proceeding is generally unpredictable. Furthermore, even if we are successful in defending against such challenges, the cost to us of any patent litigation or similar proceeding could be substantial, and it may consume significant management and other personnel time.

An adverse result in any litigation or other intellectual property proceeding could put one or more of our patents at risk of being invalidated, rendered unenforceable, or interpreted narrowly. If a defendant were to prevail on a legal assertion of invalidity and/or unenforceability of our patents covering one or more of our products or product candidates, we may lack sufficient patent coverage of our products or product candidates to prevent others from marketing competing products. Any of these outcomes could have a material adverse effect on our business, financial condition, results of operations, and prospects.

We may not be able to protect our intellectual property.

The extent to which intellectual property rights provide adequate protection as available under the relevant intellectual property laws is uncertain, particularly in light of possible challenges to any patents in a given jurisdiction. Any such challenge to our patent rights could have a material adverse effect on our business, results of operations, and prospects. Further, such litigation may require a significant financial expenditure and could divert management's attention from other aspects of our business and operations. An adverse determination in any such litigation could materially impair our intellectual property rights and may harm our business, financial condition, results of operations, prospects, and reputation.

Many companies have encountered significant problems in protecting and defending intellectual property rights in certain jurisdictions, including mainland China. The legal systems, particularly in certain developing countries, do not favor the enforcement of patents, trade secrets, and other intellectual property protection, which could make it difficult for us to enforce our intellectual property and proprietary rights generally. Proceedings to enforce such intellectual property and proprietary rights could result in substantial costs, divert our efforts and attention from other aspects of our business, put our patents at risk of being invalidated or interpreted narrowly, and provoke third parties to assert counterclaims against us. We may not prevail in any lawsuits that we initiate, and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property and proprietary rights may be inadequate to obtain a significant commercial advantage from the intellectual property that we hold rights to.

Furthermore, many countries have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. In addition, many countries limit the enforceability of patents against government agencies or government contractors. In these countries, the patent owner may have limited remedies, which could materially diminish the value of such patent. If we or any of our licensors are forced to grant a license to third parties with respect to any patents relevant to our business, our competitive position may be impaired, and our business, financial condition, results of operations, and prospects may be adversely affected.

Developments or uncertainties in patent law could have a negative impact on our business.

Changes in either the patent laws or interpretation of the patent laws could diminish the value of patents, thereby impairing our ability to protect our products, product candidates, and technologies. Changes in patent laws and regulations in various jurisdictions, changes in the governmental bodies that enforce them, or changes in how the relevant

governmental authority enforces them may weaken our ability to obtain new patents or patent rights through our licensors or to enforce any patents in the future. We cannot predict future changes in the interpretation of patent laws or changes to patent laws that might be enacted into law by any legislative body. Such changes could materially affect our patent rights and could have a material adverse effect on our business, results of operations, and prospects.

If we are unable to maintain the confidentiality of our trade secrets, our business and competitive position may be harmed.

We rely upon proprietary information, including trade secrets and know-how to maintain our competitive position. However, such information can be difficult to protect. We seek to protect our proprietary confidential information, in part, by entering into confidentiality agreements with parties that have access to such information, including our partners, collaborators, scientific advisors, employees, consultants, and other third parties. We may not be able to enter into such agreements with each party that may have or have had access to our trade secrets or other proprietary information. Further, we may not be able to prevent the unauthorized disclosure or use of our trade secrets or other proprietary information (such as know-how) by the parties to these agreements, despite their existence and any other contractual restrictions. If any of these parties breaches or violates the terms of such agreement or otherwise discloses our proprietary confidential information, we may not have adequate remedies for such breach or violation and could lose any competitive advantage such confidential information afforded us. Enforcing a claim that a third party illegally disclosed or misappropriated our trade secrets is difficult, expensive, and time-consuming, with the outcome being unpredictable.

Our trade secrets could become known or even be independently discovered by other parties, including our competitors. If any of our trade secrets were to be disclosed or independently developed, we would have no right to prevent others from using that information to compete against us, which may have a material adverse effect on our business, financial condition, results of operations, and prospects.

If our products or product candidates infringe, misappropriate, or otherwise violate the intellectual property rights of third parties, we may incur substantial liabilities, and we may be unable to sell or commercialize these products and product candidates.

Our success depends significantly on our ability to develop, manufacture, market, and sell our commercial products and use our proprietary technologies without infringing, misappropriating, or otherwise violating the patents and other proprietary rights of third parties. The biotechnology and pharmaceutical industries are characterized by extensive litigation regarding patents and other intellectual property rights. We may become party to, or threatened with, litigation or other proceedings regarding intellectual property rights with respect to our products, product candidates, or technologies that could negatively affect our business.

Third parties may assert claims of patent infringement against us, regardless of merit, based on their existing patents or based on later issued patents. Even if we believe such claims are without merit, there is no assurance that a court would find in our favor on questions of patent infringement or counterclaims pertaining to the underlying patent(s) asserted against us. A court of competent jurisdiction could hold that a third-party patent is valid, enforceable, and infringed by us, which could have a material adverse effect on our business.

If we are found to have infringed a third party's patent rights, and we are unsuccessful in demonstrating that such patent(s) are invalid or unenforceable, we could be required to:

- obtain royalty-bearing licenses from such third party to the relevant patent(s), which may not be available on commercially reasonable terms, require substantial licensing and royalty payments, or may not be available at all, and even if we were able to obtain such licenses, they could be non-exclusive, thereby giving our competitors and other third parties access to the same technologies licensed to us;
- defend against additional litigation or administrative proceedings in the same and/or other jurisdiction(s);
- reformulate affected product(s) so that they do not infringe the intellectual property rights of others, which may not be possible or could be expensive and time consuming;

- cease developing, manufacturing, and commercializing any infringing products, product candidates, or technologies; and
- pay such third party significant monetary damages, including treble damages and attorneys' fees, if we are found to have willfully infringed their patent.

Similarly, claims by third parties that we have misappropriated their confidential information, such as trade secrets, could have a material adverse effect on our business. Even if we are ultimately successful in defending against such claims via litigation(s) or administrative proceeding(s), any such litigation or proceeding may be costly and could result in a substantial diversion of management resources. Consequently, any of the foregoing may have a material adverse effect on our business, financial condition, results of operations, and prospects.

Intellectual property litigation and proceedings could cause us to spend substantial resources and distract our personnel from their normal responsibilities.

Even if resolved in our favor, litigation or other such legal proceedings relating to our intellectual property rights may cause us to incur significant expenses and could distract our personnel from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions, or other interim proceedings or developments, and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our securities. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing, or distribution activities. We may not have sufficient financial or other resources to conduct such litigation or proceedings adequately. Additionally, some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can, for example, because of greater financial or other resources. Moreover, uncertainties resulting from the initiation and continuation of such litigation or other proceedings could have a material adverse effect on our business.

We may be subject to claims that we or our employees, consultants, or advisors have wrongfully used or disclosed alleged trade secrets of their current or former employers or are in breach of confidentiality, non-disclosure, non-use, non-competition, or non-solicitation agreements with such current or former employers, some of whom may be our competitors or potential competitors.

We could in the future be subject to claims that we or our employees, consultants, or advisors have inadvertently or otherwise improperly used or disclosed alleged trade secrets or other proprietary information of current or former employers of our employees, consultants, or advisors. For example, many of our employees, consultants, and advisors are currently or were previously employed at universities or other biotechnology or pharmaceutical companies, including our competitors or potential competitors. Although we try to prevent our employees, consultants, and advisors from improperly using the intellectual property or other proprietary information of their current or former employers in their work for us, these efforts may not be successful.

Litigation may be necessary to defend against such claims, and even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and research personnel. If our defenses to these claims fail, in addition to requiring us to pay monetary damages, a court could prohibit us from using certain technologies or features that are essential to our products and product candidates if such technologies or features are found to incorporate or be derived from the trade secrets or other proprietary information of another party. An inability to incorporate such technologies or features could have a material adverse effect on our business and may prevent us from successfully commercializing our affected products and product candidates. In addition, we may lose valuable intellectual property rights or personnel as a result of such claims. Moreover, any such litigation or the threat of such litigation may adversely affect our ability to hire employees or contract with necessary personnel. A loss of key personnel or their work product could hamper or prevent our ability to develop or commercialize our products and product candidates, which would have a material adverse effect on our business, financial condition, results of operations, and prospects.

In addition, while we require our employees and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in enforcing such agreements. The assignment of intellectual property rights may not be self-executing, or the assignment

agreements may be breached, and we may be forced to bring claims against our employees, contractors, or other third parties, or defend claims that they may bring against us, to determine the ownership of certain intellectual property. Such claims could have a material adverse effect on our business, financial condition, results of operations, and prospects.

We may not be successful in obtaining intellectual property rights for acquired or in-licensed product candidates.

Our business model depends, in part, on our ability to successfully identify and acquire or in-license product candidates to enhance and strengthen our product pipeline. For such acquired or in-licensed product candidates, we may be unable to secure intellectual property rights relating to, or necessary for, commercialization of any such product candidates from third parties on commercially reasonable terms or at all. In such event, we may be unable to develop or commercialize such product candidates. We may also be unable to identify product candidates that we believe are an appropriate strategic fit for the Company and/or obtain intellectual property protection relating to such product candidates. Any of the foregoing could have a materially adverse effect on our business, financial condition, results of operations, and prospects.

The in-licensing and acquisition of intellectual property rights for product candidates is a competitive area, and a number of other companies are also pursuing strategies to in-license or acquire third-party intellectual property rights for product candidates that we may consider attractive or necessary. These other companies may have a competitive advantage over us, for example due to their size, cash resources, and clinical development and commercialization capabilities. Furthermore, certain companies that perceive us to be a competitor may be unwilling to assign or license rights to us. If we are unable to successfully obtain rights to suitable product candidates, our business, financial condition, results of operations, and prospects could suffer.

If we or our licensors or collaboration partners do not obtain patent term extension and data exclusivity for our products or their products or any product candidates we may develop, our business may be materially harmed.

Depending upon the timing, duration, and specifics of any regulatory marketing approval of our products or any product candidates we may develop, one or more of our owned or in-licensed patents may be eligible for limited patent term extension in a particular jurisdiction. For example, in the United States, a single patent (provided it claims the approved drug or method for using it, or a method for manufacturing the drug) may be eligible for patent term extension of up to five years, although it cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval. However, patent term extension might not be granted due to failure to meet applicable requirements (for example, due to failure to meet applicable deadlines or prior to expiration of the relevant patent) or might be less than requested (for example, due to failure to exercise due diligence during the testing phase or regulatory review process).

The China Patent Law provides for patent term extension, patent term adjustment, and a patent linkage system. However, the lack of operational guidelines has hindered enforcement of any data exclusivity protection for eligible therapeutics. Until finalized operational guidelines are issued, such provisions of the China Patent Law cannot be implemented and a lower-cost generic or biosimilar drug can emerge onto the market more quickly in mainland China. If we are unable to obtain patent term extension or patent term adjustment for any eligible patent or the term of any such patent term extension or patent term adjustment is less than we request, our competitors may obtain approval of competing products following our patent expiration, and our business, financial condition, results of operations, and prospects could be materially harmed. If we were to pursue patent linkage litigation, such litigation could take several months to conclude and require additional months thereafter for the decision to be made publicly available. We will monitor future administrative rulings / court decisions on patent linkage in mainland China. Any decision against our interests could adversely affect our business.

Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment, and other requirements imposed by government patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

Over the lifetime of any patent rights we hold, certain government fees will be paid to a patent office in the respective jurisdiction for any patent application(s) and on any patent(s) resulting therefrom. In some of our licensed matters, we rely on our licensors to pay these fees. In addition to the payment of fees, during the patent application process,

the patent office of any given jurisdiction requires compliance with procedural and documentary provisions. In some of our licensed matters, we rely on our licensors to comply with these requirements. In some cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with the applicable rules of a jurisdiction. There are situations, however, in which non-compliance can result in abandonment or lapse of the patent or patent application, resulting in a partial or complete loss of patent rights in the relevant jurisdiction, which may have a material adverse effect on our business, financial condition, results of operations, and prospects.

Intellectual property rights do not necessarily address all potential threats.

The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations and may not adequately protect our business or permit us to maintain our competitive advantage. For example:

- others may be able to make products that are similar to our products or product candidates or utilize similar technology that are not covered by the claims of the patents that we hold rights to;
- patent rights we currently hold or that we may hold in the future might be from inventors that are not the first to file patent applications covering such inventions;
- others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing, misappropriating, or otherwise violating our intellectual property rights;
- patent rights we currently hold to any patent applications that are pending or such patent applications that we may hold patent rights to in the future may not result in issued patents;
- issued patents that we hold rights to may be held invalid or unenforceable;
- our competitors might conduct research and development activities in countries where we do not have patent rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets;
- we may not develop additional proprietary technologies that are patentable;
- the patents of others may impede our ability to exploit our innovations and may harm our business; and
- we may choose to maintain certain trade secrets or know-how, and a third party may discover such trade secrets or know-how through independent research and development, which may harm our business.

Should any of these events occur, they could have a material adverse effect on our business, financial condition, results of operations, and prospects.

Risks Related to Our ADSs and Ordinary Shares

If we fail to maintain proper internal control over financial reporting, our ability to produce accurate financial statements or comply with applicable regulations could be impaired.

Pursuant to Section 404 of the Sarbanes-Oxley Act, we are required to file a report by our management on our internal control over financial reporting, including an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. The presence of material weaknesses in internal control over financial reporting could result in financial statement errors which, in turn, could lead to errors in our financial reports and/or delays in our financial reporting, which could require us to restate our operating results. We might not identify one or more material weaknesses in our internal controls in connection with evaluating our compliance with Section 404 of the Sarbanes-Oxley Act. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal controls over financial reporting, we will need to expend significant resources and provide significant management oversight. Implementing any appropriate changes to our internal controls may require specific compliance training of our directors and employees, entail substantial costs in order to modify our existing accounting systems, take a significant

period of time to complete, and divert management's attention from other business concerns. These changes may not, however, be effective in maintaining the adequacy of our internal control.

If we fail to maintain effective internal control over financial reporting in the future, our management and our independent registered public accounting firm may not be able to conclude that we have effective internal controls over financial reporting, investors may lose confidence in our operating results, the price of our securities could decline, and we may be subject to litigation or regulatory enforcement actions. In addition, if we are unable to meet the requirements of Section 404 of the Sarbanes-Oxley Act, our ADSs may not be able to remain listed on Nasdaq.

We have incurred losses and have not paid dividends on our securities since our inception, and we do not currently intend to pay dividends on our securities. The success of an investment in our securities will depend on appreciation in the price of our securities.

We have incurred losses since inception and have never declared or paid any dividends on our securities. We currently intend to invest our future earnings, if any, to fund our business. Therefore, investors are not likely to receive any dividends on their securities, at least in the near term, and the success of an investment in our securities will depend upon any future appreciation in their value compared to their purchase price. There is no guarantee that our securities will appreciate in value or even maintain the price at which they were purchased. Further, investors may need to sell all or part of their holdings of our securities to realize any future gains on their investment.

The market price of our securities may be volatile, which could result in substantial losses for our investors.

The market price of our securities has been volatile, and will likely continue to be volatile and subject to wide fluctuations in response to a variety of factors, including the following:

- announcements of competitive developments;
- regulatory developments affecting us, our licensors and partners, our customers, or our competitors;
- announcements regarding litigation or administrative proceedings involving us or our licensors and partners;
- actual or anticipated fluctuations in our period-to-period operating results;
- changes in financial estimates by securities research analysts;
- additions or departures of our executive officers;
- fluctuations of exchange rates between the RMB and the U.S. dollar;
- release or expiration of lock-up or other transfer restrictions on our outstanding securities; and
- sales or perceived sales of additional securities.

In addition, the securities markets have experienced, and may in the future experience, significant price and volume fluctuations that are not related to the operating performance of particular companies. Broad market and industry factors may negatively affect the market price of our securities, regardless of our actual operating performance. For example, in the last few years, tensions between the United States and China, the COVID-19 pandemic, and other geopolitical factors have negatively affected stock market and investor sentiment and resulted in significant volatility, including temporary trading halts. Prolonged global capital markets volatility may affect overall investor sentiment towards our securities, which would also negatively affect the trading prices for our securities.

Fluctuations in the value of the RMB or Hong Kong dollars may have a material adverse effect on our results of operations and the value of our securities.

The value of the RMB or HK dollar against the U.S. dollar and other currencies may fluctuate and is affected by, among other things, changes in political and economic conditions. With the development of the foreign exchange market

and progress towards interest rate liberalization and RMB internationalization, the Chinese government has announced, and may again in the future announce, changes to the exchange rate system. There is no guarantee that the RMB will not appreciate or depreciate significantly in value against the U.S. dollar. It is difficult to predict how market forces or Chinese or U.S. government policy may impact the exchange rate between the RMB and the U.S. dollar in the future.

The value of our securities may, therefore, be affected by foreign exchange rates between U.S. dollars, HK dollars, and the RMB. For example, to the extent that we need to convert U.S. dollars or HK dollars into RMB for our operations or if any of our arrangements with other parties are denominated in U.S. dollars or HK dollars and need to be converted into RMB, appreciation of the RMB against the U.S. dollar or the HK dollar would have an adverse effect on the RMB amount we receive from the conversion. Conversely, if we decide to convert RMB into U.S. dollars or HK dollars for the purpose of making payments for business purposes, appreciation of the U.S. dollar or the HK dollar against the RMB would have a negative effect on the conversion amounts available to us.

Since 1983, the HKMA has pegged the HK dollar to the U.S. dollar at the rate of approximately HK$7.80 to US$1.00. However, there is no assurance that the HK dollar will continue to be pegged to the U.S. dollar or that the HK dollar conversion rate will remain at HK$7.80 to US$1.00. If the HK dollar conversion rate against the U.S. dollar changes and the value of the HK dollar depreciates against the U.S. dollar, the Company's assets denominated in HK dollars will be adversely affected. Additionally, if the HKMA were to repeg the HK dollar to, for example, the RMB rather than the U.S. dollar, or otherwise restrict the conversion of HK dollars into other currencies, then the Company's assets denominated in HK dollars will be adversely affected.

Significant revaluation of the RMB or HK dollar may have a material adverse effect on our business. For example, to the extent that we need to convert U.S. dollars into RMB or HK dollars for our operations, appreciation of the RMB or HK dollar against the U.S. dollar would have an adverse effect on the RMB amount we would receive from the conversion. Conversely, if we decide to convert our RMB or HK dollars into U.S. dollars for the purpose of making payments for business purposes, appreciation of the U.S. dollar against the RMB would have a negative effect on the U.S. dollar amount available to us. In addition, appreciation or depreciation in the value of the RMB relative to U.S. dollars would affect our financial results reported in U.S. dollar terms regardless of any underlying change in our business or results of operations.

Very limited hedging options are available in mainland China to reduce our exposure to exchange rate fluctuations. To date, we have not entered into any hedging transactions in an effort to reduce our exposure to foreign currency exchange risk. While we may decide to enter into hedging transactions in the future, the availability and effectiveness of these hedges may be limited, and we may not be able to adequately hedge our exposure or at all. In addition, our currency exchange losses may be magnified by Chinese exchange control regulations that restrict our ability to convert RMB into foreign currency.

Holders of our ADSs have fewer rights than shareholders and must act through the depositary to exercise their rights.

Holders of our ADSs do not have the same rights as our shareholders and may only exercise the voting rights with respect to the underlying ordinary shares in accordance with the provisions of the deposit agreement. Under our amended and restated articles of association, an annual general meeting and any extraordinary general meeting may be called with not less than fourteen days' notice. When a general meeting is convened, you may not receive sufficient notice of a shareholders' meeting to permit you to withdraw the ordinary shares underlying your ADSs to allow you to vote with respect to any specific matter. If we ask for your instructions, we will give the depositary notice of any such meeting and details concerning the matters to be voted upon at least 30 days in advance of the meeting date, and the depositary will send a notice to you about the upcoming vote and will arrange to deliver our voting materials to you. The depositary and its agents, however, may not be able to send voting instructions to you or carry out your voting instructions in a timely manner. We will make commercially reasonable efforts to cause the depositary to extend voting rights to you in a timely manner, but we cannot assure you that you will receive the voting materials in time to instruct the depositary to vote the ordinary shares underlying your ADSs. Furthermore, the depositary will not be liable for any failure to carry out any instructions to vote, for the manner in which any vote is cast or for the effect of any such vote. As a holder or beneficial owner of ADSs, you may have limited recourse if we or the depositary fail to meet our respective obligations under the

deposit agreement or if you wish us or the depositary to participate in legal proceedings. As a result, you may not be able to exercise your right to vote and you may lack recourse if your ADSs are not voted as you request. In addition, in your capacity as an ADS holder, you will not be able to call a shareholders' meeting.

Under the deposit agreement, for the ADSs, the depositary will give us a discretionary proxy to vote the ordinary shares underlying your ADS at shareholders' meeting if you do not give instructions to the depositary, unless (i) we have failed to timely provide the depositary with our notice of meeting and related voting materials, (ii) we have instructed the depositary that we do not wish a discretionary proxy to be given, (iii) we have informed the depositary that there is a substantial opposition as to a matter to be voted on at the meeting, or (iv) a matter to be voted on at the meeting would have a material adverse impact on shareholders.

The effect of this discretionary proxy is that, if you fail to give voting instructions to the depositary, you cannot prevent the ordinary shares underlying your ADSs from being voted, except under the circumstances described above. This may adversely affect your interests and make it more difficult for ADS holders to influence the management of the Company. Holders of our ordinary shares are not subject to this discretionary proxy.

Holders of our ADSs may not receive distributions or any value for them if such distribution is illegal or impractical or if any required government approval cannot be obtained in order to make such distributions.

Although we do not have any present plan to pay any dividends, if we achieve profitability and were to decide to pay dividends in the future, the depositary of our ADSs has agreed to pay our ADS holders the cash dividends or other distributions it or the custodian receives on ordinary shares or other deposited securities underlying our ADSs, after deducting its fees and expenses and any applicable taxes and governmental charges. Our ADS holders will receive these distributions in proportion to the number of ordinary shares their ADSs represent. However, the depositary is not responsible if it decides that it is unlawful or impractical to make a distribution available to any holders of ADSs. For example, it would be unlawful to make a distribution to a holder of ADSs if it consists of securities whose offering would require registration under the Securities Act but are not so properly registered or distributed under an applicable exemption from registration. The depositary may also determine that it is not reasonably practicable to distribute certain property. In these cases, the depositary may determine not to distribute such property. We have no obligation to register under the U.S. securities laws any offering of ADSs, ordinary shares, rights, or other securities received through such distributions. We also have no obligation to take any other action to permit the distribution of ADSs, ordinary shares, rights, or anything else to holders of ADSs. This means that you may not receive distributions we make on our ordinary shares or any value for them if it is illegal or impractical for us to make them available to you. These restrictions may cause a material decline in the value of our ADSs.

Rights of our shareholders in the United States to participate in any future rights offerings may be limited, which may cause dilution to their holdings.

We may from time to time distribute rights to our shareholders, including rights to acquire our securities. However, we cannot make rights available to our shareholders in the United States unless we register the rights and the securities to which the rights relate under the Securities Act or an exemption from the registration requirements is available. Also, under the deposit agreement, the depositary will not make rights available to our U.S. shareholders unless either both the rights and any related securities are registered under the Securities Act, or the distribution of them to ADS holders is exempted from registration under the Securities Act. We are under no obligation to file a registration statement with respect to any such rights or securities or to endeavor to cause such a registration statement to be declared effective. Moreover, we may not be able to establish an exemption from registration under the Securities Act. If the depositary does not distribute the rights, it may, under the deposit agreement, either sell them, if possible, or allow them to lapse. Accordingly, our U.S. shareholders may be unable to participate in our rights offerings and may experience dilution in their holdings.

Taxing authorities could reallocate our taxable income among our subsidiaries, which could increase our overall tax liability.

We are organized under the laws of the Cayman Islands and currently have subsidiaries in mainland China, Hong Kong, Taiwan, the Cayman Islands, the United States, Australia, and the British Virgin Islands. If we further grow our business, we expect to conduct increased operations through our subsidiaries in various tax jurisdictions pursuant to transfer pricing arrangements between us, our parent company, and our subsidiaries. If two or more affiliated companies are located in different countries, the tax laws or regulations of each country generally will require that transfer prices be the same as those between unrelated companies dealing at arms' length and that appropriate documentation is maintained to support the transfer prices. While we believe that we operate in compliance with applicable transfer pricing laws and intend to continue to do so, our transfer pricing procedures are not binding on applicable tax authorities.

If tax authorities in any of these countries were to successfully challenge our transfer prices as not reflecting arms' length transactions, they could require us to adjust our transfer prices and thereby reallocate our income to reflect these revised transfer prices, which could result in a higher tax liability to us. In addition, if the country from which the income is reallocated does not agree with the reallocation, both countries could tax the same income, resulting in double taxation. If tax authorities were to allocate income to a higher tax jurisdiction, subject our income to double taxation or assess interest and penalties, it would increase our consolidated tax liability, which could adversely affect our financial condition, results of operations, and cash flows.

A tax authority could assert that we are subject to tax in a jurisdiction where we believe we have not established a taxable connection, often referred to as a "permanent establishment" under international tax treaties, and such an assertion, if successful, could increase our expected tax liability in one or more jurisdictions. A tax authority may take the position that material income tax liabilities, interest, and penalties are payable by us, in which case, we expect that we might contest such assessment. Contesting such an assessment may be lengthy and costly, and if we were unsuccessful in disputing the assessment, the implications could increase our anticipated effective tax rate, where applicable.

There is no assurance that we will not be a passive foreign investment company, or PFIC for U.S. federal income tax purposes for any taxable year, which could subject U.S. investors in our securities to significant adverse U.S. federal income tax consequences.

In general, a non-U.S. corporation will be a PFIC for any taxable year in which (i) 75% or more of its gross income consists of passive income, or (ii) 50% or more of the value of its assets (generally determined on a quarterly average basis) consists of assets that produce, or are held for the production of, passive income (the "asset test"). For purposes of the above calculations, a non-U.S. corporation that directly or indirectly owns at least 25% by value of the shares of another corporation is treated as if it held its proportionate share of the assets of the other corporation and received directly its proportionate share of the income of the other corporation. Passive income generally includes interest, dividends, and gains from certain property transactions, rents, and royalties (other than certain rents or royalties derived in the active conduct of a trade or business). For these purposes, cash is generally a passive asset and the value of a non-U.S. corporation's goodwill (which may be determined by reference to the excess of the sum of its market capitalization and liabilities over its booked assets) generally should be an active asset to the extent attributable to business activities that produce non-passive income.

Based on the current market price of our ADSs and our current and expected composition of income and assets, we do not expect the Company and its subsidiaries to be PFICs for our current taxable year. However, our assets other than goodwill are expected to consist primarily of cash and cash equivalents for the foreseeable future. Therefore, whether we will satisfy the asset test for the current or any future taxable year will depend largely on the quarterly value of our goodwill (which may be determined by reference to the market price of our ADSs, which could be volatile given the nature and early stage of our business). If our market capitalization declines while we continue to hold a significant amount of cash, the risk that we will be a PFIC will increase. Furthermore, we may be a PFIC for any taxable year in which our interest and other investment income constitutes 75% or more of the sum of (i) such interest and investment income, and (ii) the excess of our revenue over cost of goods sold. In addition, a company's PFIC status is an annual determination that can be made only after the end of each taxable year. Therefore, we cannot give any assurance as to whether we are a PFIC for the current or any future taxable year.

Subject to the discussion below, if we are or become a PFIC, U.S. investors generally would be subject to adverse U.S. federal income tax consequences, such as increased tax liabilities on capital gains and certain distributions, and interest charges on taxes deemed to be deferred. If we are a PFIC for any taxable year during which a U.S. investor owns our securities, we will generally continue to be treated as a PFIC with respect to such investor for all succeeding years during which the investor owns our securities (unless the investor timely makes a valid "deemed sale" election), even if we cease to meet the threshold requirements for PFIC status. A mark-to-market election may be available with respect our securities, which would result in U.S. federal income tax consequences to holders of our securities that are different from those described above.

If a U.S. investor owns our securities during any year in which we are a PFIC, such investor generally will be required to file annual reports on IRS Form 8621 (or any successor form) with respect to us, generally with their U.S. federal income tax return for that year. U.S. investors should consult their tax advisors regarding the determination of whether we are a PFIC for any taxable year and the potential application of the PFIC rules.

If a U.S. investor is treated as owning at least 10% of our ordinary shares, such holder may be subject to adverse U.S. federal income tax consequences.

If a U.S. investor is treated as owning (directly, indirectly, or constructively) at least 10% of either the total value or total combined voting power of our ADSs or our ordinary shares, such U.S. investor may be treated as a "U.S. shareholder" with respect to each controlled foreign corporation, or CFC, in the Company (if any). Because the Company includes at least one U.S. subsidiary (Zai Lab (US) LLC), certain of our non-U.S. subsidiaries will be treated as CFCs (regardless of whether Zai Lab Limited is treated as a CFC). A U.S. shareholder of a CFC may be required to annually report and include in its U.S. taxable income its pro rata share of "Subpart F income," "global intangible low-taxed income" and investments in U.S. property by CFCs, regardless of whether we make any distributions. An individual that is a U.S. shareholder with respect to a CFC generally would not be allowed certain tax deductions or foreign tax credits that would be allowed to a U.S. shareholder that is a U.S. corporation. We may not assist investors in determining whether any of our non-U.S. subsidiaries are treated as a CFC or whether such investor is treated as a U.S. shareholder with respect to any of such CFCs. Further, we may not furnish to any investors information that may be necessary to comply with the reporting and tax paying obligations discussed above. Failure to comply with these reporting obligations may subject a U.S. investor to significant monetary penalties and may prevent the statute of limitations with respect to their U.S. federal income tax return for the year for which reporting was due from starting. U.S. investors should consult their tax advisors regarding the potential application of these rules to their investment in our securities.

Changes in tax law may adversely affect our business and financial results.

Under current law, we expect to be treated as a non-U.S. corporation for U.S. federal income tax purposes. The tax laws applicable to our business activities, however, are subject to change and uncertain interpretation. Our tax position could be adversely impacted by changes in tax rates, tax laws, tax practice, tax treaties or tax regulations, or changes in the interpretation thereof by the tax authorities in jurisdictions in which we do business. Our actual tax rate may vary from our expectation, and that variance may be material. A number of factors may increase our future effective tax rates, including: (i) the jurisdictions in which profits are determined to be earned and taxed; (ii) the resolution of issues arising from any future tax audits with various tax authorities; (iii) changes in the valuation of our deferred tax assets and liabilities; (iv) our ability to use net operating loss carryforwards to offset future taxable income and any adjustments to the amount of the net operating loss carryforwards we can utilize; and (v) changes in tax laws or the interpretation of such tax laws, and changes in U.S. GAAP.

Our corporate actions are substantially controlled by our directors, executive officers, and other principal shareholders, who can exert significant influence over important corporate matters, which may reduce the price of our securities.

Our directors, executive officers, and other principal shareholders could exert substantial influence over matters such as electing directors and approving material mergers, acquisitions, or other business combination transactions. This may discourage, delay, or prevent a change in control of the Company, which could deprive our shareholders of an opportunity to receive a premium for their shares as part of a sale of the Company and reduce the price of our securities. Such actions

may be taken even if they are opposed by certain of our other shareholders. In addition, our directors, executive officers, and other principal shareholders could divert business opportunities away from us to themselves or others.

Investors may be subject to limitations on transfers of their ADSs.

ADSs are transferable on the books of the depositary. However, the depositary may close its transfer books at any time when it deems expedient in connection with the performance of its duties. In addition, the depositary may refuse to deliver, transfer, or register transfers of ADSs generally when our books or the books of the depositary are closed, or at any time if we or the depositary deems it advisable to do so because of any requirement of law or of any government or governmental body, or under any provision of the deposit agreement, or for any other reason.

Substantial future sales or perceived potential sales of our ordinary shares, ADSs, or other equity or equity-linked securities could cause the price of our securities to decline.

Sales of our ordinary shares, ADSs, or other equity or equity-linked securities, or the perception that these sales could occur, could cause the market price of our securities to decline significantly. All of our ordinary shares represented by ADSs were freely transferable by persons other than our affiliates without restriction or additional registration under the U.S. Securities Act. The shares held by our affiliates are also available for sale, subject to volume and other restrictions as applicable under Rule 144 of the U.S. Securities Act, under trading plans adopted pursuant to Rule 10b5-1 or otherwise.

Divestiture in the future of our securities by shareholders, the announcement of any plan to divest our securities, or hedging activity by third-party financial institutions in connection with similar derivative or other financing arrangements entered into by shareholders could cause the price of our securities to decline.

Furthermore, any major disposal of our securities by any of our directors or executive officers (or the perception that such disposals may occur) may cause the prevailing market price of our securities to fall, which could negatively impact our ability to raise capital in the future.

The different characteristics of the capital markets in Hong Kong and the United States may negatively affect the trading prices of our securities.

We are dual primary listed on Nasdaq and the Hong Kong Stock Exchange. Nasdaq and the Hong Kong Stock Exchange have different listing rules and requirements, trading hours, trading characteristics (including trading volume and liquidity), trading rules, and investor bases (including different levels of retail and institutional participation). As a result of these differences, the trading prices of our ordinary shares on the Hong Kong Stock Exchange and our ADSs on Nasdaq may not be the same, even after allowing for currency differences. Fluctuations in the price of our securities due to circumstances unique to the one market could materially and adversely affect the price of our securities on the other market.

The depositary for our ADSs is entitled to charge holders fees for various services, including annual service fees. Dealings in the ordinary shares registered in our Hong Kong register of members will be subject to Hong Kong stamp duty.

The depositary for our ADSs is entitled to charge holders fees for various services including for the issuance of ADSs upon deposit of ordinary shares, cancelation of ADSs, distributions of cash dividends or other cash distributions, distributions of ADSs pursuant to share dividends or other free share distributions, distributions of securities other than ADSs, and annual service fees. In the case of ADSs issued by the depositary into The Depository Trust Company, or DTC, the fees will be charged by the DTC participant to the account of the applicable beneficial owner in accordance with the procedures and practices of the DTC participant as in effect at the time. Additionally, dealings in the ordinary shares registered in our Hong Kong register of members will be subject to Hong Kong stamp duty.

Exchange between our ordinary shares and our ADSs may adversely affect the liquidity and/or trading price of our securities.

Subject to compliance with U.S. securities law and the terms of the deposit agreement, holders of our ordinary shares may deposit such ordinary shares with the depositary in exchange for the issuance of our ADSs. Any holder of ADSs may also withdraw the underlying ordinary shares represented by the ADSs pursuant to the terms of the deposit agreement for trading on the Hong Kong Stock Exchange. If a substantial number of our ordinary shares are deposited with the depositary in exchange for ADSs or vice versa, the liquidity and trading price of our ordinary shares on the Hong Kong Stock Exchange and our ADSs on Nasdaq may be adversely affected.

The time required for the exchange between our ordinary shares and ADSs might be longer than expected and investors might not be able to settle or effect any sale of their securities during this period, and the exchange of ordinary shares into ADSs involves costs.

There is no direct trading or settlement between Nasdaq and the Hong Kong Stock Exchange on which our ADSs and ordinary shares are respectively traded. In addition, the time differences between Hong Kong and New York and unforeseen market circumstances or other factors may delay the deposit of ordinary shares in exchange of ADSs or the withdrawal of ordinary shares underlying the ADSs. Investors will be prevented from settling or effectuating the sale of their securities during such periods of delay. In addition, there is no assurance that any exchange of ADSs into ordinary shares (and vice versa) will be completed in accordance with the timelines investors may anticipate.

Furthermore, the depositary for the ADSs is entitled to charge holders fees for various services including for the issuance of ADSs upon deposit of ordinary shares, cancellation of ADSs, distributions of cash dividends or other cash distributions, distributions of ADSs pursuant to share dividends or other free share distributions, distributions of securities other than ADSs, and annual service fees. As a result, shareholders who exchange ADSs into ordinary shares, and vice versa, may not achieve the level of economic return they may anticipate.

There is uncertainty as to whether Hong Kong stamp duty will apply to the trading or conversion of our ADSs.

We have established a branch register of members in Hong Kong (the "Hong Kong share register") for our ordinary shares that are traded on the Hong Kong Stock Exchange, and the trading of these ordinary shares on the Hong Kong Stock Exchange will be subject to the Hong Kong stamp duty. In addition, to facilitate ADS-ordinary share conversion and trading between Nasdaq and the Hong Kong Stock Exchange, we have moved a portion of our issued ordinary shares from our register of members maintained in the Cayman Islands to our Hong Kong share register.

Under the Hong Kong Stamp Duty Ordinance, any person who effects any sale or purchase of Hong Kong stock, defined as stock the transfer of which is required to be registered in Hong Kong, is required to pay Hong Kong stamp duty. The stamp duty is currently set at a total rate of 0.2% of the greater of the consideration for, or the value of, shares transferred, with 0.1% payable by each of the buyer and the seller. To the best of our knowledge, Hong Kong stamp duty has not been levied in practice on the trading or conversion of ADSs of companies that are listed in both the United States and Hong Kong and that have maintained all or a portion of their ordinary shares, including ordinary shares underlying ADSs, in their Hong Kong share registers. However, it is unclear whether, as a matter of Hong Kong law, the trading or conversion of ADSs of these dual-listed companies constitutes a sale or purchase of the underlying Hong Kong-registered ordinary shares that is subject to Hong Kong stamp duty. We advise investors to consult their own tax advisors on this matter. If Hong Kong stamp duty is determined by the competent authority to apply to the trading or conversion of our ADSs, the trading price and the value of any investment in our securities may be affected.

General Risk Factors

We are subject to the risks of doing business globally, such as from economic or political tensions between the United States and China and other business disruptions or other adverse effects caused by economic downturns, market conditions, changing legal and regulatory requirements, political instability, trade sanctions, public health crises, international war or conflict, natural disasters, extreme weather events, and other geopolitical events or significant disruptions outside of our control.

Because we operate in Greater China, the United States, and other countries, our business is subject to risks associated with doing business globally. For example, our business and financial results could be adversely affected by changes in global, economic, and industry conditions, including currency fluctuations, changes in interest rates, capital and exchange controls, inflation, recession, market volatility, and restrictive government actions such as changes in laws and regulatory requirements, intellectual property, legal protections and remedies, trade regulations, tax laws and regulations, and procedures and actions affecting approval, production, pricing, marketing, reimbursement, and access for our products or product candidates.

In addition, we, as well as our customers, vendors, partners, and patients, may be impacted by geopolitical events, including economic or political tensions between the United States and China; international war or conflicts; and other instances of political or civil unrest, such as major hostilities or acts of terrorism. For example, as a result of economic or political conditions or tensions between the United States and China, the United States and other nations have raised the possibility of tariffs and trade or other sanctions on China, Chinese banks, and companies with operations in China as well as legislation that restricts or prohibits U.S. investment in certain companies operating in China. Such actual or threatened sanctions on us or third parties with which we do business, such as customers, suppliers, intermediaries, services providers, or banks, and other geopolitical factors could adversely affect our business and financial results, including our ability to raise capital or raise capital on favorable terms and the market price of our securities. We, as well as our customers, vendors, partners, and patients, may also be impacted by public health crises, such as the COVID-19 pandemic, as well as earthquakes, hurricanes, floods, drought, wildfires, and other extreme weather or catastrophic events.

The occurrence of one or more of the events described above could disrupt our studies, supply chain, manufacturing facilities, distribution network, and sales and marketing efforts or result in increased costs or decreased demand for our products. Such developments could have a material adverse effect on our business, including our clinical development, financial condition, results of operations, ability to raise capital or raise capital on favorable terms, and the market price of our securities.

If we or our CROs or CMOs fail to comply with applicable environmental, health, and safety laws and regulations, we could become subject to fines or penalties or incur costs that could have a material adverse effect on our business.

We, our CROs, CMOs, or other contractors are subject to numerous environmental, health, and safety laws and regulations, including those governing laboratory procedures and the handling, use, storage, treatment and disposal of hazardous materials and wastes. In addition, our construction projects can only be put into operation after certain regulatory procedures with the relevant administrative authorities in charge of environmental protection, health, and safety have been completed. Our development operations primarily occur in mainland China and the United States and involve the use of hazardous and flammable materials, including chemicals and biological materials. Our operations also produce hazardous waste products. We are therefore subject to Chinese and U.S. laws and regulations concerning the discharge of wastewater, gaseous waste, and solid waste during our research and development of our products and product candidates. We generally contract with third parties for the disposal of these materials and wastes. If we fail to comply with environmental regulations and contamination or injury from these materials results from our use of hazardous materials, we could be held liable for any resulting damages, and any such liability could exceed our resources or insurance coverage (such as workers' compensation insurance for injuries to our employees). We also could incur significant costs associated with civil, administrative, or criminal fines and penalties.

Furthermore, the Chinese or U.S. government may adopt more stringent environmental regulations. If this occurs, we may incur substantial capital expenditures to install, replace, upgrade, or supplement our facilities and equipment or make operational changes to comply with such environmental protection laws and regulations. If such costs were to become prohibitively expensive, we may be forced to cease certain aspects of our business or operations. We do not maintain insurance for environmental liability or toxic tort claims that may be asserted against us in connection with our storage, use, or disposal of biological or hazardous materials.

In addition, we may be required to incur substantial costs to comply with current or future health and safety laws and regulations, which could impair our research, development, or production efforts. Failure to comply with such laws and regulations may result in substantial fines, penalties, or other sanctions.

Because of volatility in the price of our securities and the share price of biotechnology and biopharmaceuticals companies more broadly, we may be at increased risk of securities class action litigation.

In recent years, our company as well as other companies in our industry have experienced significant share price volatility. As a result, we may be at increased risk of securities class action litigation. Historically, securities class action litigation, whether warranted or not, often follows a decline in the market price of a company's securities. If we were to become subject to class action litigation, it could result in substantial costs and a diversion of management's attention and resources, which could harm our business.

If analysts do not continue to publish research or publish inaccurate or unfavorable research about our business, the market price and/or trading value of our securities could decline.

The market for our securities relies in part on research and reports that equity research analysts publish about us or our business. If research analysts do not maintain adequate research coverage or if one or more of the analysts who covers us downgrades our securities or publishes inaccurate or unfavorable research about our business, the market price for our securities would likely decline. If one or more of these analysts cease coverage of the Company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which, in turn, could cause the market price or trading volume for our securities to decline significantly.

The increasing use of social media platforms presents new risks and challenges.

Social media is increasingly being used to communicate about our products and the diseases our therapies are designed to treat. Social media practices in the biopharmaceutical industry continue to evolve and regulations relating to such use are not always clear and create uncertainty and risk of noncompliance with regulations applicable to our business. For example, patients may use social media channels to comment on the effectiveness of a product or to report an alleged adverse event. When such disclosures occur, there is a risk that we fail to monitor and comply with applicable adverse event reporting obligations, or we may not be able to defend the company or the public's legitimate interests in the face of the political and market pressures generated by social media due to restrictions on what we may say about our products. There is also a risk of inappropriate disclosure of sensitive information or negative or inaccurate posts or comments about us on any social networking website. Further, there is a risk that unmerited or unsupported claims about our products may circulate on social media. If any of these events were to occur or we otherwise fail to comply with applicable regulations, we could incur liability, face restrictive regulatory actions, or incur other harm to our business, including damage to the reputation of our products or Company.

Item 1B. Unresolved Staff Comments

Not applicable.

Item 1C. Cybersecurity

Cybersecurity risks are a growing threat to us and other businesses, including our CROs, CMOs, and other third-party providers, which are vulnerable to cyberattacks, malware, and other system failures that may result in unauthorized access, damage, and other harms to our business or reputation. Protecting the confidentiality, integrity, and availability of our business information, intellectual property, customer, patient and employee data, and technology systems is critical to our business and operations, ability to comply with regulatory requirements, and reputation. Accordingly, cybersecurity is an important and integrated part of the Company's enterprise risk management function that identifies, monitors, and mitigates business, operational, and legal risks.

Accordingly, we have established cybersecurity standards, policies, and operating procedures, including our Global IT Policy and Information Security Policy and our incident response plan, for the purpose of implementing information protection processes and technologies; carrying out cybersecurity risk detection, identification, assessment, response, and monitoring; assigning responsibility within our organization for risk detection and oversight; implementing cybersecurity training; governing internal communications regarding cybersecurity risks; and making required public and regulatory disclosures regarding cybersecurity threats and incidents. We oversee risks from cybersecurity threats associated with our use of third-party service providers by requiring our vendors to agree that they have and will maintain appropriate cybersecurity controls, such as through standard contractual provisions, and by coordinating with key vendors with respect to integration with our systems. Our cybersecurity risk management program is based on the NIST framework.

Key components of our cybersecurity risk management program include the use of third-party service providers, as appropriate, to assess, test, or otherwise assist with aspects of our security processes. For example, we employed a third-party cyber risk consultant to assess our overall cybersecurity risk framework against NIST standards. We have also engaged third-party experts to perform penetration testing of our IT systems, and we have considered the results of such tests to enhance our cybersecurity systems and controls, as appropriate.

Our management, including leaders from our IT, information security, legal, and compliance teams, is responsible for implementing our cybersecurity standards, policies, and operating procedures, under the ultimate oversight of our Chief Operating Officer. We regularly discuss and assess cybersecurity risks as part of our Risk Coordination Council, which brings together senior leaders across the Company to address various risk issues. In addition, our Global Compliance Committee, which is comprised of leaders from senior management, legal, compliance, finance, HR, and internal audit, discusses significant risk issues affecting the Company, including with respect to cybersecurity issues, as appropriate. Members of our information security team, which includes personnel in the United States and China, collectively have decades of experience with information technology and cybersecurity systems, implementation, and oversight in the jurisdictions in which we operate. Under our incident response plan and our related information security policies and procedures, our information security personnel are responsible for promptly notifying senior management, including leaders in our legal and compliance departments, about any new cybersecurity incident or threat that may require management evaluation or response.

Our Audit Committee assists our Board in overseeing cybersecurity risk management and the integrity of our information technology systems, processes, and data. Periodically, the Audit Committee reviews and discusses with management, our internal auditor, and, in its discretion, third party vendors or other external experts, the adequacy of security for our information technology systems, processes, and data; our incident response and contingency plans in the event of a breakdown or security breach affecting the security of our information technology systems or data or the information technology systems, processes, and data of our clients; and any new threats or incidents that have or may impact us. The Audit Committee receives reports on the operation of such programs from the Chief Operating Officer, Chief Legal Officer, and/or the IT Department, as appropriate. The Audit Committee also reviews management reports regarding the evolving threat environment, vulnerability assessments, and specific cybersecurity incidents. Periodically, the Audit Committee reports on cybersecurity matters, incidents, and risk oversight to the Board. The Board also receives briefings from management on our cybersecurity risk management program.

Although we have not experienced a cyberattack or other cybersecurity incident that has materially affected us, we have been subject to cybersecurity attacks in the past, and we cannot guarantee that we will not experience cybersecurity incidents that may have a material effect on us in the future. For more information, see *Risk Factors – Potential cybersecurity threats are changing rapidly and advancing in sophistication. We may not be able to protect our systems and networks, or the confidentiality of our confidential or other information (including personal information), from cyberattacks and other unauthorized access, disclosure, and disruption.*

Item 2. Properties

We lease our principal executive offices in Shanghai and Cambridge, Massachusetts as well as various administrative offices in Shanghai, Beijing, Guangzhou, Hong Kong, Taiwan, and South San Francisco, California and

research and development facilities in Shanghai and a small site in San Diego, California. We also lease two manufacturing facilities, including a small molecule and a large molecule facility, in Suzhou to support production of certain of our products and product candidates. In addition, we have completed the construction of a new office and research building in Suzhou. We believe these facilities are sufficient to meet our near-term needs.

Item 3. Legal Proceedings

We are, from time to time, subject to various claims, lawsuits, and other legal and administrative proceedings arising in the ordinary course of business. Some of these claims, lawsuits, and other proceedings may involve highly complex issues that are subject to substantial uncertainties and could result in damages, fines, penalties, non-monetary sanctions, or relief. However, we do not consider any such claims, lawsuits, or proceedings that are currently pending, individually or in the aggregate, to be material to our business or likely to result in a material adverse effect on our future operating results, financial condition, or cash flows.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

Our ADSs are traded on Nasdaq under the symbol "ZLAB." Our ordinary shares are publicly traded on the Hong Kong Stock Exchange under the stock code "9688."

Shareholders

As of February 20, 2026, we had approximately 11 holders of record of our ordinary shares. Citibank, N.A. is the depositary for our ADSs. This disclosure does not include beneficial owners whose ordinary shares or ADSs are held by nominees in street name.

Dividends

We have incurred losses since inception and never declared or paid dividends on our ordinary shares. We currently expect to retain all future earnings for use in the operation and expansion of our business and do not have any present plan to pay any dividends.

Securities Authorized for Issuance under Equity Compensation Plans

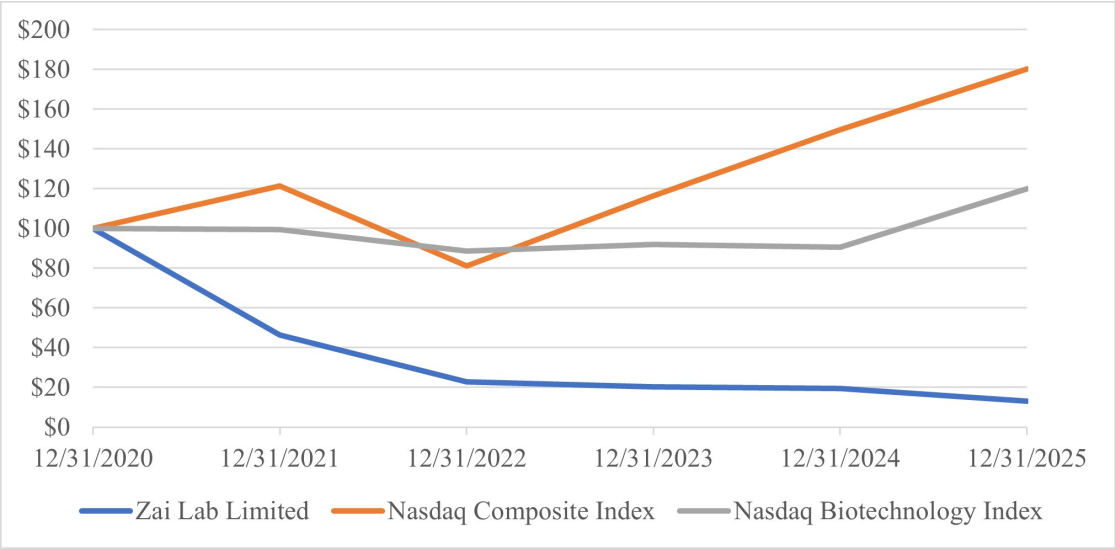
Our equity compensation plan information is incorporated by reference in the information in *Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters*.

Performance Graph

This graph is not "soliciting material," is not deemed "filed" with the SEC, and is not to be incorporated by reference into any of our filings under the Securities Act or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

The following graph compares the yearly percentage change in the cumulative total shareholder return of our ADSs with the cumulative total return of the NASDAQ Composite Index (U.S.) and the NASDAQ Biotechnology Index for the past five years. The graph assumes an investment of $100 at market close on December 30, 2020 and reinvestment of any dividends. The cumulative total shareholder returns over the indicated period are based on historical data and should not be considered indicative of future shareholder returns.

The shareholder return shown on the graph below is not necessarily indicative of future performance, and we do not make or endorse any predictions as to future shareholder returns.



	12/31/20	12/31/21	12/31/22	12/31/23	12/31/24	12/31/25
Zai Lab Limited	100.00	46.44	22.68	20.19	19.35	13.03
Nasdaq Composite Index	100.00	121.39	81.21	116.47	149.83	180.33
Nasdaq Biotechnology Index	100.00	99.37	88.53	91.84	90.58	119.92

Recent Sales of Unregistered Securities

None.

Issuer Purchases of Equity Securities

None.

Item 6. [Reserved]

Not applicable.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations together with our consolidated financial statements and the accompanying notes in this report. This section generally discusses year-over-year comparisons between 2025 and 2024. For a discussion of year-over-year changes in our financial condition and results of operations between 2024 and 2023, see Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed on February 27, 2025. In addition to historical information, this discussion and analysis contains forward-looking statements that involve risks, uncertainties, and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors. We discuss factors that we believe could cause or contribute to these differences elsewhere in this report, including in Forward-Looking Statements *and* Risk Factors.

Overview

We are a patient-focused, innovative, commercial-stage, global biopharmaceutical company with a substantial presence in both Greater China and the United States. We are focused on discovering, developing, and commercializing products that address medical conditions with significant unmet needs in the areas of oncology, immunology, neuroscience, and infectious disease. We intend to leverage our competencies and resources to positively impact human health. We currently have seven commercial programs – ZEJULA, VYVGART / VYVGART Hytrulo, NUZYRA, OPTUNE, QINLOCK, XACDURO, and AUGTYRO – with products that have received marketing approval and that we have commercially launched in one or more territories in Greater China. We also have multiple programs in late-stage product development and a number of ongoing pivotal trials across our portfolio. For more information on our business, products and product candidates, and operations, see *Business*.

Since our inception, we have incurred net losses and negative cash flows from our operations. Substantially all of our losses have resulted from funding our research and development programs and selling, general and administrative costs associated with our operations. Developing high quality product candidates requires significant investment in our research and development activities over a prolonged period of time, and a core part of our strategy is to continue making sustained investments in this area. Our ability to generate profits and positive cash flow from operations depends upon our ability to successfully market our commercial products and to successfully expand the indications for these products and develop and commercialize our other product candidates. As discussed further below, we expect to continue to incur substantial costs related to our research and development and commercialization activities.

As we pursue our corporate strategic goals, we anticipate that our financial results will fluctuate from quarter to quarter and year to year depending in part on the balance between the success of our commercial products and the level of our research and development expenses. We cannot predict whether or when our product candidates will receive regulatory approval. Further, if we receive such regulatory approval, we cannot predict whether or when we may be able to successfully commercialize such products or whether or when such products may become profitable.

Business Developments and Corporate Strategic Goals

In 2025, we continued to demonstrate strong financial performance, with a 15% increase in total revenue to $460.2 million and a 32% decrease in net loss to $175.5 million compared to the prior year. Our revenue increase was primarily driven by XACDURO, driven by strong patient demand and expanding hospital adoption but partially constrained by supply limitations during the year, and NUZYRA, supported by increasing market coverage and penetration. ZEJULA continued to be the leading PARP inhibitor in hospital sales for ovarian cancer despite evolving competitive dynamics within the PARPi class in mainland China. In 2025, VYVGART revenue included a $5.6 million rebate related to its NRDL renewal and VYVGART Hytrulo included a $2.4 million rebate following a voluntary price adjustment ahead of the NRDL negotiation. In the fourth quarter of 2025, the NMPA approved AUGTYRO for the treatment of adult patients with NTRK+ solid tumors and KarXT for the treatment of adult patients with schizophrenia. In 2026, we expect our revenues to

continue to increase primarily driven by our existing commercial products and recently approved products or indications that are expected to be launched this year.

We also continued to make progress across our product pipeline. For our global assets, we had promising results from the global Phase 1 study of zoci, a potential first-in-class and best-in-class DLL3-targeting ADC for the treatment of extensive stage SCLC, and promising pre-clinical data for ZL-1503, our internally developed IL-13/IL-31Rα bispecific antibody for atopic dermatitis. For our late-stage regional pipeline, we had positive data readouts during the year, including for povetacicept in IgA nephropathy and primary membranous nephropathy. We have also expanded and strengthened our pipeline through synergistic business development activities, including obtaining exclusive worldwide rights to develop and commercialize ZL-1311, a next generation TCE targeting MUC17 for the treatment of gastric and GEJ cancers, which is expected to enter global clinical development this year. For more information on our commercial products and product pipeline, including status and developments in 2025, see *Business – Our Commercial Products and Operations* and *Business – Our Pipeline of Product Candidates and R&D Activities*.

We also continued to strengthen our business through key new additions to our global leadership team. For example, we appointed Dr. Shan He as Senior Vice President, Chief Business Officer in September 2025. Dr. He is a respected leader with deep expertise in healthcare strategy, capital markets, and entrepreneurship. She will be responsible for leading and directing strategy for business development and strategic partnerships. We also announced the creation of our Oncology Scientific Advisory Board ("SAB") in August 2025. This newly formed Oncology SAB is comprised of distinguished oncology leaders and will support the advancement of our robust oncology products and pipeline, including multiple internally developed investigational therapies.

We further discuss in MD&A below key factors affecting our results of operations, key components and primary drivers of changes in our results of operations in 2025, and our liquidity and capital resources. In 2026, we seek to continue advancing our mission of becoming a leading global biopharmaceutical company, driving innovation in treatment options for patients in China and beyond, by focusing on the following corporate strategic goals: accelerate medicines to patients through our R&D activities; expand and strengthen our global and regional pipelines through our internal discovery efforts and synergistic collaborations and corporate development activities; and continue our commercial excellence and execution, including by delivering strong financial performance as we prepare to launch additional products or new indications for existing products as we advance along our path to profitability. We also intend to continue building and maintaining the trust of our stakeholders by further developing and integrating our Trust for Life strategy into our business and operations. For additional information on our Mission and Corporate Strategic Goals, see *Business – Our Mission and Corporate Strategic Goals*.

Basis of Presentation

Our consolidated statement of operations data for the years ended December 31, 2025 and 2024 and our consolidated balance sheet data as of December 31, 2025 and 2024 have been derived from our audited consolidated financial statements included in *Financial Statements and Supplementary Data*. Our consolidated financial statements appearing elsewhere in this report have been prepared in accordance with U.S. GAAP.

Factors Affecting Our Results of Operations

Our Commercial Products

We generate product revenue through the sale of our commercial products in Greater China, net of any related sales returns and rebates to distributors. Our cost of product revenue mainly consists of the costs of manufacturing ZEJULA and NUZYRA; costs of purchasing VYVGART / VYVGART Hytrulo, OPTUNE, QINLOCK, XACDURO, and AUGTYRO from our collaboration partners; any royalty fees incurred as a result of sales of our commercial products under our license and collaboration agreements; and amortization of capitalized post-approval milestone fees incurred under our license and collaboration agreements. We expect our product revenue to increase in coming years as we continue to focus on increasing patient access to our existing commercial products, such as through NRDL listing or increased supplemental

insurance coverage in the private-pay market, and as we launch additional commercial products, if and when we obtain required regulatory approvals. We expect our cost of product revenue to increase as the volume of products sold increases.

Research and Development Expenses

We believe our ability to successfully develop product candidates will be the primary factor affecting our long-term competitiveness, as well as our future growth and development. Developing high quality product candidates requires a significant investment of resources over a prolonged period of time. We are committed to advancing and expanding our pipeline of potential best-in-class and first-in-class products, such as through clinical and pre-clinical trials and business development activities. As a result, we expect to continue making significant investments in research and development, including internal discovery activities.

Elements of research and development expenditures primarily include:

- payroll and other related costs of personnel engaged in research and development activities;
- fees for exclusive development rights of products granted to the Company;
- costs related to pre-clinical testing of the Company's technologies and clinical trials, such as payments to CROs and CMOs, investigators, and clinical trial sites that conduct our clinical studies; and
- costs to produce the product candidates, including raw materials and supplies, product testing, depreciation, and facility-related expenses.

Selling, General, and Administrative Expenses

Our selling, general, and administrative expenses consist primarily of personnel compensation and related costs, including share-based compensation for commercial and administrative personnel. Other selling, general, and administrative expenses include product distribution and promotion costs, and professional service fees for legal, intellectual property, auditing, and tax services as well as other direct and allocated expenses for rent and maintenance of facilities, insurance, and other supplies used in selling, general, and administrative activities. We expect these costs to continue to be significant to support sales of our commercial products and preparation to launch and subsequent sales of additional product candidates if and when approved.

Our Ability to Commercialize Our Product Candidates

We have multiple product candidates in late-stage clinical development and various others in clinical and pre-clinical development in Greater China and globally. Our ability to generate revenue from our product candidates is dependent on our receipt of regulatory approvals for and successful commercialization of such product candidates, which may not occur. Certain of our product candidates may require additional pre-clinical and/or clinical development, regulatory approvals in multiple jurisdictions, manufacturing supply, and significant marketing efforts before we generate any revenue from product sales.

License and Collaboration Arrangements

Our results of operations have been, and will continue to be, affected by our license and collaboration agreements. In accordance with these agreements, we may be required to make upfront payments and milestone payments upon the achievement of certain development, regulatory, and sales-based milestones for the relevant products as well as certain royalties at tiered percentage rates based on annual net sales of the licensed products in the licensed territories. As of December 31, 2025, we may in the future be required to pay development and regulatory milestone payments of up to an additional aggregate amount of $170.0 million for our current clinical programs and $507.0 million for other programs. Such development and regulatory milestone payments are contingent on the progress of our product candidates prior to commercialization, and we see these payments as favorable because they indicate that product candidates are advancing. As of December 31, 2025, we also in the future may be required to pay sales-based milestone payments of up to an

additional aggregate amount of $2,328.0 million as well as certain royalties at tiered percentage rates on annual net sales. Such sales-based milestone and royalty payments are contingent on the performance of our commercial products, and we see these payments as favorable because they signify that a product is achieving higher sales levels.

Results of Operations

The following table presents our results of operations ($ in thousands):

	Year Ended December 31		Change	
	2025	2024	$	%
Revenues				
Product revenue, net	457,182	397,614	59,568	15 %
Collaboration revenue	2,974	1,374	1,600	116 %
Total revenues	460,156	398,988	61,168	15 %
Expenses				
Cost of product revenue	(190,520)	(147,118)	(43,402)	30 %
Cost of collaboration revenue	(561)	(742)	181	(24)%
Research and development	(220,904)	(234,504)	13,600	(6)%
Selling, general, and administrative	(277,605)	(298,741)	21,136	(7)%
Loss from operations	(229,434)	(282,117)	52,683	(19)%
Interest income	33,048	37,105	(4,057)	(11)%
Interest expenses	(5,209)	(2,254)	(2,955)	131 %
Foreign currency gains (losses)	19,591	(15,137)	34,728	(229)%
Other income, net	3,540	5,300	(1,760)	(33)%
Loss before income tax	(178,464)	(257,103)	78,639	(31)%
Income tax benefit	2,927	—	2,927	NM
Net loss	(175,537)	(257,103)	81,566	(32)%

NM - Not Meaningful

Revenues

Product Revenue, Net

The following table presents net revenue by commercial program ($ in thousands):

	Year Ended December 31		Change	
	2025	2024	$	%
ZEJULA	189,042	187,082	1,960	1 %
VYVGART / VYVGART Hytrulo	94,198	93,639	559	1 %
NUZYRA	60,836	43,199	17,637	41 %
OPTUNE	48,325	40,475	7,850	19 %
QINLOCK	35,614	28,826	6,788	24 %
XACDURO	22,912	3,305	19,607	593 %
AUGTYRO	5,538	1,088	4,450	409 %
Other (i)	717	—	717	NM
Total product revenue, net	457,182	397,614	59,568	15 %

NM - Not Meaningful

(i) Other includes product candidates sold in patient programs prior to commercialization.

Our product revenue is primarily derived from the sales of our commercial products primarily in mainland China, net of sales returns and rebates to distributors with respect to the sales of these products.

Our net product revenue increased by $59.6 million in 2025, primarily due to XACDURO, driven by strong patient demand and expanding hospital adoption but partially constrained by supply limitations during the year, and NUZYRA, supported by increasing market coverage and penetration. ZEJULA continued to be the leading PARP inhibitor in hospital sales for ovarian cancer despite evolving competitive dynamics within the PARPi class in mainland China. In 2025, VYVGART revenue included a $5.6 million rebate related to its NRDL renewal and VYVGART Hytrulo included a $2.4 million rebate following a voluntary price adjustment ahead of the NRDL negotiation.

Cost of Product Revenue

Cost of product revenue increased by $43.4 million in 2025 primarily due to increasing sales volumes and higher inventory provision for VYVGART Hytrulo.

Collaboration Revenue and Cost of Collaboration Revenue

Collaboration revenue and cost of collaboration revenue related to promotional activities in mainland China increased by $1.6 million and $0.2 million, respectively, in 2025.

Research and Development Expenses

The following table presents the components of our research and development expenses ($ in thousands):

	Year Ended December 31		Change	
	2025	2024	$	%
Personnel compensation and related costs	87,894	106,154	(18,260)	(17)%
Licensing fees	30,597	30,997	(400)	(1)%
CROs/CMOs/Investigators expenses	73,763	69,870	3,893	6 %
Other costs	28,650	27,483	1,167	4 %
Total	220,904	234,504	(13,600)	(6)%

Research and development expenses decreased by $13.6 million in 2025, primarily due to:

- a decrease of $18.3 million in personnel compensation and related costs primarily driven by the Company’s ongoing resource prioritization and efficiency efforts; partially offset by
- an increase of $5.1 million in CROs/CMOs/Investigators expenses and other costs related to ongoing clinical trials.

The following table presents our research and development expenses by program ($ in thousands):

	Year Ended December 31		Change	
	2025	2024	$	%
Clinical programs	86,934	86,126	808	1 %
Pre-Clinical programs	24,293	31,913	(7,620)	(24)%
Unallocated research and development expenses	109,677	116,465	(6,788)	(6)%
Total	220,904	234,504	(13,600)	(6)%

Research and development expenses attributable to pre-clinical programs decreased by $7.6 million in 2025, primarily driven by a decrease of $9.4 million in licensing fees, partially offset by an increase of $1.8 million in CROs/CMOs/Investigators expenses and other costs related to newly initiated studies.

Although we manage our external research and development expenses by program, we do not allocate our internal research and development expenses by program because our employees and internal resources may be engaged in projects for multiple programs at any given time.

Selling, General, and Administrative Expenses

The following table presents our selling, general, and administrative expenses by category ($ in thousands):

	Year Ended December 31		Change	
	2025	2024	$	%
Personnel compensation and related costs	165,005	174,958	(9,953)	(6)%
Other costs	112,600	123,783	(11,183)	(9)%
Total	277,605	298,741	(21,136)	(7)%

Selling, general, and administrative expenses decreased by $21.1 million in 2025 primarily due to our resource prioritization and efficiency efforts.

Interest Income

Interest income decreased by $4.1 million in 2025, primarily due to decreased cash and cash equivalents and short-term investments.

Interest Expenses

Interest expense increased by $3.0 million in 2025, primarily due to increased short-term debts.

Foreign Currency Gains (Losses)

Foreign currency gains were $19.6 million in 2025 primarily driven by remeasurement gain due to appreciation of the RMB against the U.S. dollar, compared to foreign currency losses of $15.1 million in 2024 primarily driven by remeasurement loss due to depreciation of the RMB against the U.S. dollar.

Other Income, Net

Other income, net decreased by $1.8 million in 2025 primarily due to a decrease of $2.3 million in government grants.

Income Tax Benefit

Income tax benefit was $2.9 million in 2025 primarily due to the deferred tax assets recognized as of December 31, 2025. We had no income tax benefit or expense in 2024.

Net Loss

Net loss was $175.5 million in 2025, or a loss per ordinary share attributable to common stockholders of $0.16 (or loss per ADS of $1.60), compared to a net loss of $257.1 million in 2024, or a loss per ordinary share of $0.26 (or loss per ADS of $2.60).

Critical Accounting Policies and Significant Judgments and Estimates

We prepare our financial statements in conformity with U.S. GAAP, which requires management to make judgments, estimates, and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses, and related disclosures. Some of those judgments can be subjective and complex. Actual results could differ from our estimates.

Our most critical accounting policies and estimates, including those that require the most difficult, subjective, or complex judgments and are the most inherently uncertain, are described below.

Revenue Recognition

We sell our products to distributors (our customers), who ultimately sell the products to healthcare providers, primarily in mainland China. We recognize revenue when the performance obligations are satisfied upon the product's delivery to distributors.

We offer rebates to our distributors to compensate the distributors consistent with pharmaceutical industry practices. We are required to establish a provision for rebates in the same period the related product sales are recognized. The estimated amount of rebates, if any, is recorded as a reduction of revenue.

Significant judgments are required in making these estimates. In determining the appropriate accrual amount, we consider our contracted rates, sales volumes, levels of distributor inventories, and historical experiences and trends. If actual results vary from our estimates or our expectations change, we will adjust these estimates accordingly, which would affect net product revenue and earnings in the period such variances become expected or known.

Research and Development Expenses

We have a significant amount of research and development expenses, including with respect to pre-clinical and clinical trials for our product candidates. Such costs are expensed as incurred when they have no alternative future uses.

We contract with third parties to perform various pre-clinical and clinical trial activities on our behalf in the ongoing development of our product candidates. Expenses related to pre-clinical and clinical trial activities are accrued based on the Company's estimates of the actual services performed by the third parties, such as CROs and CMOs.

Significant judgments are required in estimating the actual services performed by the third parties for the respective period and the related expense accruals. In determining the appropriate accrual, we consider a variety of factors, including contractual requirements with respect to services to be provided, related rates, and our assessment of services performed during the period and progress with respect to any contractual milestones when we have not yet been invoiced or otherwise notified by third parties of actual costs. If the actual status and timing of services performed vary from our estimates, our reported expenses and earnings for the corresponding period may be affected.

Share-Based Compensation

We grant share-based awards, including share options and restricted shares, to eligible employees, non-employees, and directors. Such share-based awards are measured at grant date fair value.

Significant assumptions are required in determining the fair value of share options, which we estimate using the Black-Scholes option valuation model. These assumptions include: (i) the volatility of our ADS price, (ii) the periods of time over which grantees are expected to hold their options prior to exercise (expected term), (iii) the expected dividend yield on our ADSs, and (iv) risk-free interest rates. Since we do not have sufficient historical information to develop reasonable expectations about future exercise patterns and post-vesting employment termination behavior, the expected term is derived from the average midpoint between the weighted-average vesting and the contractual term, also known as the simplified method. The expected dividend yield is zero as we have never paid dividends and do not currently anticipate paying any in the foreseeable future, and risk-free interest rates are based on quoted U.S. Treasury rates for securities with maturities approximating the expected term. If actual results vary from our estimates or our expectations change, our reported expenses and earnings for the corresponding period may be affected.

Income Taxes

We recognize deferred tax assets and liabilities for temporary differences between the financial statement and income tax bases of assets and liabilities, which are measured using enacted tax rates and laws that will be in effect when the differences are expected to reverse. A valuation allowance is provided when it is more likely than not that some or all of a deferred tax asset will not be realized. Significant judgments are required when evaluating tax positions in accordance with ASC 740, *Income Taxes*.

We recognize in our financial statements the benefit of a tax position if the tax position is "more likely than not" to prevail based on the facts and technical merits of the position. Tax positions that meet the "more likely than not" recognition threshold are measured at the largest amount of tax benefit that has a greater than fifty percent likelihood of being realized upon settlement. We estimate our liability for unrecognized tax benefits which are periodically assessed and may be affected by changing interpretations of laws, rulings by tax authorities, changes and/or developments with respect to tax audits, and the expiration of the applicable statute of limitations. The ultimate outcome for a particular tax position may not be determined with certainty prior to the conclusion of a tax audit and, in some cases, appeal or litigation process.

We consider positive and negative evidence when determining whether some or all of our deferred tax assets will not be realized. This assessment considers various factors, including the nature, frequency, and severity of current and cumulative losses, forecasts of future profitability, the duration of statutory carry-forward periods, our historical results of operations, and our tax planning strategies. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Our estimates may be affected by changing interpretations of laws, rulings by tax authorities, changes and/or developments with respect to tax audits, and expiration of the statute of limitations. If actual benefits vary from our estimates or our expectations change, we will adjust the recognition and measurement estimates accordingly, which would affect reported expenses and earnings in the corresponding period.

Liquidity and Capital Resources

To date, we have financed our activities primarily through private placements and public offerings, including our September 2017 initial public offering and various follow-on offerings on Nasdaq, and our September 2020 secondary listing and initial public offering on the Hong Kong Stock Exchange. We have raised approximately $164.6 million in private equity financing and approximately $2,677.8 million in net proceeds from public offerings after deducting underwriting commissions and the offering expenses payable by us. Our operations have consumed substantial amounts of cash since inception. The net cash used in our operating activities was $150.8 million and $214.9 million in 2025 and 2024, respectively. For information on our research and development activities and related expenditures, see the *Research and Development Expenses*, *Selling, General, and Administrative Expenses*, *License and Collaboration Arrangements*, and *Results of Operations* sections above. In addition, as of December 31, 2025, we had commitments of $1.7 million related to commercial manufacturing development activities and capital expenditures.

We have also identified opportunities to access capital through debt arrangements on favorable commercial terms. As of December 31, 2025, we had such debt arrangements with Chinese financial institutions that allow certain of our subsidiaries to borrow up to approximately $317.4 million (or RMB2,271.7 million) to support our working capital needs in mainland China. As of December 31, 2025, we had short-term debt outstanding of $204.5 million (or RMB1,437.6 million) pursuant to these debt arrangements. These debt arrangements provide us with additional capital capacity that will give us enhanced flexibility to execute on our corporate strategic goals. For more information, see *Note 11*.

As of December 31, 2025, we had cash and cash equivalents, current restricted cash, and short-term investments of $789.6 million, which we expect will enable us to meet our cash requirements including the funding of operating expenses, capital expenditures, and debt obligations for at least the next 12 months.

Although we believe that we have sufficient capital to fund our operations for at least the next twelve months, we may, from time to time, utilize debt arrangements on favorable commercial terms or consider additional funding sources to

bring to fruition our strategic objectives. There can be no assurances that such funding will be made available to us on acceptable terms or at all.

The following table presents information regarding our cash flows ($ in thousands):

	Year Ended December 31,		Change
	2025	2024	$
Net cash used in operating activities	(150,789)	(214,869)	64,080
Net cash provided by (used in) investing activities	307,866	(375,193)	683,059
Net cash provided by financing activities	72,353	349,889	(277,536)
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash	478	(310)	788
Net increase (decrease) in cash, cash equivalents and restricted cash	229,908	(240,483)	470,391

Net Cash Used in Operating Activities

Net cash used in operating activities decreased by $64.1 million in 2025, primarily due to a decrease of $81.6 million in net loss and an increase of $13.7 million in net changes in operating assets and liabilities, partially offset by a decrease of $31.2 million in adjustments to reconcile net loss to net cash used in operating activities.

Net Cash Provided by (Used in) Investing Activities

Net cash provided by investing activities was $307.9 million in 2025, compared to net cash used in investing activities of $375.2 million in 2024. This shift was primarily due to a decrease of $320.0 million in purchases of short-term investments, an increase of $313.7 million in proceeds from maturity of short-term investments, a decrease of $50.5 million in acquisition of intangible assets, an increase of $1.2 million in proceeds from sale of equity investment, partially offset by an increase of $2.4 million in purchases of property and equipment.

Net Cash Provided by Financing Activities

Net cash provided by financing activities decreased by $277.5 million in 2025, primarily due to a decrease of $216.9 million in proceeds from issuance of ordinary shares upon public offerings net of offering costs, an increase of $138.6 million in repayment of short-term bank borrowings, an increase of $8.2 million in taxes paid related to settlement of equity awards, partially offset by an increase of $75.2 million in proceeds from short-term debt and an increase of $10.5 million in proceeds from exercises of stock options.

Recently Issued Accounting Standards

For more information regarding recently issued accounting standards, see *Part II - Item 8. Financial Statements and Supplementary Data – Recent Accounting Pronouncements*.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risk including foreign exchange risk, credit risk, and interest rate risk.

Foreign Exchange Risk

Renminbi, or RMB, is not a freely convertible currency. The State Administration of Foreign Exchange, under the authority of the PBOC, controls the conversion of RMB into foreign currencies. The value of RMB is subject to changes in central government policies and to international economic and political developments affecting supply and demand in the China Foreign Exchange Trading System market. The cash and cash equivalents of the Company included aggregated

amounts of $25.4 million and $19.0 million, which were denominated in RMB, representing 4% and 4% of the cash and cash equivalents as of December 31, 2025 and 2024, respectively.

While our financial statements are presented in U.S. dollars, our business mainly operates in mainland China with a significant portion of our transactions settled in RMB, and as such, we do not believe that we currently have significant direct foreign exchange risk and have not used derivative financial instruments to hedge our exposure to such risk. Although, in general, our exposure to foreign exchange risk should be limited, the value of your investment in our ADSs and ordinary shares will be affected by the exchange rate between the U.S. dollar and the RMB and between the HK dollar and the RMB, respectively, because the value of our business is effectively denominated in RMB, while ADSs and ordinary shares are traded in U.S. dollars and HK dollars, respectively.

The value of the RMB against the U.S. dollar and other currencies may fluctuate and is affected by, among other things, changes in Greater China's political and economic conditions. The conversion of RMB into foreign currencies, including U.S. dollars, has been based on rates set by the PBOC.

The value of our ADSs and our ordinary shares will be affected by the foreign exchange rates between U.S. dollars, HK dollars, and the RMB. For example, to the extent that we need to convert U.S. dollars or HK dollars into RMB for our operations or if any of our arrangements with other parties are denominated in U.S. dollars or HK dollars and need to be converted into RMB, appreciation of the RMB against the U.S. dollar or the HK dollar would have an adverse effect on the RMB amount we receive from the conversion. Conversely, if we decide to convert RMB into U.S. dollars or HK dollars for the purpose of making payments for dividends on ordinary shares or ADSs or for other business purposes, appreciation of the U.S. dollar or the HK dollar against the RMB would have a negative effect on the conversion amounts available to us.

Since 1983, the HKMA has pegged the HK dollar to the U.S. dollar at the rate of approximately HK$7.80 to US$1.00. However, there is no assurance that the HK dollar will continue to be pegged to the U.S. dollar or that the HK dollar conversion rate will remain at HK$7.80 to US$1.00. If the HK dollar conversion rate against the U.S. dollar changes and the value of the HK dollar depreciates against the U.S. dollar, our assets denominated in HK dollars will be adversely affected. Additionally, if the HKMA were to repeg the HK dollar to, for example, the RMB rather than the U.S. dollar, or otherwise restrict the conversion of HK dollars into other currencies, then our assets denominated in HK dollars will be adversely affected.

Credit Risk

Financial instruments that are potentially subject to significant concentration of credit risk consist of cash and cash equivalents, restricted cash, short-term investments, accounts receivable, and notes receivable.

The carrying amounts of cash and cash equivalents and short-term investments represent the maximum amount of losses due to credit risk. As of December 31, 2025 and 2024, we had cash and cash equivalents of $679.6 million and $449.7 million, respectively, restricted cash of $101.1 million and $101.1 million, respectively, and short-term investments of $10.0 million and $330.0 million, respectively. As of December 31, 2025 and 2024, all of our cash and cash equivalents, restricted cash, and short-term investments were held by major financial institutions located in mainland China and international financial institutions outside of mainland China which we believe are of high credit quality and for which we monitor continued credit worthiness.

Accounts receivable are typically unsecured and are derived from product revenue. We manage credit risk related to our accounts receivable through ongoing monitoring of outstanding balances and limiting the amount of credit extended based upon payment history and credit worthiness. Historically, we have collected receivables from customers within the credit terms with no significant credit losses incurred. As of December 31, 2025, our two largest customers accounted for approximately 25% of our total accounts receivable collectively.

Certain accounts receivable balances are settled in the form of notes receivable. As of December 31, 2025, such notes receivable included bank acceptance promissory notes that are non-interest bearing and due within six months. These notes receivable were used to collect the receivables based on an administrative convenience, given these notes are readily

convertible to known amounts of cash. In accordance with the sales agreements, whether to use cash or bank acceptance promissory notes to settle the receivables is at our discretion, and this selection does not impact the agreed contractual purchase prices.

Interest Rate Risk

We are exposed to risks related to changes in interest rates on our cash and cash equivalents, restricted cash, and short-term investments. As of December 31, 2025 and 2024, we had cash and cash equivalents of $679.6 million and $449.7 million, respectively, restricted cash of $101.1 million and $101.1 million, respectively, and short-term investments of $10.0 million and $330.0 million, respectively. Our investment portfolio, which relates to cash equivalents and short-term investments, primarily consists of time deposits. The primary objectives of our investment activities are to preserve principal, provide liquidity, and maximize income without significantly increasing risk. Given the short-term nature of our deposits and investments, we believe that a sudden change in market interest rates would not be expected to have a material impact on our financial condition and/or results of operation. For example, a hypothetical 10% relative change in interest rates during any of the periods presented would not have a material impact on future interest income.

We are also exposed to risks related to changes in interest rates on our short-term debt, which is currently subject to a mix of fixed and floating interest rates. As of December 31, 2025 and 2024, we had short-term debt of $204.5 million and $131.7 million, respectively. A 100-basis point increase in interest rates would not materially increase our interest expense. Our interest rate exposure from short-term debt is also offset by our exposure in cash and cash equivalents, restricted cash, and short-term investments, as discussed above. For more information on our short-term debt, see *Note 11*.

Item 8. Financial Statements and Supplementary Data

The financial statements required to be filed pursuant to this item are appended to this report. An index of those financial statements is in *Exhibits, Financial Statement Schedules*.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

(a) Management's Evaluation of Disclosure Controls and Procedures

Our management, including our Chief Executive Officer and Chief Financial Officer, performed an evaluation of the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e)) as of the end of the period covered by this report. Our disclosure controls and procedures are designed to ensure that the information required to be disclosed in the reports that we file or furnish under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objective. Based upon that evaluation, our management has concluded that, as of December 31, 2025, our disclosure controls and procedures were effective.

(b) Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Exchange Act Rule 13a-15(f). Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with U.S. GAAP and includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the

Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with U.S. GAAP, and that receipts and expenditures of the Company are being made only in accordance with authorizations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of the unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

Internal control over financial reporting, no matter how well designed, has inherent limitations. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Our management, including our Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of our internal control over financial reporting as of December 31, 2025 using the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in "Internal Control – Integrated Framework (2013)." Based on this assessment, management concluded that our internal control over financial reporting was effective as of December 31, 2025.

(c) Report of Registered Accounting Firm

The effectiveness of our internal control over financial reporting as of December 31, 2025 has been audited by KPMG LLP, an independent registered public accounting firm, who has also audited our consolidated financial statements for the year ended December 31, 2025, as stated in their report which is included in *Financial Statements and Supplementary Data*.

(d) Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as such item is defined in Exchange Act Rule 13a-15(f)) during the fiscal quarter ended December 31, 2025 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

On November 10, 2025, Dr. Samantha (Ying) Du, the Company's Founder, Chief Executive officer, and Chairperson of the Board, adopted a new written Rule 10b5-1 trading arrangement, for (1) the acquisition and sale of up to 400,000 ADSs upon the exercise of previously awarded options that are scheduled to expire in 2026 and (2) for the acquisition of up to 261,092 ADSs upon the exercise of previously awarded options that are scheduled to expire in 2026. This Rule 10b5-1 trading arrangement is scheduled to terminate no later than November 9, 2026.

On November 14, 2025, Rafael Amado, the Company's President and Head of Global Research and Development, adopted a new written Rule 10b5-1 trading arrangement for the sale of up to 20,000 ADSs. This Rule 10b5-1 trading arrangement is scheduled to terminate no later than December 17, 2026.

On December 16, 2025, Richard Gaynor, one of the Company's directors, adopted a new written Rule 10b5-1 trading arrangement for the purchase of ADSs with a price of up to $99,000. This Rule 10b5-1 trading arrangement is scheduled to terminate no later than December 31, 2026.

Other than as described above, during the fourth quarter of 2025, none of our directors or executive officers (as defined in Rule 16a-1(f) under the Exchange Act) has adopted or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (each as defined in Item 408 of Regulation S-K).

On February 24, 2026, Zai Lab US entered into an amendment to its employment agreement dated August 1, 2022 with Josh Smiley, the Company's President and Chief Operating Officer. The amendment expands Mr. Smiley's severance benefits so that he will be entitled to 12 months of base salary, 12 months of COBRA continuation benefits, and a pro-rated

target bonus upon any termination by the Company without cause or by the employee for good reason (each of these terms as defined in the employment agreement). Otherwise, Mr. Smiley's compensation and benefits remain unchanged.

In addition, on February 24, 2026, Zai Lab US entered into an employment agreement with Yajing Chen, the Company's Chief Financial Officer, which replaces Dr. Chen's letter agreement dated July 6, 2023. The employment agreement expands Dr. Chen's severance benefits upon certain termination events (each of the terms below as defined in the employment agreement). Specifically, upon a termination due to death or disability, Dr. Chen will be entitled to one month of base salary and one month of COBRA continuation benefits. Upon a termination by the Company without cause or by the employee for good reason, Dr. Chen will be entitled to 12 months of base salary, 12 months of COBRA continuation benefits, and a pro-rated target bonus. Upon a termination by the Company without cause or by the employee for good reason following a change in control, Dr. Chen will be entitled to 12 months of base salary, 12 months of COBRA continuation benefits, a pro-rated target bonus, and accelerated vesting of outstanding equity awards. Otherwise, Dr. Chen's compensation and benefits remain unchanged.

On February 25, 2026, the Company entered into a new revolving credit facility with BOCOM, which replaced its previous RMB300.0 million (approximately $41.1 million) credit facility that expired in September 2025. The Company entered into a new guarantee contract with BOCOM pursuant to which the Company will provide a maximum-amount guarantee of RMB330.0 million (approximately $47.9 million) for working capital loans of up to RMB300.0 million (approximately $43.6 million) from BOCOM to Zai Lab Shanghai, and Zai Lab Shanghai entered into a working capital loan contract with BOCOM with respect to the RMB300.0 million facility. The new credit facility will be available until February 2, 2029, and key terms of the specific working capital loans, including the amount, term, and interest rate, will be included in the specific transaction documents. Each loan term will be up to 12 months, with a maturity date no later than August 2, 2029, and the interest rate will be initially determined based on the one-year loan prime rate ("LPR") immediately preceding the drawdown date minus 50 basis points and will be subject to adjustment every three months depending on the then one-year LPR and the then latest permissible lower limit on interest rate, and will be adjusted to the then latest permissible lower limit on interest rate when it becomes higher than the then interest rate. The working capital loan contract contains customary representations and warranties and affirmative and restrictive covenants, including a requirement to obtain prior written consent from BOCOM before engaging in certain transactions that could have an adverse impact on its debt repayment ability, such as mergers, acquisitions, spin-offs, equity transfers, external investments or guarantees exceeding RMB1.0 billion (approximately $145.3 million), and increases in debt financings exceeding RMB1.5 billion (approximately $217.9 million).

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The Company has adopted insider trading policies and procedures governing the purchase, sale, and/or other dispositions of our securities by directors, officers, employees, or the Company itself that we believe are reasonably designed to promote compliance with applicable insider trading laws, rules, regulations, and listing standards. The policy is included as Exhibit 19.1 to this report, and additional information required by this item will be set forth in the 2026 Proxy Statement and is incorporated herein by reference.

Item 11. Executive Compensation

The information required by this item will be set forth in the 2026 Proxy Statement and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item will be set forth in the 2026 Proxy Statement and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this item will be set forth in the 2026 Proxy Statement and is incorporated herein by reference.

Item 14. Principal Accounting Fees and Services

The information required by this item will be set forth in the 2026 Proxy Statement and is incorporated herein by reference.

PART IV

Item 15. Exhibits, Financial Statement Schedules

The financial statements listed in the Index to Consolidated Financial Statements beginning on page F-1 are filed as part of this report.

We have included Additional Financial Information of Parent Company - Financial Statements Schedule I for the year ended December 31, 2025, 2024, and 2023 on page F-42. No other financial statement schedules have been filed as part of this report because they are not applicable, not required or the information required is shown in the financial statements or the notes thereto.

The exhibits filed as part of this report are set forth on the Exhibit Index below. The Exhibit Index is incorporated herein by reference.

Exhibit Number	Exhibit Title
3.1	Sixth Amended and Restated Memorandum and Articles of Association of Zai Lab Limited (incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K (File No. 001-38205) filed on June 22, 2022)
4.1	Form of Deposit Agreement (incorporated by reference to Exhibit 4.1 to Amendment No. 2 to our Registration Statement on Form F-1 (File No. 333-219980) filed on September 1, 2017)
4.2	Form of American Depositary Receipt (incorporated by reference to Form 424B3 (File No. 333-220256) filed on March 30, 2022)
4.3	Registrant's Specimen Certificate for Ordinary Shares (incorporated by reference to Exhibit 4.1 to our Registration Statement on Form S-8 (File No. 333-264800) filed on May 9, 2022)
4.4	Third Amended and Restated Shareholders Agreement between Zai Lab Limited and other parties named therein dated June 26, 2017 (incorporated by reference to Exhibit 4.4 to our Registration Statement on Form F-1 (File No. 333-219980) filed on August 15, 2017)
4.5	Description of Securities Registered Pursuant to Section 12 of the Securities Exchange Act
10.1#	Zai Lab Limited 2015 Omnibus Equity Incentive Plan as amended on February 3, 2016 and April 10, 2016 (incorporated by reference to Exhibit 10.1 to Amendment No. 2 to our Registration Statement on Form F-1 (File No. 333-219980) filed on September 1, 2017)
10.2#	Zai Lab Limited 2017 Equity Incentive Plan (incorporated by reference to Exhibit 10.22 to Amendment No. 2 to our Registration Statement on Form F-1 (File No. 333-219980) filed on September 1, 2017)
10.3#	Zai Lab Limited 2022 Equity Incentive Plan (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K (File No. 001-38205) filed on June 22, 2022)
10.4#	Zai Lab Limited 2024 Equity Incentive Plan (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K (File No. 001-38205) filed on June 18, 2024)
10.5#	Form Restricted Share Unit Award Agreement (incorporated by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q (File No. 001-38205) filed on August 6, 2024)
10.6#	Form Restricted Stock Award Agreement (incorporated by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q (File No. 001-38205) filed on August 6, 2024)
10.7#	Form of Non-Statutory Stock Option Award Agreement (incorporated by reference to Exhibit 10.4 to our Quarterly Report on Form 10-Q (File No. 001-38205) filed on August 6, 2024)
10.8#	Form of Performance-Based Restricted Share Unit Award Agreement (incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q (File No. 001-38205) filed on May 8, 2025)
10.9#	Non-Employee Director Compensation Policy

Exhibit Number	Exhibit Title
10.10[+]	Collaboration, Development and License Agreement by and between Tesaro, Inc. and Zai Lab (Shanghai) Co., Ltd. dated September 28, 2016 (incorporated by reference to Exhibit 10.2 to our Registration Statement on Form F-1 (File No. 333-219980) filed on August 15, 2017)
10.11	Amendment to Collaboration, Development and License Agreement by and between Tesaro, Inc. and Zai Lab (Shanghai) Co., Ltd., dated February 26, 2018 (incorporated by reference to Exhibit 4.3 to our Annual Report on Form 20-F (File No. 001-38205) filed on April 30, 2018)
10.12^	Collaboration and License Agreement between argenx BV and Zai Auto Immune (Hong Kong) Limited dated January 6, 2021 (incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q (File No. 001-38205) filed on May 10, 2021)
10.13^	Addendum to Collaboration and License Agreement between argenx BV and Zai Auto Immune (Hong Kong) Limited dated June 30, 2024 (incorporated by reference to Exhibit 10.5 to our Quarterly Report on Form 10-Q (File No. 001-38205) filed on August 6, 2024)
10.14+	License and Collaboration Agreement by and between Paratek Bermuda Ltd. and Zai Lab (Shanghai) Co., Ltd. dated April 21, 2017 (incorporated by reference to Exhibit 10.4 to our Registration Statement on Form F-1 (File No. 333-219980) filed on August 15, 2017)
10.15[+]	License and Collaboration Agreement by and between Novocure Limited and Zai Lab (Shanghai) Co., Ltd. dated September 10, 2018 (incorporated by reference to Exhibit 10.15 to our Annual Report on Form 20-F (File No. 001-38205) filed on March 29, 2019)
10.16^	License Agreement between Deciphera Pharmaceuticals, LLC and Zai Lab (Shanghai) Co., Ltd. dated June 10, 2019 (incorporated by reference to Exhibit 10.17 to our Annual Report on Form 20-F (File No. 001-38205) filed on April 29, 2020)
10.17^	Amendment to License Agreement between Deciphera Pharmaceuticals, LLC and Zai Lab (Shanghai) Co., Ltd. dated January 17, 2020 (incorporated by reference to Exhibit 10.18 to our Annual Report on Form 20-F (File No. 001-38205) filed on April 29, 2020)
10.18[+]	License and Collaboration Agreement by and between Entasis Therapeutics Holdings Inc. and Zai Lab (Shanghai) Co., Ltd. dated April 25, 2018 (incorporated by reference to Exhibit 10.12 to our Amendment No. 2 to our Registration Statement on Form F-1 (File No. 333-227159) filed on September 5, 2018)
10.19^	License Agreement between Turning Point Therapeutics, Inc. and Zai Lab (Shanghai) Co., Ltd. dated July 6, 2020 (incorporated by reference to Exhibit 10.21 to our Annual Report on Form 10-K (File No. 001-38205) filed on March 1, 2021)
10.20^	Collaboration and License Agreement by and between Seagen Inc. and Zai Lab (Hong Kong) Limited dated September 20, 2022 (incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q (File No. 001-38205) filed on November 9, 2022)
10.21^	License Agreement by and between Zai Lab (Shanghai) Co., Ltd. and Karuna Therapeutics, Inc. dated November 8, 2021 (incorporated by reference to Exhibit 10.24 to our Annual Report on Form 10-K (File No. 001-38205) filed on March 1, 2022)
10.22^	License Agreement by and between Zai Lab (US) LLC and MediLink Therapeutics (Suzhou) Co., Ltd. dated April 24, 2023
10.23#	Form of Indemnification Agreement for Directors and Officers (incorporated by reference to Exhibit 10.12 to our Registration Statement on Form F-1 (File No. 333-219980) filed on August 15, 2017)
10.24#	Amended and Restated Employment Agreement between Samantha (Ying) Du and Zai Lab (US) LLC dated May 1, 2025 (incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q (File No. 001-38205) filed on August 7, 2025)
10.25#	Employment Agreement between Yajing Chen and Zai Lab (US) LLC dated February 24, 2026
10.26#	Employment Agreement between Rafael Amado and Zai Lab (US) LLC dated December 30, 2022 (incorporated by reference to Exhibit 10.41 to our Annual Report on Form 10-K (File No. 001-38205) filed on March 1, 2023)

Exhibit Number	Exhibit Title
10.27#	Employment Agreement between F. Ty Edmondson and Zai Lab (US) LLC dated August 15, 2020 (incorporated by reference to Exhibit 10.29 to our Annual Report on Form 10-K (File No. 001-38205) filed on March 1, 2021)
10.28#	Employment Agreement between Joshua Smiley and Zai Lab (US) LLC dated August 1, 2022 (incorporated by reference to Exhibit 10.40 to our Annual Report on Form 10-K (File No. 001-38205) filed on March 1, 2023)
10.29#	Amendment to Employment Agreement between Joshua Smiley and Zai Lab (US) LLC dated February 24, 2026
10.30	Facility Letter by and between Zai Lab Limited and Bank of China (Hong Kong) Limited dated February 5, 2024 (incorporated by reference to Exhibit 10.33 to our Annual Report on Form 10-K (File No. 001-38205) filed on February 27, 2024)
10.31	Unofficial English Translation of Working Capital Loan Agreement by and between Zai Lab (Shanghai) Co., Ltd. and Bank of China Pudong Development Zone Sub-Branch dated February 7, 2024 (incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K (File No. 0001-38205) filed on February 8, 2024)
10.32^	Unofficial English Translation of Maximum-Amount Guarantee Contract by and between Zai Lab Limited and Shanghai Pudong Development Bank Co., Ltd. Zhangjiang Hi-Tech Park Sub-Branch dated February 6, 2024 (incorporated by reference to Exhibit 10.3 to our Current Report on Form 8-K (File No. 001-38205) filed on February 8, 2024)
10.33	Unofficial English Translation of Maximum Credit Contract by and between Zai Lab (Suzhou) Co., Ltd. and Bank of Ningbo Co., Ltd. Suzhou Branch dated February 6, 2024 (incorporated by reference to Exhibit 10.4 to our Current Report on Form 8-K (File No. 001-38205) filed on February 8, 2024)
10.34^	Unofficial English Translation of Electronic Commercial Draft Discounting Master Agreement Standard Terms by and between Zai Lab (Suzhou) Co., Ltd. and Bank of Ningbo Co., Ltd. Suzhou Branch dated February 6, 2024 (incorporated by reference to Exhibit 10.5 to our Current Report on Form 8-K (File No. 001-38205) filed on February 8, 2024)
10.35^	Unofficial English Translation of Online Working Capital Loan Master Agreement by and between Zai Lab (Suzhou) Co., Ltd. and Bank of Ningbo Co., Ltd. Suzhou Branch dated February 6, 2024 (incorporated by reference to Exhibit 10.6 to our Current Report on Form 8-K (File No. 001-38205) filed on February 8, 2024)
10.36^	Unofficial English Translation of Maximum-Amount Irrevocable Letter of Guarantee issued by Zai Lab Limited to China Merchants Bank Co., Ltd., Shanghai Branch dated August 6, 2025 (incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q (File No. 001-38205) filed on November 6, 2025)
10.37^	Unofficial English Translation of Credit Agreement by and between Zai Lab (Shanghai) Co., Ltd. and China Merchants Bank Co., Ltd., Shanghai Branch dated August 6, 2025 (incorporated by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q (File No. 001-38205) filed on November 6, 2025)
10.38^	Unofficial English Translation of Guarantee Contract by and between Zai Lab Limited and Bank of Communications Co., Ltd. Shanghai Zhangjiang Sub-Branch dated February 25, 2026
10.39^	Unofficial English Translation of Working Capital Loan Contract by and between Zai Lab (Shanghai) Co., Ltd. and Bank of Communications Co., Ltd. Shanghai Zhangjiang Sub-Branch dated February 25, 2026
10.40^	Unofficial English Translation of Maximum Amount Guarantee Contract, dated as of October 13, 2025, by and between Zai Lab Limited and Industrial Bank Co., Ltd., Shanghai Gubei Branch (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K (File No. 001-38205) filed on October 16, 2025)
10.41^	Unofficial English Translation of Line of Credit Contract, dated as of October 13, 2025, by and between Zai Lab (Shanghai) Co., Ltd. and Industrial Bank Co., Ltd., Shanghai Gubei Branch (incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K (File No. 001-38205) filed on October 16, 2025)
19.1	Insider Trading Policy

Exhibit Number	Exhibit Title
21.1	Subsidiaries of the Registrant
23.1	Consent of KPMG LLP, an independent accounting firm, regarding the consolidated financial statements of Zai Lab Limited
31.1	Certification of Chief Executive Officer Required by Rule 13a-14(a)
31.2	Certification of Chief Financial Officer Required by Rule 13a-14(a)
32.1	Certification of Chief Executive Officer Required by 18 U.S.C. Section 1350
32.2	Certification of Chief Financial Officer Required by 18 U.S.C. Section 1350
97.1	Dodd-Frank Policy on Recoupment of Incentive Compensation (incorporated by reference to Exhibit 97.1 to our Annual Report on Form 10-K (File No. 001-38205) filed on February 27, 2024)
101.INS	Inline XBRL Instance Document-the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definitions Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

Management contract or compensatory plan, contract, or arrangement
+ Confidential treatment has been granted as to certain portions, which portions have been omitted and submitted separately to the Securities and Exchange Commission.
^ Portions of this exhibit have been redacted pursuant to Regulation S-K Item 601(b)(10)(iv).

Item 16. Form 10-K Summary

Not applicable.

GLOSSARY

This Glossary includes acronyms and defined terms that are used throughout this report.

ABC: *Acinetobacter baumannii-calcoaceticus* complex

ABSSSI: Acute bacterial skin and skin structure infections

AChR: Anti-acetylcholine receptor

AD: Atopic dermatitis

ADC: Antibody-drug conjugate

ADS: American Depositary Share, each representing ten of the Company's ordinary shares

AI: Artificial intelligence

APRIL: A proliferation-inducing ligand

Archives Rules: Provisions on Strengthening Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies

argenx: argenx BV

ASC: Accounting Standard Codification

Asia Pacific: Refers to Greater China, Korea, Vietnam, Thailand, Cambodia, Laos, Malaysia, Indonesia, the Philippines, Singapore, Australia, New Zealand, and Japan, collectively

Audit Committee: The Audit Committee of the Board of Directors

AUGTYRO (Repotrectinib): A next-generation TKI of ROS proto-oncogene 1 (ROS1) tyrosine-protein kinase and of the tropomyosin receptor tyrosine kinases (TRKs) TRKA, TRKB, and TRKC

BAFF: B cell activating factor

BLA: Biologics License Application

BMS: Bristol-Myers Squibb Company

Board of Directors (or Board): The Board of Directors of Zai Lab Limited

BOC HK: Bank of China (Hong Kong) Limited

BOCOM: Bank of Communications Co., Ltd. Shanghai Zhangjiang Sub-Branch

BOC Pudong Branch: Bank of China Pudong Development Zone Sub-Branch

BTD: Breakthrough Therapy Designation

CABP: Community-acquired bacterial pneumonia

CAC: Cyberspace Administration of China

CC: Cervical cancer

cGMPs: Current Good Manufacturing Practices

CI: Confidence interval

CIB: Industrial Bank Co., Ltd., Shanghai Gubei Branch

CIDP: Chronic inflammatory demyelinating polyneuropathy

CFIUS: U.S. Committee on Foreign Investment

CMB: China Merchants Bank Co., Ltd. Shanghai Branch

CMO: Contract Manufacturing Organization

COBENFY (KarXT): Xanomeline and trospium chloride, a combination of an oral M1/M4-preferring muscarinic acetylcholine receptor agonist and an antimuscarinic agent

Code: The Company's Code of Business Conduct and Ethics

Commercial Committee: The Commercial Committee of the Board of Directors

Company: Zai Lab Limited and its subsidiaries, collectively

Compensation Committee: The Compensation Committee of the Board of Directors

CRAB: Carbapenem-resistant *Acinetobacter* strains

CRO: Contract Research Organization

CSRC: China Securities Regulatory Commission

CTA: Clinical trial application

Current Articles: The Sixth Amended and Restated Memorandum and Articles of Association of Zai Lab Limited

D&O: Director and officer

Deciphera: Deciphera Pharmaceuticals, LLC, a subsidiary of Deciphera Pharmaceuticals, Inc.

DLL3: An inhibitor of the Notch ligand that is overexpressed in SCLC and other neuroendocrine neoplasmas

Efgartigimod (efgartigimod alfa fcab or efgartigimod alfa injection): A human IgG1 antibody fragment that binds to FcRn

Efgartigimod SC: The subcutaneous formulation of efgartigimod

EIT: Enterprise income tax

EIT Law: The Enterprise Income Tax Law of the People's Republic of China

Elegrobart: Immunoglobulin G1-K monoclonal antibody targeting IGF-1R

EMA: European Medicines Agency

Entasis: Entasis Therapeutics Holdings Inc.

ES-SCLC: Extensive-stage small cell lung cancer

EU: European Union

Exchange Act: U.S. Securities Exchange Act of 1934, as amended

FASB: Financial Accounting Standards Board

FCPA: U.S. Foreign Corrupt Practices Act, as amended

FcRn: The neonatal fragment crystallizable receptor

FDA: U.S. Food and Drug Administration

FGFR2b: Human fibroblast growth factor receptor 2 isoform IIb

Five Prime: Five Prime Therapeutics, Inc.

GBM: Glioblastoma multiforme, an aggressive form of brain tumor

GC: Gastric cancer

GCPs: Good Clinical Practices

GEJ: Gastroesophageal junction

GIST: Gastrointestinal stromal tumors

gMG: Generalized myasthenia gravis

GMPs: Good Manufacturing Practices

Greater China: Mainland China, Hong Kong, Macau, and Taiwan, collectively

GSK: GlaxoSmithKline plc

HABP: Hospital-acquired bacterial pneumonia

Hanhui: Hanhui Pharmaceutical Co., Ltd.

HFCAA: U.S. Holding Foreign Companies Accountable Act, as amended

HGRAC: Human Genetic Resources Administration Office of China

HK Listing Rules: The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended

HKMA: Hong Kong Monetary Authority

HNTE: High and new technology enterprises

Hong Kong (or HK): Hong Kong Special Administrative Region

Hong Kong Stock Exchange (or HKEx): The Stock Exchange of Hong Kong Limited

Huizheng: Huizheng (Shanghai) Pharmaceutical Technology Co., Ltd.

ICI: Immune checkpoint inhibitor

IgAN: IgA nephropathy

IGF-1R: Insulin-like Growth Factor 1 Receptor

IL: Interleukin

IMCCTs: International multi-center clinical trials

IND: Investigational New Drug

Innoviva: Innoviva, Inc.

IPO: Initial public offering

IV: Intravenous

Karuna: Karuna Therapeutics, Inc.

KarXT: Xanomeline and trospium chloride, a combination of an oral M1/M4-preferring muscarinic acetylcholine receptor agonist and an antimuscarinic agent

KPMG LLP: KPMG LLP, an auditor located in the United States that is inspected by the PCAOB

LRRC15: Leucine-rich repeat-containing protein 15, a type 1 transmembrane protein involved in cell-cell and cell-extracellular matrix interactions that is overexpressed in various mesenchymal tumors where it promotes tumor metastases

MAA: Marketing Authorization Application

Macau: Macau Special Administrative Region

MacroGenics: MacroGenics, Inc.

MediLink: MediLink Therapeutics (Suzhou) Co., Ltd.

MG: Myasthenia gravis

MMAE: Microtubule-disrupting agent monomethyl auristatin E

MOFCOM: China's Ministry of Commerce

mOS: Median overall survival

mPFS: Median progression-free survival

Nasdaq: Nasdaq Global Market

NDA: New Drug Application

NEC: Neuroendocrine carcinoma

NHSA: China's National Healthcare Security Administration

Ningbo Bank: Bank of Ningbo Co., Ltd. Suzhou Sub-Branch

Ningbo Bank Agreements: Maximum Credit Contract, Electronic Commercial Draft Discounting Master Agreement and Online Working Capital Loan Master Agreement between Zai Lab Suzhou and Ningbo Bank, collectively

NIST: National Institute of Standards and Technology

NMPA: China's National Medical Products Administration

Nominating and Corporate Governance Committee: The Nominating and Corporate Governance Committee of the Board of Directors

NovoCure: NovoCure Ltd.

Novo Holdings: Novo Holdings A/S

NRDL: China's National Reimbursement Drug List

NSCLC: Non-small cell lung cancer

NTRK: Neurotrophic tropomyosin-receptor kinase

NUZYRA (Omadacycline): A novel tetracycline-class antibacterial with both oral and IV formulations that is a broad-spectrum antibiotic

OPTUNE: Tumor Treating Fields (or TTFields) devices marketed under various brand names, including OPTUNE GIO® for GBM

ORR: Overall response rate

OS: Overall survival

Our commercial products / programs: ZEJULA, VYVGART / VYVGART Hytrulo, NUZYRA, OPTUNE, QINLOCK, XACDURO, and AUGTYRO, collectively

Our securities: Our ADSs and/or ordinary shares, individually or collectively

Ovarian cancer: Epithelial ovarian, fallopian tube, and primary peritoneal cancer, collectively

Paratek: Paratek Bermuda Ltd., a subsidiary of Paratek Pharmaceuticals, Inc.

PANSS: Positive and Negative Syndrome Scale

PARP / PARP Inhibitor: PARP (poly (ADP-ribose) polymerase) is a protein that helps repair DNA damage in cells; PARP inhibitors block PARP from repairing DNA damage, such as may be caused by radiation and/or certain chemotherapies, which may lead to cancer cell death and slow the return or progression of cancer

PBOC: People's Bank of China

PCAOB: U.S. Public Company Accounting Oversight Board

PDGFRα: Platelet-derived growth factor receptor alpha

PDUFA: U.S. Prescription Drug User Fee Act

PFIC: Passive foreign investment company

Pfizer: Pfizer Inc.

PFS: Pre-filled syringe

PMA: Premarket Approval

pMN: Primary membranous nephropathy

POC: Proof of Concept

Povetacicept: An Fc fusion protein that enhances inhibition of APRIL and BAFF

QINLOCK (Ripretinib): An orally administered switch-control TKI that broadly inhibits KIT and PDGFRα tyrosine kinases, including wild-type and forms with multiple primary mutations or secondary mutations

R&D Committee: The Research and Development Committee of the Board of Directors

RMB: Chinese Renminbi

r/m: Recurrent or metastatic

SAFE: State Administration of Foreign Exchange of China

SAMR: China's State Administration for Market Regulation

sBLA: Supplemental Biologics License Application

SC: Subcutaneous

SciClone Pharmaceuticals: SciClone Pharmaceuticals (China) Co., Ltd.

SCLC: Small cell lung cancer

Seagen: Seagen Inc.

SEC: U.S. Securities and Exchange Commission

Securities Act: U.S. Securities Act of 1933, as amended

Security Assessment Measures: The Measures on Security Assessment of Cross-Border Data Transfer

sNDA: Supplemental new drug application

sn-gMG: Seronegative gMG

SOC: Standard of care

SPD Bank: Shanghai Pudong Development Bank Co., Ltd. Zhangjiang Hi-Tech Park Sub-Branch

TCE: T-cell engager

TEAE: Treatment emergent adverse events

TED: Thyroid eye disease

Tesaro: Tesaro, Inc.

TIVDAK (Tisotumab Vedotin): An ADC composed of Genmab's human monoclonal antibody directed against cell surface tissue factor and Seagen's ADC technology that utilizes a protease-cleavable linker that covalently attaches MMAE to the antibody

TKI: Tyrosine kinase inhibitor

TMZ: Temozolomide, a chemotherapy drug

TREA: Treatment-related adverse event

Trial Measures: Trial Measures for the Administration of Overseas Issuance and Listing of Securities by Domestic Enterprises

Trust for Life: Our sustainability strategy, which includes three pillars: improve human health, create better outcomes, and act right now with ethical business practices and strong governance

Turning Point: Turning Point Therapeutics, Inc.

U.S.: United States

U.S. GAAP: Generally Accepted Accounting Principles in the United States

VABP: Ventilator-associated bacterial pneumonia

Vertex: Vertex Pharmaceuticals Inc.

VIEs: Variable interest entities

VYVGART: The brand name for the IV formulation of efgartigimod

VYVGART Hytrulo: The brand name for the SC formulation of efgartigimod

XACDURO (SUL-DUR): A combination of a beta-lactam antibiotic (sulbactam) and beta-lactamase inhibitor (durlobactam)

Zai Lab: Zai Lab Limited, holding company, and its subsidiaries on a consolidated basis

Zai Lab Limited: Zai Lab Limited, a holding company

Zai Lab Shanghai: Zai Lab (Shanghai) Co., Ltd., a wholly-owned subsidiary of the Company

Zai Lab Suzhou: Zai Lab (Suzhou) Co., Ltd., a wholly-owned subsidiary of the Company

Zai Lab US: Zai Lab (US) LLC, a wholly-owned subsidiary of the Company

ZEJULA (Niraparib): An orally administered PARP 1/2 inhibitor

Zenas: Zenas BioPharma (HK) Limited

ZL-1222: A next generation IL-12 potency reduced immunocytokine with two single-chain PD-1 antibody fragments

ZL-1311: a MUC17/CD3 T-cell engager

ZL-1503: A pre-clinical IL-13 / IL-31 bi-specific antibody

ZL-6201: An LRRC15-targeting ADC

Zoci (formerly ZL-1310): Zocilurtatug pelitecan, a next generation DLL3-targeting ADC

1L: First line

2L: Second line

4L: Fourth Line

2015 Plan: Zai Lab Limited 2015 Omnibus Equity Incentive Plan, as amended

2017 Plan: Zai Lab Limited 2017 Equity Incentive Plan

2022 Plan: Zai Lab Limited 2022 Equity Incentive Plan

2025 Annual Report: Annual Report on Form 10-K for the year ended December 31, 2025

2024 Plan: Zai Lab Limited 2024 Equity Incentive Plan

2026 Proxy Statement: Our definitive proxy statement pursuant to Regulation 14A to be filed with the SEC not later than 120 days after the close of our fiscal year ended December 31, 2025

$: U.S. Dollar

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ZAI LAB LIMITED

Date: February 26, 2026

By: /s/ Samantha (Ying) Du
Name: Samantha (Ying) Du
Title: Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons in the capacities and on the dates indicated below:

Signature	Title	Date
/s/ Samantha (Ying) Du Samantha (Ying) Du	Chief Executive Officer and Chairperson of the Board of Directors *(Principal Executive Officer)*	February 26, 2026
/s/ Yajing Chen Yajing Chen	Chief Financial Officer *(Principal Financial and Accounting Officer)*	February 26, 2026
/s/ John Diekman John Diekman	Director	February 26, 2026
/s/ Richard Gaynor Richard Gaynor	Director	February 26, 2026
/s/ Nisa Leung Nisa Leung	Director	February 26, 2026
/s/ William Lis William Lis	Director	February 26, 2026
/s/ Leon O. Moulder, Jr. Leon O. Moulder, Jr.	Director	February 26, 2026
/s/ Scott Morrison Scott Morrison	Director	February 26, 2026
/s/ Michel Vounatsos Michel Vounatsos	Director	February 26, 2026
/s/ Peter Wirth Peter Wirth	Director	February 26, 2026

Zai Lab Limited

Index to Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Zai Lab Limited

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Zai Lab Limited and subsidiaries (the Company) as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive loss, shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2025, and the related notes and financial statement Schedule I - Condensed Financial Information of Registrant (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 26, 2026 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Evaluation of accrued preclinical and clinical trial expenses

As discussed in Note 2 to the consolidated financial statements, the Company's research and development expenses include costs associated with payments to contract research organizations (CROs) and contract manufacturing organizations (CMOs) for various preclinical and clinical trial activities. Expenses related to preclinical and clinical trial activities are accrued based on the Company's estimates of the actual services performed by the CROs and CMOs. As disclosed in the consolidated financial statements, as of December 31, 2025, the Company recorded $141.6 million in accounts payable which included the accrued preclinical and clinical trial expenses.

We identified the evaluation of accrued preclinical and clinical trial expenses as a critical audit matter. Specifically, evaluating the estimate of services performed for certain research and development activities at year-end required subjective auditor judgment.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to accrued preclinical and clinical trial expenses. This included controls related to the estimation of the services performed by the CROs and CMOs during the period that are included in accounts payable balances at the end of each reporting period. On a sample basis, we examined contracts, purchase orders, or invoices and compared them to the Company's estimation of services performed by the CROs and CMOs. On a sample basis, we examined third-party confirmations and compared them to the Company's estimation of services performed by the CROs and CMOs and, for any unreturned confirmations, we performed alternative procedures by comparing details of the balances with relevant underlying documentation. We also examined certain invoices received and/or payments made after year-end and evaluated whether they were associated with services received prior to that date and whether they were included in the Company's estimate of costs incurred at year-end.

/s/ KPMG LLP

We have served as the Company's auditor since 2022.

Short Hills, New Jersey

February 26, 2026

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Zai Lab Limited

Opinion on Internal Control Over Financial Reporting

We have audited Zai Lab Limited and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive loss, shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2025, and the related notes and financial statement Schedule I - Condensed Financial Information of Registrant (collectively, the consolidated financial statements), and our report dated February 26, 2026 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Short Hills, New Jersey

February 26, 2026

Zai Lab Limited

Consolidated Balance Sheets

(in thousands of U.S. dollars ("$"), except for number of shares and per share data)

	Notes	December 31, 2025	December 31, 2024
Assets			
Current assets			
Cash and cash equivalents	3	679,573	449,667
Restricted cash, current		100,000	100,000
Short-term investments	4	10,000	330,000
Accounts receivable (net of allowance for credit losses of $31 and $25 as of December 31, 2025 and 2024, respectively)		106,116	85,178
Notes receivable		12,169	4,233
Inventories, net	5	74,745	39,875
Prepayments and other current assets		36,683	41,527
Total current assets		1,019,286	1,050,480
Restricted cash, non-current		1,116	1,114
Property and equipment, net	6	47,389	47,961
Operating lease right-of-use assets	7	19,152	21,496
Land use rights, net		2,853	2,907
Intangible assets, net	8	76,144	56,027
Deferred tax assets	10	3,390	—
Other non-current assets		3,054	5,768
Total assets		**1,172,384**	**1,185,753**
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable		141,608	100,906
Current operating lease liabilities	7	6,344	8,048
Short-term debt	11	204,530	131,711
Other current liabilities	12	63,684	58,720
Total current liabilities		416,166	299,385
Deferred income		27,333	31,433
Non-current operating lease liabilities	7	13,385	13,712
Other non-current liabilities		—	325
Total liabilities		**456,884**	**344,855**
Commitments and contingencies (Note 20)			
Shareholders' equity			
Ordinary shares (par value of $0.000006 per share; 5,000,000,000 shares authorized; 1,113,822,550 and 1,082,614,740 shares issued as of December 31, 2025 and 2024, respectively; 1,106,389,340 and 1,077,702,540 shares outstanding as of December 31, 2025 and 2024, respectively)		7	7
Additional paid-in capital		3,343,469	3,264,295
Accumulated deficit		(2,628,620)	(2,453,083)
Accumulated other comprehensive income		29,697	50,515
Treasury stock (at cost 7,433,210 and 4,912,200 shares as of December 31, 2025 and 2024, respectively)		(29,053)	(20,836)
Total shareholders' equity		**715,500**	**840,898**
Total liabilities and shareholders' equity		**1,172,384**	**1,185,753**

The accompanying notes are an integral part of these consolidated financial statements.

Zai Lab Limited

Consolidated Statements of Operations

(in thousands of $, except for number of shares and per share data)

	Notes	Year Ended December 31, 2025	2024	2023
Revenues				
Product revenue, net	9	457,182	397,614	266,719
Collaboration revenue		2,974	1,374	—
Total revenues		460,156	398,988	266,719
Expenses				
Cost of product revenue		(190,520)	(147,118)	(95,816)
Cost of collaboration revenue		(561)	(742)	—
Research and development		(220,904)	(234,504)	(265,868)
Selling, general, and administrative		(277,605)	(298,741)	(281,608)
Gain on sale of intellectual property		—	—	10,000
Loss from operations		(229,434)	(282,117)	(366,573)
Interest income		33,048	37,105	39,797
Interest expenses		(5,209)	(2,254)	—
Foreign currency gains (losses)		19,591	(15,137)	(14,850)
Other income, net	17	3,540	5,300	7,006
Loss before income tax		(178,464)	(257,103)	(334,620)
Income tax benefit	10	2,927	—	—
Net loss		(175,537)	(257,103)	(334,620)
Loss per share — basic and diluted	13	(0.16)	(0.26)	(0.35)
Weighted-average shares used in calculating net loss per ordinary share — basic and diluted		1,095,311,090	989,477,730	966,394,130

The accompanying notes are an integral part of these consolidated financial statements.

Zai Lab Limited

Consolidated Statements of Comprehensive Loss

(in thousands of $)

	Year Ended December 31,		
	2025	**2024**	**2023**
Net loss	(175,537)	(257,103)	(334,620)
Other comprehensive (loss) income, net of tax of nil:			
Foreign currency translation adjustments	(20,818)	12,889	11,941
Comprehensive loss	**(196,355)**	**(244,214)**	**(322,679)**

The accompanying notes are an integral part of these consolidated financial statements.

Zai Lab Limited

Consolidated Statements of Shareholders' Equity

(in thousands of $, except for number of shares)

	Ordinary shares		Additional paid in capital	Accumulated deficit	Accumulated other comprehensive income	Treasury stock		Total
	Number of Shares	Amount				Number of Shares	Amount	
Balance at January 1, 2023	962,455,850	6	2,893,120	(1,861,360)	25,685	(2,236,280)	(11,856)	1,045,595
Issuance of ordinary shares upon vesting of restricted shares	8,178,500	0	0	—	—	—	—	—
Exercise of share options	6,516,920	0	2,548	—	—	—	—	2,548
Receipt of shares netted to satisfy tax withholding obligations related to share-based compensation	—	—	—	—	—	(2,675,920)	(8,980)	(8,980)
Share-based compensation	—	—	79,634	—	—	—	—	79,634
Net loss	—	—	—	(334,620)	—	—	—	(334,620)
Foreign currency translation	—	—	—	—	11,941	—	—	11,941
Balance at December 31, 2023	977,151,270	6	2,975,302	(2,195,980)	37,626	(4,912,200)	(20,836)	796,118
Issuance of ordinary shares upon vesting of restricted shares	10,120,260	0	0	—	—	—	—	—
Exercise of share options	5,147,140	0	3,269	—	—	—	—	3,269
Issuance of ordinary shares upon follow-on public offering, net of issuance cost of $2,277	90,196,070	1	215,073	—	—	—	—	215,074
Share-based compensation	—	—	70,651	—	—	—	—	70,651
Net loss	—	—	—	(257,103)	—	—	—	(257,103)
Foreign currency translation	—	—	—	—	12,889	—	—	12,889
Balance at December 31, 2024	1,082,614,740	7	3,264,295	(2,453,083)	50,515	(4,912,200)	(20,836)	840,898
Issuance of ordinary shares upon vesting of restricted shares	10,946,270	0	0	—	—	—	—	—
Exercise of share options	20,261,540	0	13,604	—	—	—	—	13,604
Issuance cost of the follow-on public offering	—	—	(28)	—	—	—	—	(28)
Receipt of shares netted to satisfy tax withholding obligations related to share-based compensation	—	—	—	—	—	(2,521,010)	(8,217)	(8,217)
Share-based compensation	—	—	65,598	—	—	—	—	65,598
Net loss	—	—	—	(175,537)	—	—	—	(175,537)
Foreign currency translation	—	—	—	—	(20,818)	—	—	(20,818)
Balance at December 31, 2025	1,113,822,550	7	3,343,469	(2,628,620)	29,697	(7,433,210)	(29,053)	715,500

The accompanying notes are an integral part of these consolidated financial statements. "0" in above table means less than 1,000 dollars.

Zai Lab Limited

Consolidated Statements of Cash Flows

(in thousands of $)

	Year Ended December 31,		
	2025	**2024**	**2023**
Cash flows from operating activities			
Net loss	(175,537)	(257,103)	(334,620)
Adjustments to reconcile net loss to net cash used in operating activities:			
Allowance for credit losses	6	8	6
Inventory write-down	12,288	815	973
Depreciation and amortization expenses	15,010	11,856	9,029
Impairment of property and equipment	—	—	57
Amortization of deferred income	(5,340)	(3,520)	(3,383)
Share-based compensation	65,598	70,651	79,634
Loss (gain) from fair value changes of equity investment with readily determinable fair value	1,912	6,105	(2,789)
Losses on disposal of property and equipment	542	453	159
Gain on disposal of land use right	—	—	(408)
Noncash lease expenses	8,836	8,419	8,708
Gain from sale of intellectual property	—	—	(10,000)
Foreign currency remeasurement impact	(19,591)	15,137	14,850
Amortization of debt issuance cost	194	700	—
Changes in operating assets and liabilities:			
Accounts receivable	(18,932)	(26,975)	(20,040)
Notes receivable	(7,716)	1,762	2,352
Inventories	(47,028)	3,896	(14,907)
Prepayments and other current assets	5,059	(18,729)	12,246
Deferred tax assets	(3,336)	—	—
Other non-current assets	(374)	(1,442)	187
Accounts payable	19,926	(2,209)	36,803
Other current liabilities	4,750	(22,022)	19,810
Operating lease liabilities	(7,476)	(9,259)	(8,351)
Deferred income	745	6,588	11,181
Other non-current liabilities	(325)	—	325
Net cash used in operating activities	(150,789)	(214,869)	(198,178)
Cash flows from investing activities			
Purchases of short-term investments	(10,000)	(330,000)	(134,000)
Proceeds from maturity of short-term investment	330,000	16,300	117,700
Proceeds from the sale of equity investment	1,203	—	—
Purchases of property and equipment	(8,101)	(5,657)	(7,212)
Proceeds from the sale of property and equipment	87	29	122
Acquisition of intangible assets	(5,323)	(55,865)	(1,279)
Proceeds from sale of intellectual property	—	—	10,000
Proceeds from disposal of land use right	—	—	3,893
Net cash provided by (used in) investing activities	307,866	(375,193)	(10,776)
Cash flows from financing activities			
Proceeds from short-term debt	206,837	131,606	—
Repayment of short-term bank borrowings	(138,893)	(284)	—
Payments of debt issuance costs	(194)	(700)	—
Proceeds from exercises of stock options	13,675	3,200	2,369
Proceeds from issuance of ordinary shares upon public offerings	—	217,350	—
Payments of public offering costs	(854)	(1,283)	—
Taxes paid related to settlement of equity awards	(8,218)	—	(8,802)
Net cash provided by (used in) financing activities	72,353	349,889	(6,433)
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash	478	(310)	(2,622)
Net increase (decrease) in cash, cash equivalents and restricted cash	229,908	(240,483)	(218,009)
Cash, cash equivalents and restricted cash — beginning of the year	550,781	791,264	1,009,273
Cash, cash equivalents and restricted cash — end of the year	780,689	550,781	791,264
Supplemental disclosure of cash flow information			
Cash paid for interest	4,878	2,021	—
Supplemental disclosure on non-cash investing and financing activities			
Payables for purchase of property and equipment	486	449	2,474
Payables for acquisition of intangible assets	21,948	2,721	11,516
Payables for public offering costs	168	994	—
Right-of-use asset acquired under operating leases	6,050	15,150	3,668
Receivables for stock option exercise under equity incentive plans	—	70	—

The accompanying notes are an integral part of these consolidated financial statements.

1. Organization and Principal Activities

Zai Lab Limited was incorporated on March 28, 2013 in the Cayman Islands as an exempted company with limited liability under the Companies Act of the Cayman Islands (as amended). Zai Lab Limited and its subsidiaries (collectively referred to as the "Company") are focused on discovering, developing, and commercializing products that address medical conditions with significant unmet needs in the areas of oncology, immunology, neuroscience, and infectious disease.

The Company's principal operations and geographic markets are in Greater China. The Company has a substantial presence in Greater China and the United States.

As of December 31, 2025, the Company's significant operating subsidiaries were as follows:

Name of Company	Place of Incorporation	Date of Incorporation	Percentage of Ownership	Principal Activities
Zai Lab (Hong Kong) Limited	Hong Kong	April 29, 2013	100%	Operating company for business development and R&D activities and commercialization of innovative medicines and device
Zai Lab (Shanghai) Co., Ltd.	Mainland China	January 6, 2014	100%	Development and commercialization of innovative medicines and devices
Zai Lab (AUST) Pty. Ltd.	Australia	December 10, 2014	100%	Clinical trial activities
Zai Lab (Suzhou) Co., Ltd.	Mainland China	November 30, 2015	100%	Development and commercialization of innovative medicines
Zai Biopharmaceutical (Suzhou) Co., Ltd.	Mainland China	June 15, 2017	100%	Development and commercialization of innovative medicines
Zai Lab (US) LLC	United States	April 21, 2017	100%	Operating company for business development, R&D activities and certain business activities, including legal, compliance and communication functions of the Company
Zai Lab International Trading (Shanghai) Co., Ltd.	Mainland China	November 6, 2019	100%	Commercialization of innovative medicines and devices
Zai Auto Immune (Hong Kong) Limited	Hong Kong	November 4, 2020	100%	Operating company for business development and R&D activities
Zai Lab (Taiwan) Limited	Taiwan	December 10, 2020	100%	Commercialization of innovative medicines and devices
Zai Lab Trading (Suzhou) Co., Ltd.	Mainland China	October 27, 2020	100%	Commercialization of innovative medicines

2. Summary of Significant Accounting Policies

(a) Basis of Presentation

The consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"). Significant accounting policies followed by the Company in the preparation of the accompanying consolidated financial statements are summarized below.

(b) Principles of Consolidation

The consolidated financial statements include the accounts of Zai Lab Limited and its subsidiaries, which are wholly owned. All intercompany transactions and balances are eliminated upon consolidation.

(c) Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Areas where management uses subjective judgment include, but are not limited to, accrual of rebates, recognition of research and development expenses based on the Company's estimates of the actual services performed by CROs and CMOs, fair value of share-based compensation expenses, recoverability of deferred tax assets, and useful life of intangible assets for commercial products. These estimates, judgments, and assumptions can affect the reported amounts of assets and liabilities as of the date of the financial statements as well as the reported amounts of revenues and expenses during the periods presented. Actual results could differ from these estimates.

(d) Foreign Currency Translation

The functional currency of Zai Lab Limited, Zai Lab (Hong Kong) Limited, Zai Lab (US) LLC, and Zai Auto Immune (Hong Kong) Limited are the U.S. dollar ("$"). The Company's subsidiaries in mainland China determined their functional currency to be the Chinese Renminbi ("RMB"). The Company's subsidiary in Australia determined its functional currency to be the Australian dollar ("A$"). The Company's subsidiary in Taiwan determined its functional currency to be the Taiwan dollar ("TWD"). The determination of the respective functional currency is based on the criteria of Accounting Standard Codification ("ASC") 830, *Foreign Currency Matters*. The Company uses the U.S. dollar as its reporting currency.

Assets and liabilities are translated from each entity's functional currency to the reporting currency at the exchange rate on the balance sheet date. Equity amounts are translated at historical exchange rates. Revenues, expenses, gains, and losses are translated using the average rate for the period presented. The resulted foreign currency translation adjustments are recorded as a component of other comprehensive loss in the consolidated statements of comprehensive loss, and the accumulated foreign currency translation adjustments are recorded as a component of accumulated other comprehensive income in the consolidated statements of shareholders' equity.

Monetary assets and liabilities denominated in currencies other than the applicable functional currencies are translated into the functional currencies at the prevailing rates of exchange at the balance sheet date.

Non-monetary assets and liabilities are translated into the applicable functional currencies at historical exchange rates. Transactions in currencies other than the applicable functional currencies during the year are converted into the functional currencies at the applicable rates of exchange prevailing at the transaction dates. Transaction gains and losses are recognized in the consolidated statements of operations.

(e) Cash, Cash Equivalents, and Restricted Cash

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents. Cash and cash equivalents consist primarily of cash on hand, demand deposits, and highly liquid investments with maturity of less than three months and are stated at cost, which approximates fair value.

Restricted Cash

Restricted cash mainly consists of bank deposits held as collateral for issuances of letters of credit for the Company's loan facility.

(f) Short-Term Investments

Short-term investments are time deposits with original maturities between three months and one year. Short-term investments are stated at cost, which approximates fair value. Interest earned is included in interest income.

(g) Accounts Receivable

The Company's accounts receivable arise from product sales and represent amounts due from its customers. From January 1, 2020, the Company adopted the ASU 2016-13, *Credit Losses, Measurement of Credit Losses on Financial Instruments*. Accounts receivable are recorded at the amounts net of allowances for credit losses. The allowance for credit losses reflects the Company's current estimate of credit losses expected to be incurred over the life of the receivables. The Company considers various factors in establishing, monitoring, and adjusting its allowance for credit losses including the aging of receivables and aging trends, customer creditworthiness, and specific exposures related to particular customers. The Company also monitors other risk factors and forward-looking information, such as country-specific risks and economic factors that may affect a debtor's ability to pay in establishing and adjusting its allowance for credit losses. Accounts receivable are written off when deemed uncollectible.

(h) Notes Receivable

Notes receivable are equal to contractual amounts owed from signed, secured promissory notes issued from customers to the Company. The Company considers the notes receivable to be fully collectible. Accordingly, no allowance for credit loss has been established as of December 31, 2025 and 2024.

(i) Inventories

Inventories are stated at the lower of cost or net realizable value, with cost determined on a weighted average basis. The Company periodically reviews the composition of inventory and shelf life of inventory to identify obsolete, slow-moving, or otherwise non-saleable items. The Company will record a write-down to its net realizable value in cost of product revenue in the period that the decline in value is first identified.

(j) Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets as follows:

	Useful life
Office equipment	3 years
Electronic equipment	1.25-3 years
Vehicles	4 years
Laboratory equipment	5 years
Manufacturing equipment	10 years
Leasehold improvements	lesser of useful life or lease term
Building	20 years

Construction in progress represents property and equipment under construction and pending installation and is stated at cost less impairment losses, if any.

(k) Leases

The Company leases facilities for its offices, research and development center, and manufacturing facilities in mainland China, Hong Kong, Taiwan and the United States. On January 1, 2019, the Company adopted the ASC 842, *Leases* ("***ASC 842***"), using the modified retrospective transition approach by applying the new standard to all leases existing at the date of initial application and not restating historical periods before the adoption date.

The Company assessed whether an arrangement contains a lease at inception. The Company's leases are all classified as operating leases with fixed lease payments, or minimum payments, as contractually stated in the lease agreements. The Company's leases do not contain any material residual value guarantees or material restrictive covenants.

Operating leases are included in operating lease right-of-use assets and operating lease liabilities in the consolidated balance sheets. Operating lease liabilities that become due within one year of the balance sheet date are classified as current operating lease liabilities. Operating lease expense is recognized on a straight-line basis over the lease term.

At the commencement date of a lease, the Company recognizes a lease liability for future fixed lease payments and a right-of-use ("ROU") asset representing the right to use the underlying asset during the lease term. The lease liability is initially measured as the present value of the future fixed lease payments that will be made over the lease term. The lease term includes periods for which the Company is reasonably certain that the renewal options will be exercised and the termination options will not be exercised. The Company uses its incremental borrowing rate based on the information available at the commencement date in determining the lease liabilities as the Company's leases generally do not provide an implicit rate. The incremental borrowing rate is reevaluated upon a lease modification. The Company considered information available at the adoption date of ASC 842 to determine the incremental borrowing rate for leases in existence as of this date.

The ROU asset is measured at the amount of the lease liability with adjustments, if applicable, for lease prepayments made prior to or at lease commencement, initial direct costs incurred by the Company, and lease incentives. Under ASC 842, land use rights agreements are also considered to be operating lease contracts.

The Company elected to apply each of the practical expedients described in ASC 842 which allow companies (i) not to reassess prior conclusions on whether any expired or existing contracts are or contain a lease, lease classification, and

initial direct costs upon adoption of ASC 842, (ii) combine lease and non-lease components for all underlying assets groups, and (iii) not recognize ROU assets or lease liabilities for short term leases. A short-term lease is a lease that, at the commencement date, has a lease term of 12 months or less and does not include an option to purchase the underlying asset that the lessee is reasonably certain to exercise.

(l) Land Use Rights

All land in mainland China is subject to government or collective ownership. Land use rights can be purchased for a specified period of time. The purchase price of land use rights represents the operating lease prepayments under ASC 842 and is recorded as land use rights on the consolidated balance sheet, which is amortized over the remaining lease term.

The Company acquired land use rights in 2019 for a term of 30 years from the local Bureau of Land and Resources in Suzhou for the purpose of constructing and operating a research center and biologics manufacturing facility in Suzhou. In 2023, the Company returned a portion of the land use rights and received cash in an amount equal to the respective portion of the original acquisition cost.

(m) Long-Term Deposits

Long-term deposits represent amounts paid in connection with the Company's long-term lease agreements.

(n) Intangible Assets

Intangible assets for commercial products include capitalized post-approval milestone fees and acquired commercial manufacturing know-how and related development costs. The Company is amortizing intangible assets for commercial products as cost of product revenue over the estimated remaining useful life of the related products, which is generally based on expected patent life, the contractual period of the underlying license agreement, and expected commercial benefits of the products. Intangible assets for externally purchased software are amortized over three to five years on a straight-line basis.

(o) Impairment of Long-Lived Assets

The Company evaluates long-lived assets, which includes intangible assets, tangible assets, and ROU assets for impairment whenever events or changes in circumstances indicate that the carrying value of these assets may not be recoverable. Recoverability of these assets is measured by comparison of the carrying amount of the related asset group to its future undiscounted cash flows. The Company measures the amount of impairment, if any, based on the difference between the carrying value and the estimated fair value of the impaired asset group.

(p) Fair Value Measurements

The Company applies ASC Topic 820, *Fair Value Measurements and Disclosures*, in measuring fair value ("***ASC 820***"). ASC 820 defines fair value, establishes a framework for measuring fair value, and requires disclosures to be provided on fair value measurement.

ASC 820 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 — Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 — Include other inputs that are directly or indirectly observable in the marketplace.

Level 3 — Unobservable inputs which are supported by little or no market activity.

ASC 820 describes three main approaches to measuring the fair value of assets and liabilities: (i) market approach; (ii) income approach; and (iii) cost approach. The market approach uses prices and other relevant information generated from market transactions involving identical or comparable assets or liabilities. The income approach uses valuation techniques to convert future amounts to a single present value amount. The measurement is based on the value indicated by current market expectations about those future amounts. The cost approach is based on the amount that would currently be required to replace an asset.

Financial instruments of the Company primarily include cash and cash equivalents, current restricted cash, short-term investments, accounts receivable, notes receivable, prepayments and other current assets, non-current restricted cash, accounts payable, short-term debt, and other current liabilities. As of December 31, 2025 and 2024, the carrying values of cash and cash equivalents, current restricted cash, short-term investments, accounts receivable, prepayments and other current assets, accounts payable, short-term debt, and other current liabilities approximated their fair value due to the short-term maturity of these instruments, and the carrying value of notes receivable and non-current restricted cash approximated their fair value based on the assessment of the ability to recover these amounts.

(q) Revenue Recognition

In 2018, the Company adopted ASC Topic 606, *Revenue from Contracts with Customers* ("***ASC 606***"). Under ASC 606, the Company recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration expected to be received in exchange for those goods or services. To determine revenue recognition for arrangements that the Company determines are within the scope of ASC 606, the Company performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price, including variable consideration, if any; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the Company satisfies a performance obligation. The Company only applies the five-step model to contracts when it is probable that the Company will collect the consideration to which it is entitled in exchange for the goods or services it transfers to the customer. Once a contract is determined to be within the scope of ASC 606 at contract inception, the Company reviews the contract to determine which performance obligations it must deliver and which of these performance obligations are distinct. The Company recognizes as revenue the amount of the transaction price that is allocated to each performance obligation when that performance obligation is satisfied or as it is satisfied.

The Company's revenue is mainly from product sales. The Company recognizes revenue from product sales when the Company has satisfied the performance obligation by transferring control of the product to the customers. Control of the product generally transfers to the customers when the delivery is made and when title and risk of loss transfers to the consumers. Cost of product revenue mainly consists of the acquisition cost of products, the manufacturing cost of products, royalty fees, and amortization of intangible assets for commercial products.

The Company has applied the practical expedients under ASC 606 with regard to assessment of the financing component and concluded that there is no significant financing component given that the period between delivery of goods and payment is generally one year or less.

In mainland China, the Company sells these products to distributors, who ultimately sell the products to health care providers. Based on the nature of the arrangements, the performance obligations are satisfied upon the delivery of the products to distributors. Rebates are offered to distributors, consistent with pharmaceutical industry practices. The estimated amount of unpaid or unbilled rebates, if any, are recorded as a reduction of revenue. Estimated rebates are determined based on contracted rates and sales volumes and to a lesser extent, distributor inventories. The Company regularly reviews the information related to these estimates and adjusts the amount accordingly.

In Hong Kong, the Company sells the products to customers, which are typically healthcare providers such as oncology centers. The Company utilizes a third party for warehousing services. Based on the nature of the arrangements, the Company has determined that it is a principal in the transaction since the Company is primarily responsible for fulfilling the promise to provide the products to the customers, maintains inventory risk until delivery to the customers, and has latitude in establishing the price. Revenue is recognized upon delivery to customers at mutually agreed upon prices. Consideration paid to the third party is recognized in operating expenses. With respect to XACDURO, the Company sells the product to Pfizer under a strategic collaboration arrangement, and Pfizer is responsible for sales of XACDURO to distributors in mainland China. Under this arrangement, Pfizer is the Company's customer and revenue is recognized upon delivery of XACDURO to Pfizer at the contractually agreed prices.

The Company did not recognize any contract assets or contract liabilities as of December 31, 2025 and 2024.

(r) Collaborative Arrangements

The Company analyzes its collaboration arrangements to assess whether such arrangements involve joint operating activities performed by parties that are both active participants in the activities and exposed to significant risks and rewards dependent on the commercial success of such activities and therefore within the scope of ASC Topic 808, *Collaborative Arrangements* ("***ASC 808***"). This assessment is performed throughout the life of the arrangement based on changes in the responsibilities of all parties in the arrangement.

For collaboration arrangements within the scope of ASC 808 that contain multiple elements, the Company first determines which elements of the collaboration are deemed to be within the scope of ASC 808 and which elements of the collaboration are more reflective of a vendor-customer relationship and therefore within the scope of ASC 606. For elements of collaboration arrangements that are accounted for pursuant to ASC 808, an appropriate recognition method is determined and applied consistently.

(s) Research and Development Expenses

Elements of research and development expenses primarily include (i) payroll and other related costs of personnel engaged in research and development activities; (ii) in-licensed patent rights fees for exclusive development rights for products granted to the Company; (iii) costs related to pre-clinical testing of the Company's technologies under development and clinical trials such as payments to CROs and CMOs, investigators, and clinical trial sites that conduct its clinical studies; (iv) costs to develop the product candidates, including raw materials and supplies, product testing, depreciation, and facility-related expenses; and (v) other research and development expenses. Research and development expenses are charged to expense as incurred when they have no alternative future uses. Liabilities related to third-party research and development expenses are primarily included in accounts payable on the consolidated balance sheet.

The Company has acquired rights to develop and commercialize certain product candidates. Upfront payments that relate to the acquisition of a new product compound, as well as pre-commercial milestone payments, are immediately expensed as acquired in-process research and development in the period in which they are incurred, provided that the new product compound does not also include processes or activities that would constitute a "business" as defined under U.S. GAAP. Milestone payments made to third parties subsequent to regulatory approval which meet the capitalization criteria would be capitalized as intangible assets and amortized over the estimated remaining useful life of the related product, which is generally based on expected patent life, the contractual period of the underlying license agreement, and expected commercial benefits of the products.

(t) Deferred Income

Deferred income is mainly related to upfront payments received from collaborative partners and government grants.

The Company received certain upfront payments from collaborative partners, which are being amortized over the terms of the contracts. The Company had $27.3 million and $30.7 million in deferred income related to the upfront payments as of December 31, 2025 and 2024, respectively.

Government grants consist of cash subsidies received by the Company's subsidiaries in mainland China from local governments for conducting business in certain local districts. Grant received before the fulfillment of government specified performance obligations is recorded into deferred income. When the performance obligations are satisfied, the Company records the grants into other income, net. The Company had nil and $0.7 million of deferred income related to government grants as of December 31, 2025 and 2024, respectively.

(u) Share-Based Compensation

The Company grants share options and non-vested restricted shares to eligible employees, non-employees, and directors and accounts for these share-based awards in accordance with ASC 718, *Compensation-Stock Compensation ("**ASC 718**")*.

The Company estimates the fair value of stock options using the Black-Scholes option-pricing model. The grant-date fair value of non-vested restricted shares is the market value of the underlying stock on the award's grant date.

The Company has elected to use the straight-line method to recognize compensation expenses for share awards with graded vesting based on service conditions, provided that the minimum amount of cumulative compensation expense recognized is not less than the portion of the award vested to date. For share-based awards with service conditions only, the Company recognizes expenses (i) immediately at grant date if no vesting conditions are required; or (ii) using a straight-line method over the requisite service period, which is the vesting period, if vesting conditions are required. For share-based awards containing performance conditions, the Company recognizes expenses based on the estimated number of performance-based awards expected to vest using the graded vesting attribution method. The Company accounts for the effect of forfeitures as they occur.

(v) Income Taxes

Income tax expense includes (i) deferred tax expense, which generally represents the net change in the deferred tax asset or liability balance during the year plus any change in valuation allowances; (ii) current tax expense, which represents the amount of tax currently payable to or receivable from a taxing authority; and (iii) non-current tax expense, which represents the increases and decreases in amounts related to uncertain tax positions from prior periods and not settled with cash or other tax attributes.

The Company recognizes deferred tax assets and liabilities for temporary differences between the financial statement and income tax bases of assets and liabilities, which are measured using enacted tax rates and laws that will be in effect when the differences are expected to reverse. A valuation allowance is provided when it is more likely than not that some portion or all of a deferred tax asset will not be realized.

The Company evaluates its uncertain tax positions using the provisions of ASC 740, *Income Taxes*, which requires that realization of an uncertain income tax position be recognized in the financial statements. The benefit to be recorded in the financial statements is the amount most likely to be realized assuming a review by tax authorities having all relevant

information and applying current conventions. It is the Company's policy to recognize interest and penalties related to unrecognized tax benefits, if any, as a component of income tax expense.

(w) Loss Per Share

Basic loss per ordinary share is computed by dividing net loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted loss per ordinary share reflects the potential dilution that could occur if securities were exercised or converted into ordinary shares. The Company had stock options and non-vested restricted shares, which could potentially dilute basic loss per share in the future. To calculate the number of shares for diluted loss per share, the effect of the stock options and non-vested restricted shares is computed using the treasury stock method. The computation of diluted loss per share does not assume exercise or conversion of securities that would have an anti-dilutive effect.

(x) Comprehensive Loss

Comprehensive loss is defined as the changes in equity of the Company during a period from transactions and other events and circumstances excluding transactions resulting from investments by owners and distributions to owners. For each of the periods presented, the Company's comprehensive loss includes net loss and foreign currency translation adjustments, which are presented in the consolidated statements of comprehensive loss.

(y) Concentration of Risks

Concentration of Customers

In 2025, 2024, and 2023, the Company's five largest customers accounted for approximately $151.5 million (33.1%), $128.7 million (32.4%), and $104.7 million (35.0%) of the product revenue, respectively. One customer accounted for approximately $77.9 million (17.0%), $67.3 million (16.9%), and $59.4 million (19.9%) of the product revenue, respectively for the same periods.

Concentration of Suppliers

In 2025, one supplier accounted for approximately $48.8 million (10.5%) of the total purchases. The Company had no such suppliers accounted for more than 10% of the total purchases in 2024 and 2023.

Concentration of Credit Risk

Financial instruments that are potentially subject to significant concentration of credit risk consist of cash and cash equivalents, restricted cash, short-term investments, accounts receivable, and notes receivable.

As of December 31, 2025 and 2024, all of the Company's cash and cash equivalents and short-term investments were held by major financial institutions located in mainland China and international financial institutions outside of mainland China which management believes are of high credit quality and continually monitors the credit worthiness of these financial institutions.

Accounts receivable are typically unsecured and are derived from product sales. The Company manages credit risk of accounts receivable through ongoing monitoring of outstanding balances and limits the amount of credit extended based upon payment history and credit worthiness. Historically, the Company has collected receivables from customers within the credit terms with no significant credit losses incurred. One customer accounted for 10% or more of accounts receivable, with $15.5 million and $16.7 million as of December 31, 2025 and 2024, respectively.

Certain accounts receivable balances may be settled in the form of notes receivable. As of December 31, 2025, notes receivable represented bank acceptance promissory notes that are non-interest bearing and due within six months. Notes receivable were used to collect the receivables based on an administrative convenience, given these notes are readily convertible to be known amounts of cash. In accordance with the sales agreements, whether to use cash or bank acceptance promissory notes to settle the receivables is at the Company's discretion, and this selection does not impact the agreed contractual purchase prices.

The Company's other receivables were primarily due from its partners, which have good credit ratings. The credit risk for other receivables was generally very low.

Foreign Currency Risk

RMB is not a freely convertible currency. The State Administration of Foreign Exchange, under the authority of the People's Bank of China, controls the conversion of RMB into foreign currencies. The value of RMB is subject to changes in central government policies and to international economic and political developments affecting supply and demand in the China Foreign Exchange Trading System market. The cash and cash equivalents of the Company included aggregated amounts denominated in RMB of $25.4 million and $19.0 million, as of December 31, 2025 and 2024, respectively, representing 4% and 4% of the cash and cash equivalents as of December 31, 2025 and 2024, respectively.

(z) Recent Accounting Pronouncements

Recently Issued Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. This ASU requires disclosure, in the notes to the financial statements, of specified information about certain costs and expenses. This ASU will be effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. This ASU will result in the required additional disclosures being included in the notes to consolidated financial statements, once adopted. The Company is currently evaluating the impact of this ASU and expects to adopt it for the year ending December 31, 2027.

Recently Adopted Accounting Standards

In December 2023, the FASB issued ASU No. 2023-09, *Improvements to Income Tax Disclosures* (Topic 740). This ASU requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as additional information on income taxes paid. This ASU is effective on a prospective basis for annual periods beginning after December 15, 2024. Early adoption is permitted. The Company adopted this ASU for the year ended December 31, 2025 prospectively, and disclosed additional descriptive information as required under ASC 740 *(*see *Note 10)*.

3. Cash and Cash Equivalents

The following table presents the Company's cash and cash equivalents ($ in thousands):

	December 31,	
	2025	2024
Cash	678,358	448,508
Cash equivalents (i)	1,215	1,159
	679,573	449,667
Denominated in:		
US$	651,196	429,887
RMB (ii)	25,358	18,979
Hong Kong dollar ("HK$")	2,020	114
Australian dollar ("A$")	538	522
Taiwan dollar ("TW$")	461	165
	679,573	449,667

(i) Cash equivalents represent short-term and highly liquid investments in a money market fund.

(ii) Certain cash and bank balances denominated in RMB were deposited with banks in mainland China. The conversion of these RMB-denominated balances into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the Chinese government.

4. Short-Term Investments

Short-term investments are primarily comprised of time deposits with original maturities between three months and one year. The short-term investments balance was $10.0 million and $330.0 million as of December 31, 2025 and 2024, respectively. No allowance for credit loss was recorded as of December 31, 2025 and 2024.

5. Inventories, Net

The following table presents the Company's inventories, net ($ in thousands):

	December 31,	
	2025	2024
Finished goods	45,848	24,063
Raw materials	23,106	13,268
Work in progress	5,791	2,544
Inventories, net	74,745	39,875

The Company writes down inventory for any excess or obsolete inventory or when the Company believes that the net realizable value of inventory is less than the carrying value. The Company recorded write-downs in inventory, which were included in cost of product revenue, of $12.3 million, $0.8 million, and $1.0 million in 2025, 2024, and 2023, respectively. The inventory write-down in 2025 was mainly related to VYVGART Hytrulo in the fourth quarter.

6. Property and Equipment, Net

The following table presents the components of the Company's property and equipment, net ($ in thousands):

	December 31,	
	2025	2024
Office equipment	1,201	1,230
Electronic equipment	10,964	9,211
Vehicle	200	196
Laboratory equipment	20,040	20,516
Manufacturing equipment	17,948	17,493
Leasehold improvements	14,049	11,306
Building	24,596	—
Construction in progress	554	25,129
	89,552	85,081
Less: accumulated depreciation	(42,163)	(37,120)
Property and equipment, net	47,389	47,961

Depreciation expense was $9.1 million, $8.6 million, and $8.4 million for 2025, 2024, and 2023, respectively.

7. Leases

The Company leases facilities for its offices, research and development center, and manufacturing facilities in mainland China, Hong Kong, Taiwan, and the United States. Lease terms vary based on the nature of operations and market dynamics; however, all leased facilities are classified as operating leases with remaining lease terms between one and seven years.

The following table presents operating lease costs ($ in thousands). Total lease expense related to short-term leases was insignificant for those periods presented.

	Year Ended December 31,		
	2025	2024	2023
Operating fixed lease cost	9,339	8,751	8,691

The following table presents operating cash flows related to leases ($ in thousands):

	Year Ended December 31,		
	2025	2024	2023
Cash paid for amounts included in measurement of lease liabilities	8,692	8,831	9,317
Non-cash operating lease liabilities arising from obtaining operating right-of-use assets	6,050	15,150	3,668

The maturities of lease liabilities in accordance with ASC 842, *Leases* in each of the next five years and thereafter were as follows ($ in thousands):

	Year Ended December 31, 2025
2026	6,598
2027	5,655
2028	4,477
2029	2,875
2030	512
Thereafter	322
Total lease payments	20,439
Less: imputed interest	(710)
Present value of minimum operating lease payments	19,729

Weighted-average remaining lease terms and discount rates were as follows:

	December 31,	
	2025	2024
Weighted-average remaining lease term	3.5 years	3.7 years
Weighted-average discount rate	3.2 %	3.4 %

8. Intangible Assets, Net

The following table presents the components of the Company's intangible assets, net ($ in thousands):

	As of December 31,					
	2025			2024		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value
Finite-lived intangible assets						
Commercial products (i)	83,203	(8,056)	75,147	57,104	(2,637)	54,467
Software	4,461	(3,464)	997	4,360	(2,800)	1,560
Total	**87,664**	**(11,520)**	**76,144**	**61,464**	**(5,437)**	**56,027**

(i) The increase in the net carrying value is primarily driven by regulatory milestone fees for repotrectinib and KarXT (see *Note 16*)

Amortization expense was $5.9 million, $3.2 million, and $0.7 million in 2025, 2024, and 2023, respectively. The weighted-average remaining amortization period for intangible assets for commercial products and software was 8.7 years and 2.3 years, respectively.

Expected future amortization expense for the five succeeding years and thereafter is as follows ($ in thousands):

	Year Ended December 31
2026	7,295
2027	8,580
2028	9,877
2029	7,475
2030	7,465
Thereafter	35,452
	76,144

9. Revenues

Product Revenue, Net

The Company's product revenue is derived from the sales of its commercial products in Greater China. The table below presents the Company's gross and net product revenue ($ in thousands):

	Year Ended December 31,		
	2025	2024	2023
Product revenue - gross	496,232	423,855	298,911
Less: Rebates and sales returns	(39,050)	(26,241)	(32,192)
Product revenue - net	457,182	397,614	266,719

Sales rebates are offered to distributors in mainland China, and the amounts are recorded as a reduction of product revenue. Estimated rebates are determined based on contracted rates, sales volumes, and level of distributor inventories.

The following table presents the Company's net revenue by commercial program ($ in thousands):

	Year Ended December 31,		
	2025	2024	2023
ZEJULA	189,042	187,082	168,843
VYVGART / VYVGART Hytrulo	94,198	93,639	10,011
NUZYRA	60,836	43,199	21,656
OPTUNE	48,325	40,475	46,969
QINLOCK	35,614	28,826	19,240
XACDURO	22,912	3,305	—
AUGTYRO	5,538	1,088	—
Other (i)	717	—	—
Product revenue - net	457,182	397,614	266,719

(i) Other includes product candidates sold in patient programs prior to commercialization.

Collaboration Revenue

Collaboration revenue was $3.0 million, $1.4 million, and nil in 2025, 2024, and 2023, respectively, and related to promotional activities in mainland China.

10. Income Tax

Cayman Islands

Zai Lab Limited, ZLIP Holding Limited, Zai Auto Immune Limited, and Zai Anti Infectives Limited are incorporated in the Cayman Islands. Under the current laws of the Cayman Islands, Zai Lab Limited, ZLIP Holding Limited, Zai Auto Immune Limited, and Zai Anti Infectives Limited are not subject to tax on income or capital gain. Additionally, the Cayman Islands does not impose a withholding tax on payments of dividends to shareholders.

British Virgin Islands Taxation

ZL Capital Limited is incorporated in the British Virgin Islands. Under the current laws of the British Virgin Islands, ZL Capital Limited is not subject to income tax.

Australia

Zai Lab (AUST) Pty. Ltd. is incorporated in Australia and is subject to corporate income tax at a rate of 30%. Zai Lab (AUST) Pty. Ltd. had no taxable income for the periods presented; therefore, no provision for income taxes is required.

United States

Zai Lab (US) LLC is incorporated in the United States and is subject to U.S. federal corporate income tax at a rate of 21%. Zai Lab (US) LLC is also subject to state income tax in Delaware. Zai Lab (US) LLC had no taxable income for the periods presented; therefore, no provision for income taxes is required.

Taiwan

Zai Lab (Taiwan) Limited is incorporated in Taiwan and is subject to corporate income tax at a rate of 20%. Zai Lab (Taiwan) Limited had no taxable income for the periods presented; therefore, no provision for income taxes is required.

Hong Kong

Zai Lab (Hong Kong) Limited, ZL China Holding Two Limited, Zai Auto Immune (Hong Kong) Limited, and Zai Anti Infectives (Hong Kong) Limited are incorporated in Hong Kong. Companies registered in Hong Kong are subject to Hong Kong profits tax on the taxable income as reported in their respective statutory financial statements adjusted in accordance with relevant Hong Kong tax laws. Under the two-tiered profits tax rates regime in Hong Kong, the first HK$2.0 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2.0 million will be taxed at 16.5%. In 2025, 2024, and 2023, Zai Lab (Hong Kong) Limited, ZL China Holding Two Limited, Zai Auto Immune (Hong Kong) Limited, and Zai Anti Infectives (Hong Kong) Limited did not make any provisions for Hong Kong profit tax as there were no assessable profits derived from or earned in Hong Kong for any of the periods presented. Under the Hong Kong tax law, Zai Lab (Hong Kong) Limited, ZL China Holding Two Limited, Zai Auto Immune (Hong Kong) Limited, and Zai Anti Infectives (Hong Kong) Limited are exempted from income tax on its foreign-derived income, and there are no withholding taxes in Hong Kong on remittance of dividends.

People's Republic of China

Under EIT Law, the statutory income tax rate is 25%, and the EIT rate will be reduced to 15% for state-encouraged High and New Technology Enterprises ("HNTE"). Zai Lab (Shanghai) Co., Ltd., first obtained an HNTE certificate in 2018 and began to enjoy the preferential tax rate of 15% from 2018 to 2020 and further extended the certificate effective for 2021 to 2026. Zai Lab International Trading (Shanghai) Co., Ltd., Zai Lab (Suzhou) Co., Ltd., Zai Biopharmaceutical

(Suzhou) Co., Ltd., Zai Lab Trading (Suzhou) Co., Ltd., and Zai Lab (Zhejiang) Co., Ltd. are subject to the statutory rate of 25%.

The following table presents loss (income) before income taxes ($ in thousands):

	Year Ended December 31,		
	2025	2024	2023
Cayman Islands	(6,840)	(2,453)	(16,792)
British Virgin Islands	—	—	0
Mainland China	80,192	146,725	253,274
Hong Kong	(16,211)	1,808	4,483
United States	120,859	110,422	92,869
Australia	15	19	14
Taiwan	449	582	772
	178,464	257,103	334,620

The current and deferred components of the income tax benefit are as follows ($ in thousands):

	Year Ended December 31,		
	2025	2024	2023
Current tax expense (benefit)			
Mainland China	451	—	—
Deferred tax expense (benefit)			
Mainland China	(3,378)	—	—
Tax expense (benefit)	(2,927)	—	—

The Company’s cash paid net of refunds received for income taxes in China are all nil for 2025, 2024, and 2023.

The Company’s statutory rate reconciliation is based on the PRC statutory income tax rate because the Cayman Islands does not impose corporate income tax and the PRC is the jurisdiction that primarily drives the Company’s income tax benefit.

The following table presents the reconciliations of the differences between the mainland China statutory income tax, and the Company's effective income tax for 2025, following the prospective adoption of ASU No. 2023-09, *Improvements to Income Tax Disclosures*:

	Year Ended December 31	
	2025	
	$	%
PRC Statutory income tax benefit	(44,615)	25.00 %
Mainland China tax effects		
Nontaxable or nondeductible items		
Share-based compensation	5,049	(2.83)%
Expiration of deductible qualified donation	8,447	(4.73)%
Others	1,220	(0.68)%
Other adjustments		
Research and development super deduction (i)	(12,498)	7.00 %
Preferential tax rate (ii)	6,022	(3.37)%
Intercompany inventory profit deferral (iii)	3,205	(1.80)%
Others	1,672	(0.94)%
Changes in valuation allowance	3,953	(2.21)%
United States tax effects		
Nontaxable or nondeductible items		
Share-based compensation tax effect	(5,153)	2.89 %
Non-deductible compensation	2,543	(1.43)%
Other adjustments		
Effect of different tax rate of subsidiary operation	4,834	(2.71)%
Others	10	(0.01)%
Changes in valuation allowance	27,980	(15.68)%
Hong Kong tax effects		
Nontaxable or nondeductible items		
Offshore income (iv)	(6,649)	3.73 %
Others	2,982	(1.67)%
Others adjustments	(241)	0.13 %
Cayman tax effects	(1,688)	0.95 %
Effective income tax benefit	(2,927)	1.64 %

(i) In accordance PRC EIT law, certain PRC entities engaged in manufacturing and whose principal operating revenue exceeded 50% of total revenue were entitled to claim an additional tax deduction of 100% of the qualified R&D expenses.

(ii) Preferential tax rate reflects the reduced 15% PRC EIT rate applicable to qualified High and New Technology Enterprises, compared to the 25% statutory PRC tax rate.

(iii) Intercompany inventory profit deferral is related to the tax effect of unrealized intercompany profit on inventory that is eliminated in consolidation and allocated based on the underlying economic activity.

(iv) A certain Hong Kong entity generated income treated as offshore-sourced under Hong Kong's territorial tax system. Accordingly, the related income is not taxable in Hong Kong.

The following table presents the reconciliations of the differences between the mainland China statutory income tax rate and the Company's effective income tax rate for 2024 and 2023:

	Year Ended December 31,	
	2024	2023
	%	%
PRC Statutory income tax rate	25%	25%
Tax-exempted income	0.42%	0.19%
Share-based compensation	(3.52%)	(2.08%)
Research and development super deduction	5.28%	7.11%
Non-deductible expenses	(0.77%)	(2.83%)
Prior year tax filing adjustment	(3.05%)	1.32%
Effect of different tax rate of subsidiary operation in other jurisdictions	(0.73%)	0.02%
Preferential tax rate	(5.05%)	(7.12%)
Expiration of tax loss	(2.72%)	—%
Expiration of deductible qualified donation	(0.78%)	2.28%
Changes in valuation allowance	(14.08%)	(23.89%)
Effective income tax rate	—%	—%

The following table presents the principal components of deferred tax assets and liabilities ($ in thousands):

	Year Ended December 31,	
	2025	2024
Deferred tax assets:		
Depreciation of property and equipment	193	171
Research and experimental capitalization	49,331	38,215
Share-based compensation	3,886	3,797
Accrued expenses	500	1,038
Government grants	—	98
Deferred revenue	3,225	3,442
Qualified donation	23,224	26,832
Lease liability	3,662	3,885
Inventory write-down	2,953	—
Net operating loss carry forwards	349,118	321,068
Less: valuation allowance	(429,181)	(394,778)
Total Deferred tax assets	6,911	3,768
Deferred tax liabilities:		
Right-of-use assets	(3,521)	(3,768)
Deferred tax assets, net	3,390	—

ASC 740, *Income Taxes,* provides for the recognition of deferred tax assets if realization of such assets is more likely than not. The Company's ability to realize deferred tax assets depends on its ability to generate sufficient taxable income within the carry forward periods provided for in the tax law. In assessing the need for any valuation allowance, the Company considered all available evidence both positive and negative, including potential for prudent and feasible tax planning strategies, recent losses, and forecasts of future profitability. The Company's deferred tax assets, net were $3.4

million as of December 31, 2025, which was primarily related to its inventory write-down (see *Note 5*). The Company expects it is more likely than not to generate sufficient taxable income in the jurisdictions in which the inventory write-down occurred in the future to realize the tax benefit.

The following table presents that movement of the valuation allowance on deferred tax assets ($ in thousands):

	2025	2024
Balance as of January 1,	(394,778)	(357,956)
Additions	(38,406)	(36,822)
Reductions	4,003	—
Balance as of December 31,	(429,181)	(394,778)

As of December 31, 2025 and 2024, the Company had net operating loss carry forwards of $2,121.7 million and $1,951.5 million, respectively. The following table presents the components of the Company's net operating losses, net as of December 31, 2025 ($ in thousands):

	December 31, 2025	Expiration Date
Mainland China	66,299	2026 through 2030
Mainland China (High-Tech) (i)	1,611,373	2026 through 2035
Hong Kong	60,420	No expiration date
Taiwan	2,812	2026 through 2035
United States	376,963	No expiration date
Australia	3,811	No expiration date
Total	2,121,678	

(i) The EIT for Certain entity in mainland China is reduced to 15% for state-encouraged High and New Technology Enterprises.

Uncertainties exist with respect to how the current income tax law in mainland China applies to the Company's overall operations, and more specifically, with regard to tax residency status. The EIT Law includes a provision specifying that legal entities organized outside of mainland China will be considered residents for Chinese income tax purposes if the place of effective management or control is within mainland China. The implementation rules to the EIT Law provide that non-resident legal entities will be considered Chinese residents if substantial and overall management and control over the manufacturing and business operations, personnel, accounting, and properties occurs within mainland China. Despite the present uncertainties resulting from the limited Chinese tax guidance on the issue, the Company does not believe that the legal entities organized outside of mainland China within the Company should be treated as residents for EIT Law purposes. If the Chinese tax authorities subsequently determine that the Company and its subsidiaries registered outside of mainland China should be deemed resident enterprises, the Company and its subsidiaries registered outside of mainland China will be subject to Chinese income taxes, at a rate of 25%. The Company is not subject to any other uncertain tax position.

According to the PRC Tax Administration and Collection Law, the statute of limitation is three years if the underpayment of taxes is due to computational errors made by the taxpayer or the withholding agent. The statute of limitation is extended to five years under special circumstances where the underpayment of taxes is more than RMB0.1 million. In the case of transfer pricing issues, the statute of limitation is 10 years. There is no statute of limitation in the case of tax evasion. The income tax returns of the Company's PRC subsidiary for the years from 2016 to 2025 are open to examination by the PRC tax authorities.

For Hong Kong income tax purposes, the statute of limitations is six years after the relevant year of assessment. This can be extended to 10 years in the case of fraud or willful evasion of taxes. There are no provisions that govern the time limit for tax collection.

For U.S. federal income tax purposes, the statute of limitations is generally 3 years after the due date of the return, or 3 years after the date the return was actually filed, whichever is later. The statute of limitations does not apply to fraud or tax evasion. Also, the statute of limitations is indefinite if no tax return is filed. For state income tax purposes, the statute of limitations is generally 4 years from the return filing date or due date in states including California, Kentucky, and New Jersey, subject to certain exceptions (e.g., fraud, failure to file).

11. Borrowings

The Company has debt arrangements with the Bank of China, SPD Bank, CMB, BOCOM, Ningbo Bank, and CIB to support its working capital needs in mainland China. The following table presents the Company's short-term debt and weighted-average interest rate per annum ($ in thousands):

	December 31, 2025		December 31, 2024	
Bank of China Working Capital Loans	2.36 %	69,427	2.77 %	69,138
SPD Bank Working Capital Loans	2.80 %	28,454	3.13 %	27,823
China Merchants Bank Working Capital Loans	2.65 %	42,683	2.91 %	34,750
Bank of Communications Working Capital Loans	2.75 %	42,682	N/A	—
Ningbo Bank Discounted Bills	1.60 %	7,057	N/A	—
Industrial Bank Working Capital Loans	2.60 %	14,227	N/A	—
Total short-term debt	2.55 %	204,530	2.88 %	131,711

Bank of China Working Capital Loan Facility

The Company has an uncommitted facility letter with the Bank of China (Hong Kong) Limited ("BOC HK") pursuant to which BOC HK will provide standby letters of credit in favor of the Bank of China Pudong Development Zone Branch ("BOC Pudong Branch") for loans of up to $100.0 million, which are or may become payable by the Company's wholly-owned subsidiary, Zai Lab (Shanghai) Co., Ltd. ("Zai Lab Shanghai"). BOC HK and BOC Pudong Branch are collectively referred to as Bank of China. In accordance with this agreement, the Company also maintained restricted deposits of $100.0 million, which are presented as restricted cash-current on the consolidated balance sheet, to secure the standby letters of credit. Each working capital loan has a one-year term and is subject to a floating interest rate, which is subject to adjustment every six months.

SPD Bank Working Capital Loan Facility

In February 2024, the Company entered into a maximum-amount guarantee contract with the Shanghai Pudong Development Bank Co., Ltd. Zhangjiang Hi-Tech Park Sub-Branch ("SPD Bank"), pursuant to which the Company will guarantee working capital loans of up to RMB300.0 million (approximately $42.0 million) from SPD Bank to Zai Lab Shanghai over a three-year period. Each working capital loan has a one-year term and is subject to a fixed interest rate.

China Merchants Bank Working Capital Loan Facility

In July 2024, the Company issued a maximum-amount irrevocable letter of guarantee to China Merchants Bank Co., Ltd., Shanghai Branch ("CMB") pursuant to which the Company will guarantee working capital loans of up to RMB500.0 million (approximately $69.6 million) from CMB to Zai Lab Shanghai, and Zai Lab Shanghai entered into a

Credit Agreement with CMB with respect to the RMB250.0 million (approximately $34.4 million) facility. The credit facility was available for one year and expired in July 2025. In August 2025, the Company entered into a new revolving credit facility with CMB, which replaced its previous RMB250.0 million (approximately $34.4 million) credit facility that expired in July. The Company issued a new maximum-amount irrevocable letter of guarantee to CMB pursuant to which the Company will guarantee working capital loans of up to RMB500.0 million (approximately $69.6 million) from CMB to Zai Lab Shanghai, and Zai Lab Shanghai entered into a Credit Agreement with CMB with respect to the RMB500.0 million facility. The new guarantee and credit facility include the outstanding working capital loans with CMB. The credit facility will be available for two years. Each working capital loan has a one-year term and is subject to a floating interest rate, which is subject to adjustment every three months.

Bank of Communications Working Capital Loan Facility

In January 2025, the Company entered into a guarantee contract with Bank of Communications Co., Ltd. Shanghai Zhangjiang Sub-Branch ("BOCOM") pursuant to which the Company will guarantee working capital loans from BOCOM to Zai Lab Shanghai, and Zai Lab Shanghai entered into a working capital loan contract with BOCOM with respect to a revolving credit facility of up to RMB300.0 million (approximately $41.1 million). The credit facility expired in September 2025. Each working capital loan has a one-year term and is subject to a floating interest rate, which is subject to adjustment every three months.

Ningbo Bank Working Capital Loan Facility

In February 2024, the Company's wholly-owned subsidiary, Zai Lab (Suzhou) Co., Ltd. ("Zai Lab Suzhou"), entered into a maximum credit contract with Bank of Ningbo Co., Ltd. Suzhou Sub-branch ("Ningbo Bank") as well as an Electronic Commercial Draft Discounting Master Agreement and Online Working Capital Loan Master Agreement (collectively, the "Ningbo Bank Agreements"). The Ningbo Bank Agreements permit Zai Lab Suzhou to utilize, including through discounting or working capital loan agreements and subject to the terms and conditions in related master agreements, up to RMB230.3 million (approximately $32.4 million), of which Zai Lab Suzhou is authorized to utilize up to RMB160.0 million (approximately $22.5 million). The cash proceeds from the discounting arrangement were classified as short-term debt. Each discounted bill has a 6-month term.

Industrial Bank Working Capital Loans

On October 13, 2025, the Company entered into a maximum amount guarantee contract with Industrial Bank Co., Ltd., Shanghai Gubei Branch ("CIB") pursuant to which the Company will guarantee working capital loans of up to RMB300.0 million (approximately $42.1 million) from CIB to its wholly-owned subsidiary, Zai Lab Shanghai, and Zai Lab Shanghai entered into a credit line contract with CIB with respect to the RMB300.0 million revolving credit facility. The credit facility will be available until May 5, 2026. Each working capital loan has a one-year term and is subject to a fixed interest rate.

12. Other Current Liabilities

The following table presents the Company's other current liabilities ($ in thousands):

	December 31,	
	2025	2024
Accrued payroll	28,485	30,198
Accrued professional service fees	2,948	5,728
Payables for purchase of property and equipment	486	449
Accrued rebate to distributors	19,388	10,839
Tax payables	5,303	5,154
Other (i)	7,074	6,352
Total	63,684	58,720

(i) Other primarily includes accrued travel, business-related expenses, and advance payments from partners.

13. Loss Per Share

The following table presents the computation of the basic and diluted net loss per share ($ in thousands, except share and per share data):

	Year Ended December 31,		
	2025	2024	2023
Numerator:			
Net loss attributable to ordinary shareholders	(175,537)	(257,103)	(334,620)
Denominator:			
Weighted-average number of ordinary shares - basic and diluted	1,095,311,090	989,477,730	966,394,130
Net loss per share-basic and diluted	(0.16)	(0.26)	(0.35)

As a result of the Company's net loss for 2025, 2024, and 2023, share options and non-vested restricted shares outstanding in the respective periods were excluded from the calculation of diluted loss per share as their inclusion would have been anti-dilutive.

	December 31,		
	2025	2024	2023
Share options	80,967,820	101,015,470	104,584,050
Non-vested restricted shares	26,127,190	31,951,710	31,279,600

14. Related Party Transactions

In January 2025, the Company entered into a license agreement with Zenas BioPharma (HK) Limited ("Zenas"), pursuant to which the Company obtained a license under certain patents and know-how of Zenas to develop and commercialize products containing a differentiated humanized monoclonal antibody targeting IGF-1R as an active ingredient in Greater China. One of the members of the Company's Board of Directors, Mr. Moulder, is also the Chairman of the Board of Directors and Chief Executive Officer of Zenas. The Company recorded a $10.0 million upfront fee into research and development expenses in 2025. As of December 31, 2025, the Company may be required to pay an additional

aggregate amount of up to $117.0 million in development and sales-based milestones as well as certain royalties at tiered percentage rates ranging from high-single digits to mid-teens on annual net sales of the licensed products in the licensed territories.

15. Share-Based Compensation

The Company has adopted equity incentive plans, pursuant to which the Company grants share options, SARs, restricted and unrestricted shares, and share units, performance awards, and other awards that are convertible into or otherwise based on ordinary shares to employees and directors of the Company as well as to certain advisors and service providers. In March 2015, the Board of Directors of the Company approved such an Equity Incentive Plan (the "2015 Plan"). In August 2017, in connection with the completion of the Company's initial public offering on Nasdaq (the "IPO"), the Board of Directors approved the 2017 Equity Incentive Plan (the "2017 Plan"). No new equity-based awards would be granted under the 2015 Plan subsequent to the IPO; new equity-based awards would be granted under the 2017 Plan.

The Company adopted the 2022 Equity Incentive Plan (the "2022 Plan"), which became effective in June 2022 following required approvals from the Company's shareholders and Board of Directors. No new equity-based awards will be made under the 2017 Plan as of the effective date of the 2022 Plan. The initial aggregate number of shares available for issuance under the 2022 Plan was 97,908,743 ordinary shares.

The Company adopted the 2024 Equity Incentive Plan (the "2024 Plan"), which became effective in June 2024 following required approvals from the Company's shareholders and Board of Directors. No new equity-based awards will be made under the 2022 Plan as of the effective date of the 2024 Plan. The initial aggregate number of shares available for issuance under the 2024 Plan was 99,208,743 ordinary shares.

The share options granted under the equity incentive plans described above have a contractual term of ten years. Share options granted since April 2023 generally vest ratably over a four-year period, and share options granted prior to April 2023 generally vest ratably over a five-year period, with 25% or 20% of the awards vesting on each anniversary of the grant date, respectively, subject to continued employment/service with the Company on the vesting date. The restricted shares granted generally vest ratably over a specified period on the anniversary of the grant date, subject to continued employment/service with the Company on the vesting date. The shares underlying restricted share grants represent shares not yet vested until they have met related consideration or vesting requirements, which are generally continued employment/service to the Company or satisfaction of specified performance conditions. The restricted shares will be released from the restrictions once they vest. Upon termination of the award holders' service with the Company for any reason, any shares that are outstanding and not yet vested will be immediately forfeited unless otherwise determined by the administrator or set forth in an agreement between the Company and the award holder.

Before November 2023, upon each settlement date of the share awards, shares were generally withheld to cover the required withholding tax, which was based on the value of a share on the settlement date as determined by the closing price of the ADSs on the trading day of the applicable settlement date. The remaining shares after the withholding were delivered to the recipient. The amount remitted to the tax authorities for employee tax obligations was reflected as a financing activity on the consolidated statements of cash flows. These shares withheld by the Company as a result of the net settlement were accounted for as treasury stock and considered issued but not outstanding.

Stock Option Activity

The following table presents a summary of option activity and related information in 2025:

	Number of options	Weighted average exercise price ($)	Weighted average remaining contractual term (years)	Aggregate intrinsic value ($ in thousands)
Outstanding at December 31, 2024	101,015,470	2.82	5.81	83,381
Granted	7,716,210	3.54		
Exercised	(20,261,540)	0.67		
Forfeited	(7,502,320)	3.90		
Outstanding at December 31, 2025	80,967,820	3.32	5.90	17,029
Vested and exercisable as of December 31, 2025	47,469,840	3.47	4.49	15,750

The aggregate intrinsic value of stock options exercised during 2025, 2024, and 2023 was $52.5 million, $9.4 million, and $20.3 million, respectively.

Stock Option Valuation Assumptions

The following table presents the assumptions used to estimate the fair values of the share options granted:

	2025	2024	2023
Risk-free rate of return	3.7%-4.1%	3.5%-4.5%	3.5%-4.7%
Expected term (in years)	6.25	6.25	6, 6.25 or 6.5
Estimated volatility rate	70%-71%	70%	70%
Expected dividend rate	0%	0%	0%

Options granted are measured based on grant-date fair value using the Black-Scholes option pricing model. The weighted-average grant-date fair value per share for options granted during 2025, 2024, and 2023 were $2.35, $1.12, and $2.21 per share, respectively.

Non-Vested Restricted Shares Activity

The following table summarized the Company's non-vested restricted share activity in 2025:

	Numbers of non-vested restricted shares	Aggregate intrinsic value ($ in thousands)
Non-vested as of December 31, 2024	31,951,710	83,682
Granted	9,715,750	
Vested	(10,946,270)	
Forfeited	(4,594,000)	
Non-vested as of December 31, 2025	26,127,190	46,088

The grant-date fair value of restricted shares is the fair value of the underlying stock on the award's grant date. The weighted-average grant-date fair value per share for restricted shares granted in 2025, 2024, and 2023 were $3.49, $1.73, $3.18 per share, respectively.

Stock-Based Compensation Expenses

The following table presents the share-based compensation expense which has been reported in the Company's consolidated statements of operations ($ in thousands):

	Year Ended December 31,		
	2025	2024	2023
Selling, general and administrative	42,725	42,532	48,017
Research and development	22,873	28,119	31,617
Total	65,598	70,651	79,634

As of December 31, 2025, there was unrecognized share-based compensation expense related to unvested share options and unvested restricted shares of $47.0 million and $51.7 million, respectively, which the Company expects to recognize over a weighted-average period of 2.08 years and 2.10 years, respectively.

16. License and Collaboration Agreements

The Company may enter into collaboration agreements with third parties to license intellectual property. These agreements may require the Company to make upfront payments and payments related to certain future development, regulatory, and sales-based milestones as well as certain royalties at tiered percentage rates on annual sales of the licensed products in the licensed territory. These agreements generally remain in effect, unless earlier terminated, until the expiration of the last-to-expire royalty term for the last licensed product. The royalty terms generally continue until the latest of: (i) the expiration of the last-to-expire valid claim with respect to licensed patent rights; (ii) the expiration of market or regulatory exclusivity; or (iii) a specified period of time, generally around ten years, after the date of the first commercial sale of the licensed product. These agreements also contain customary provisions for termination by either party, including in the event of a material breach by the other party that remains uncured; by the Company for convenience upon a specified notice period; for certain bankruptcy, insolvency, or other similar events; and by its partners upon challenge of their licensed patent rights.

Payments under these agreements generally become due and payable upon the achievement of such milestones or sales. These commitments are not recorded as liabilities on the consolidated balance sheet because the achievement and timing of these milestones are not fixed and determinable. The following is a description of the Company's significant license and collaboration agreements as of December 31, 2025, including milestone fees incurred in 2025, 2024, and 2023.

Significant License and Collaboration Arrangements

License and Collaboration Agreement with GSK (Niraparib)

In September 2016, the Company entered into a collaboration, development, and license agreement with Tesaro, a company later acquired by GSK, pursuant to which the Company obtained an exclusive sublicense under certain patents and know-how of GSK to develop, manufacture, and commercialize GSK's proprietary PARP inhibitor, niraparib, for the diagnosis and prevention of any human diseases or conditions (other than prostate cancer) in mainland China, Hong Kong, and Macau. The Company will purchase ZEJULA from GSK for commercial use in Hong Kong. The Company is not otherwise obligated to purchase ZEJULA or other licensed products from GSK.

The Company recorded a sales-based milestone fee into an intangible asset of $12.0 million in 2023. The Company may be required to pay an additional aggregate amount of up to $16.0 million in sales-based milestones as well as certain

royalties at tiered percentage rates ranging from mid- to high-teens on annual net sales of the licensed products in the licensed territories.

Collaboration and License Agreement with argenx (Efgartigimod)

In January 2021, the Company entered into a collaboration and license agreement with argenx, pursuant to which the Company obtained an exclusive license under certain patients and know-how of argenx to develop and commercialize products containing efgartigimod as an active ingredient in all human and animal uses for any preventative or therapeutic indications in Greater China. The Company will purchase the licensed products exclusively from argenx.

Pursuant to the collaboration and license agreement, the Company and argenx entered into a share issuance agreement. The Company issued as an upfront payment to argenx of 5,681,820 ordinary shares of the Company. In determining the fair value of the ordinary shares at closing, the Company considered the closing price of the ordinary shares on the closing date and included a lack of marketability discount because the shares were subject to certain restrictions. The fair value of the shares on the closing date was determined to be $62.3 million in the aggregate.

The Company may be required to pay an additional aggregate amount of up to $42.5 million in sales-based milestones as well as certain royalties at tiered percentage rates ranging from mid-teens to low-twenties on annual net sales of licensed products in the licensed territory.

License and Collaboration Agreement with Novo Holdings (Omadacycline)

In April 2017, the Company entered into a license and collaboration agreement with Paratek Bermuda Ltd. (“Paratek”), a subsidiary of Paratek Pharmaceuticals, Inc. (which was subsequently acquired by Gurnet Point Capital and Novo Holdings A/S), pursuant to which the Company obtained both an exclusive license under certain patents and know-how of Paratek and an exclusive sub-license under certain intellectual property that Paratek licensed from Tufts University to develop, manufacture, and commercialize products containing omadacycline as an active ingredient in the field of all human therapeutic and preventative uses other than biodefense in Greater China.

The Company may be required to pay an additional aggregate amount of up to $40.5 million in sales-based milestones as well as certain royalties at tiered percentage rates ranging from low- to mid-teens on annual net sales of licensed products in the licensed territory.

License and Collaboration Agreement with NovoCure (Tumor Treating Fields)

In September 2018, the Company entered into a license and collaboration agreement with NovoCure, pursuant to which it obtained an exclusive license under certain patents and know-how of NovoCure to develop and commercialize any Tumor Treating Fields treatment or delivery system, including the device branded as OPTUNE, in all human therapeutic and preventative uses in the field of oncology in Greater China. The Company will purchase the licensed products exclusively from NovoCure.

The Company may be required to pay an additional aggregate amount of up to $68.0 million in regulatory and sales-based milestones as well as certain royalties at tiered percentage rates ranging from low- to mid-teens on annual net sales of the licensed products in the licensed territory.

License and Collaboration Agreement with Deciphera (Ripretinib)

In June 2019, the Company entered into a license agreement with Deciphera, pursuant to which it obtained an exclusive license under certain patents and know-how of Deciphera to develop and commercialize products containing

ripretinib in the field of the prevention, prophylaxis, treatment, cure, or amelioration of any disease or medical condition in humans in Greater China. The Company will purchase the licensed products exclusively from Deciphera.

The Company may be required to pay an additional aggregate amount of up to $160.0 million in development, regulatory, and sales-based milestones as well as certain royalties at tiered percentage rates ranging from low- to high-teens on annual net sales of the licensed products in the licensed territory.

License and Collaboration Agreement with Innoviva (SUL-DUR)

In April 2018, the Company entered into a license and collaboration agreement with Entasis (now a wholly owned subsidiary of Innoviva), pursuant to which it obtained an exclusive license under certain patents and know-how of Entasis to develop and commercialize products containing Entasis's proprietary compounds known as durlobactam with Sulbactam (the combination, SUL-DUR) with the possibility of developing and commercializing a combination of such compounds with Imipenem in all human diagnostic, prophylactic, and therapeutic uses in Greater China, Korea, Vietnam, Thailand, Cambodia, Laos, Malaysia, Indonesia, the Philippines, Singapore, Australia, New Zealand, and Japan. The Company will purchase the licensed products exclusively from Innoviva.

The Company recorded a regulatory milestone fee of $8.0 million as an intangible asset in 2024. The Company recorded development milestone fees into research and development expenses of $3.0 million in 2023. The Company may be required to pay an additional aggregate amount of up to $78.0 million in development, regulatory, and sales-based milestones as well as certain royalties at tiered percentage rates ranging from high single digits to low-teens on annual net sales of the licensed products in the licensed territory. The Company is also responsible for a portion of the costs of the global pivotal Phase 3 ATTACK clinical trial of SUL-DUR outside of the licensed territory.

License Agreement with BMS (Repotrectinib)

In July 2020, the Company entered into an exclusive license agreement with Turning Point (now a wholly-owned subsidiary of BMS), pursuant to which the Company received an exclusive license to develop and commercialize products containing repotrectinib as an active ingredient in all human therapeutic indications in Greater China. The Company will purchase the licensed products exclusively from BMS.

The Company recorded regulatory milestone fees of $5.0 million and $25.0 million into intangible assets in 2025 and 2024, respectively. The Company recorded development milestone fees into research and development expenses of $5.0 million in 2023. The Company may be required to pay an additional aggregate amount of up to $111.0 million in development, regulatory, and sales-based milestones as well as certain royalties at tiered percentage rates ranging from low- to high-teens on annual net sales of the licensed products in the licensed territory.

Collaboration and License Agreement with Pfizer (Tisotumab Vedotin)

In September 2022, the Company entered into a collaboration and license agreement with Seagen (a company later acquired by Pfizer), pursuant to which the Company and Seagen agreed to collaboratively develop and commercialize tisotumab vedotin (TIVDAK). Under the agreement, the Company obtained an exclusive license to develop and commercialize TIVDAK in Greater China. The Company will purchase the licensed products exclusively from Pfizer.

The Company may be required to pay an additional aggregate amount of up to $258.0 million in development, regulatory, and sales-based milestone payments as well as certain royalties at tiered percentage rates ranging from mid-teens to low-twenties on annual net sales of the licensed products in Greater China.

License Agreement with BMS (Xanomeline and Trospium Chloride)

In November 2021, the Company entered into a license agreement with Karuna (a company later acquired by BMS), pursuant to which the Company obtained an exclusive license to develop, manufacture, and commercialize xanomeline-trospium (KarXT) in Greater China.

The Company recorded regulatory milestone fees of $15.0 million as an intangible asset in 2025. The Company recorded development milestone fees into research and development expenses of $10.0 million in 2024. The Company may be required to pay an additional aggregate amount of up to $117.0 million in regulatory and sales-based milestones as well as certain royalties at tiered percentage rates ranging from low- to high-teens on annual net sales of the licensed products in Greater China.

Collaboration and License Agreement with MediLink Therapeutics (DLL3 ADC)

In April 2023, the Company entered into a collaboration and license agreement with MediLink, pursuant to which the Company obtained an exclusive global license to research, develop, manufacture, and commercialize MediLink's proprietary ADC compound targeting DLL3.

The Company recorded an upfront payment into research and development expenses of $10.0 million in 2023. The Company may be required to pay an additional aggregate amount of up to $592.0 million in development, regulatory, and sales-based milestone payments as well as certain royalties at tiered percentage rates ranging from high single digits to low double digits on annual net sales of the licensed products.

Other License and Collaboration Arrangements That Are Not Individually Significant

The Company may be required to pay an additional aggregate amount of up to $1,522.0 million in development, regulatory, and sales-based milestones as well as certain royalties at tiered percentage rates on annual net sales under such agreements.

17. Other Income, Net

The following table presents the Company's other income, net ($ in thousands):

	Year Ended December 31,		
	2025	2024	2023
Government grants	5,862	8,170	2,433
(Loss) Gain on equity investments with readily determinable fair value	(1,912)	(6,105)	2,789
Other miscellaneous (losses) gains	(410)	3,235	1,784
Total	3,540	5,300	7,006

18. Restricted Net Assets

Chinese laws and regulations restrict the Company's ability to receive distributions of funds from its Chinese subsidiaries. For example, relevant Chinese laws and regulations permit payments of dividends by the Company's Chinese subsidiaries only out of its retained earnings, if any, as determined in accordance with Chinese accounting standards and regulations.

In accordance with the Company Law of the People's Republic of China, each Chinese subsidiary of the Company is required to provide statutory reserves of at least 10% of its annual after-tax profit until such reserve has reached 50% of

its respective registered capital based on the enterprise's Chinese statutory accounts. The reserves can only be used for specific purposes and are not distributable as cash dividends. Foreign exchange and other regulations in mainland China may further restrict the Company's Chinese subsidiaries from transferring out funds in the form of dividends, loans, and advances.

No appropriation to statutory reserves was made in 2025, 2024, and 2023 because the Chinese subsidiaries had substantial losses during such periods.

The Company did not receive any distributions from its Chinese subsidiaries; such distributions were not permitted under Chinese laws and regulations due to the reserve requirements discussed above. As of December 31, 2025 and 2024, amounts restricted included the paid-in capital of the Company's subsidiaries in mainland China, and were $516.0 million and $506.0 million, respectively.

19. Employee Defined Contribution Plans

Full-time employees of the Company in mainland China participate in a government mandated defined contribution plan, pursuant to which certain pension benefits, medical care, employee housing fund, and other welfare benefits are provided to employees. Chinese labor regulations require that the Company's subsidiaries in mainland China make contributions to the government for these benefits primarily based on certain percentages of the employees' salaries subject to certain caps and other government requirements. The total amounts for such employee benefits, which were expensed as incurred, were $24.9 million, $26.0 million, and $25.8 million for 2025, 2024, and 2023, respectively.

The Company's employees who are U.S. taxpayers and who meet certain age and service requirements are eligible to participate in a broad-based, defined contribution retirement plan which is qualified under Section 401 of the Internal Revenue Code (the "401(k) plan"). The Company makes a matching contribution equal to 100% in 2025, 2024, and 2023 of the first 5.0% of the employee's elective contributions under the plan, up to 5.0% of an employee's eligible compensation. Contributions made by the Company vest 100% upon contribution. The total amounts for such employee benefits, which were expensed as incurred, were $0.9 million, $1.1 million, and $1.0 million in 2025, 2024, and 2023, respectively.

The Company also provides required Mandatory Provident Fund contribution for its full-time employees located in Hong Kong and provides social benefits contribution for its full-time employees located in Taiwan. The total amounts for these contributions, which were expensed as incurred, was $0.1 million, $0.2 million, and $0.2 million in each of 2025, 2024, and 2023.

There is no forfeiture of contribution related to any of the Company's employee defined contribution plans as described above.

20. Commitments and Contingencies

(a) Purchase Commitments

As of December 31, 2025, the Company's commitments were $1.7 million and related to commercial manufacturing development activities and capital expenditures that are contracted but not yet reflected in the consolidated financial statements. Of this amount, $1.5 million and $0.2 million were expected to be incurred within one year and one to two years from December 31, 2025, respectively.

(b) Legal Proceedings

The Company is not currently a party to any material legal proceedings. Each quarter, the Company evaluates whether there have been any developments in legal proceedings that would require an accrual. In accordance with the accounting guidance for contingencies, the Company will accrue for losses that are both probable and reasonably estimable. The Company will record any legal and other third-party costs related to its legal contingencies as incurred.

(c) Indemnifications

In the normal course of business, the Company enters into agreements that indemnify others for certain liabilities that may arise in connection with a transaction or certain events and activities. If the indemnified party were to make a successful claim pursuant to the terms of the indemnification, the Company may be required to reimburse the loss. These indemnifications are generally subject to various restrictions and limitations. The Company's exposure under these agreements is unknown because it involves claims that may be made against the Company in the future but have not yet been made. To date, the Company has not paid any claims or been required to defend any action related to its indemnification obligations.

21. Segment Information

The Company operates as a single operating segment that is engaged in discovering, developing, and commercializing products that address medical conditions with significant unmet needs in the areas of oncology, immunology, neuroscience, and infectious disease. A global research and development organization and a supply chain organization discover, develop, manufacture, and supply our products. A global commercial organization markets, distributes, and sells the products. The business is also supported by global corporate staff functions. The Company's CODM is the Chief Executive Officer, who assesses performance and allocates resources based on significant expenses and net income on a consolidated basis. The significant expenses that are regularly provided to the CODM include those amounts that are also reported on the consolidated statement of operations as well as below additional disaggregated measures. The CODM also reviews cash position (which are cash and cash equivalents, current restricted cash, and short-term investments) that are also reported on the consolidated balance sheets when making operating decisions. In accordance with ASC 280, the Company has only one reportable segment.

The following tables present disaggregated expenses that are regularly provided to the CODM:

	Year Ended December 31,		
	2025	**2024**	**2023**
Personnel compensation and related costs	87,894	106,154	115,749
Licensing fees	30,597	30,997	19,291
CROs/CMOs/Investigators expenses	73,763	69,870	103,333
Other costs	28,650	27,483	27,495
Total research and development expenses	220,904	234,504	265,868

	Year Ended December 31,		
	2025	**2024**	**2023**
Clinical programs	86,934	86,126	112,158
Pre-Clinical programs	24,293	31,913	17,356
Unallocated research and development expenses	109,677	116,465	136,354
Total research and development expenses	220,904	234,504	265,868

	Year Ended December 31,		
	2025	**2024**	**2023**
Personnel compensation and related costs	165,005	174,958	173,389
Other costs	112,600	123,783	108,219
Total selling, general, and administrative expenses	277,605	298,741	281,608

	Twelve months ended December 31		
	2025	**2024**	**2023**
Selling and marketing expenses	187,562	190,367	169,555
General and administrative expenses	90,043	108,374	112,053
Total selling, general, and administrative expenses	277,605	298,741	281,608

22. Subsequent Events

On February 25, 2026, the Company entered into a new revolving credit facility with BOCOM, which replaced its previous RMB300.0 million (approximately $41.1 million) credit facility that expired in September 2025. The Company entered into a new guarantee contract with BOCOM pursuant to which the Company will provide a maximum-amount guarantee of RMB330.0 million (approximately $47.9 million) for working capital loans of up to RMB300.0 million (approximately $43.6 million) from BOCOM to Zai Lab Shanghai, and Zai Lab Shanghai entered into a working capital loan contract with BOCOM with respect to the RMB300.0 million facility. The new credit facility will be available until February 2, 2029. Each loan term will be up to 12 months, with a maturity date no later than August 2, 2029, and is subject to a floating interest rate, which is subject to adjustment every three months.

Schedule I — Condensed Financial Information of Registrant

Zai Lab Limited

Financial Information of Parent Company

Condensed Balance Sheets

(in thousands of $, except for number of shares and per share data)

	December 31,	
	2025	**2024**
Assets		
Current assets:		
Cash and cash equivalents	413,355	98,755
Restricted Cash, current	100,000	100,000
Short-term investments	—	330,000
Prepayments and other current assets	3,904	5,227
Total current assets	517,259	533,982
Investment in subsidiaries	199,798	309,901
Total assets	**717,057**	**843,883**
Liabilities and shareholders' equity		
Liabilities		
Current liabilities:		
Other current liabilities	1,557	2,985
Total current liabilities	1,557	2,985
Total liabilities	**1,557**	**2,985**
Shareholders' equity		
Ordinary shares (par value of $0.000006 per share; 5,000,000,000 shares authorized, 1,113,822,550 and 1,082,614,740 shares issued as of December 31, 2025 and 2024, respectively; 1,106,389,340 and 1,077,702,540 shares outstanding as of December 31, 2025 and 2024, respectively)	7	7
Additional paid-in capital	3,343,469	3,264,295
Accumulated deficit	(2,628,620)	(2,453,083)
Accumulated other comprehensive income	29,697	50,515
Treasury stock	(29,053)	(20,836)
Total shareholders' equity	**715,500**	**840,898**
Total liabilities and shareholders' equity	**717,057**	**843,883**

Schedule I — Condensed Financial Information of Registrant

Zai Lab Limited

Financial Information of Parent Company

Condensed Statements of Operations and Comprehensive Loss

(in thousands of $)

	Year Ended December 31,		
	2025	**2024**	**2023**
Operating Expenses:			
Research and development	(30)	(8)	(82)
General and administrative	(13,590)	(20,275)	(16,958)
Loss from operations	**(13,620)**	**(20,283)**	**(17,040)**
Interest income	21,695	28,176	30,840
Interest expenses	(90)	—	—
Other (expense) income, net	(1,145)	(5,438)	4,029
Profit before income tax and equity in loss of subsidiaries	**6,840**	**2,455**	**17,829**
Equity in loss of subsidiaries	(182,377)	(259,558)	(352,449)
Net loss	(175,537)	(257,103)	(334,620)
Other comprehensive (loss) income, net of tax of nil:			
Foreign currency translation adjustment	(20,818)	12,889	11,941
Comprehensive loss	**(196,355)**	**(244,214)**	**(322,679)**

Schedule I — Condensed Financial Information of Registrant

Zai Lab Limited

Financial Information of Parent Company

Condensed Statements of Cash Flows

(in thousands of $)

	Year Ended December 31,		
	2025	**2024**	**2023**
Cash flows from operating activities:			
Net loss	(175,537)	(257,103)	(334,620)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Share based compensation	3,189	4,759	3,217
Equity in loss of subsidiaries	182,377	259,558	352,449
Loss from fair value changes of equity investment of readily determinable fair value	1,912	6,105	(2,789)
Changes in operating assets and liabilities:			
Prepayments and other assets	1,253	2,266	2,780
Other current liabilities	(603)	(248)	(379)
Net cash provided by operating activities	12,591	15,337	20,658
Cash flows from investing activities:			
Purchases of short-term investments	—	(330,000)	—
Proceeds from maturity of short-term investments	330,000	—	—
Investment in subsidiaries	(32,594)	(271,830)	(392,893)
Net cash provided by (used in) investing activities	297,406	(601,830)	(392,893)
Cash flows from financing activities:			
Proceeds from exercises of stock options	13,675	3,200	2,369
Proceeds from issuance of ordinary shares upon public offerings	—	217,350	—
Payment of public offering costs	(854)	(1,283)	—
Employee taxes paid related to settlement of equity awards	(8,218)	—	(8,802)
Net cash provided by (used in) financing activities	4,603	219,267	(6,433)
Effect of foreign exchange rate changes on cash and cash equivalent	—	—	—
Net increase (decrease) in cash and cash equivalents	314,600	(367,226)	(378,668)
Cash, cash equivalents and restricted cash — beginning of the year	198,755	565,981	944,649
Cash, cash equivalents and restricted cash — end of the year	513,355	198,755	565,981

Schedule I — Condensed Financial Information of Registrant

Zai Lab Limited

Financial Information of Parent Company

Notes

1. Schedule I has been provided pursuant to the requirements of Rule 12-04(a) and 5-04(c) of Regulation S-X, which require condensed financial information as to the financial position, changes in financial position and results of operations of a parent company as of the same dates and for the same periods for which audited consolidated financial statements have been presented when the restricted net assets of consolidated subsidiaries exceed 25 percent of consolidated net assets as of the end of the most recently completed fiscal year.

2. The condensed financial information has been prepared using the same accounting policies as set out in the consolidated financial statements except that the equity method has been used to account for investments in its subsidiaries. For the parent company, Zai Lab Limited records its investments in subsidiaries under the equity method of accounting as prescribed in ASC 323, *Investments-Equity Method and Joint Ventures*. Such investments are presented on the Condensed Balance Sheets as "Investment in subsidiaries". Ordinarily under the equity, an investor in an equity method investee would cease to recognize its share of the losses of an investee once the carrying value of the investment has been reduced to nil absent an undertaking by the investor to provide continuing support and fund losses. For the purpose of this Schedule I, the parent company has continued to reflect its share, based on its proportionate interest, of the losses of subsidiaries regardless of the carrying value of the investment even though the parent company is not obligated to provide continuing support or fund losses.

3. Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted. The footnote disclosures provide certain supplemental information relating to the operations of the Company and, as such, these statements should be read in conjunction with the notes to the accompanying consolidated financial statements.

4. As of December 31, 2025 and 2024, there were no material contingencies, significant provisions of long-term obligations, mandatory dividend or redemption requirements of redeemable stocks or guarantees of Zai Lab Limited.

Exhibit 4.5

DESCRIPTION OF SECURITIES

REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

Zai Lab Limited, an exempted company incorporated in the Cayman Islands with limited liability ("Zai Lab," the "Company", or "we"), has two classes of securities registered pursuant to Section 12 of the U.S. Securities Exchange Act of 1934, as amended: (1) our ordinary shares, par value of $0.000006 per share, and (2) our American Depositary Shares ("ADSs"), each representing 10 of our ordinary shares.

The following description of our registered shares is a summary and does not purport to be complete. It is subject to and qualified in its entirety by reference to our amended and restated memorandum and articles of association for our ordinary shares and our deposit agreement for our ADSs, each of which are incorporated by reference as an exhibit to this report. We encourage you to read our amended and restated memorandum and articles of association, the applicable provisions of Cayman Islands laws, and the form deposit agreement for additional information.

Description of Ordinary Shares

As of February 20, 2026, our authorized share capital consists of 5,000,000,000 ordinary shares with a par value of $0.000006 per share.

Our ordinary shares are listed on The Stock Exchange of Hong Kong Limited under the stock code "9688."

General. Our ordinary shares are issued in registered form, and are issued when registered in our register of members. Certificates representing the ordinary shares are issued in registered form.

Dividends. The holders of our ordinary shares are entitled to such dividends as may be declared by our board of directors. Our Sixth Amended and Restated Articles of Association provide that dividends may be declared and paid out of our profits, realized or unrealized, or from any reserve set aside from profits which our board of directors determine is no longer needed. Dividends may also be declared and paid out of share premium account or any other fund or account which can be authorized for this purpose in accordance with the Companies Act (Revised) of the Cayman Islands and any statutory amendment or re-enactment thereof (the "Companies Act").

Voting Rights. In respect of all matters subject to a shareholders' vote, each ordinary share is entitled to one vote. Voting at any meeting of shareholders shall be decided by poll vote. Each holder of our ordinary shares is entitled to have one vote for each ordinary share registered in his or her name on our register of members.

A quorum required for a meeting of shareholders consists of one or more shareholders who hold at least one-tenth of all voting power of our share capital in issue at the date of the meeting present in person or by proxy and entitled to vote or, if a corporation or other non-natural person, by its duly authorized representative. Shareholders' meetings may be held annually. Each general meeting, other than an annual general meeting, shall be called an extraordinary general meeting. Extraordinary general meetings may be called by a majority of our board of directors or our chairman or upon a requisition of shareholders holding at the date of deposit of the requisition not less than one-

tenth of the aggregate voting power of our company. Advance notice of at least 21 calendar days is required for the convening of any annual general meeting and at least 14 calendar days' notice is required for any extraordinary general meeting.

An ordinary resolution to be passed at a meeting by the shareholders requires the affirmative vote of a simple majority of the votes attaching to all issued and outstanding shares cast at a meeting, while a special resolution requires the affirmative vote of not less than two-thirds of the votes cast attaching to the issued and outstanding shares at a meeting (save for certain matters, as explicitly provided for in our Sixth Amended and Restated Articles of Association (referred to as a "Super-Majority Resolution"), that require the affirmative vote of not less than three-fourths of the votes cast attaching to the issued and outstanding shares at a meeting). A special resolution will be required for important matters such as reducing its share capital or registering by way of continuation into another jurisdiction. A Super-Majority Resolution will be required for important matters such as a change of name or making changes to our Sixth Amended and Restated Articles of Association.

Transfer of Ordinary Shares. Subject to the restrictions set out below, any of our shareholders may transfer all or any of his or her ordinary shares by an instrument of transfer in the usual or common form or any other form approved by our board of directors.

Our board of directors may, in its absolute discretion, decline to register any transfer of any ordinary share which is not fully paid up or on which we have a lien. Our board of directors may also decline to register any transfer of any ordinary share unless:

- the instrument of transfer is lodged with us, accompanied by the certificate for the ordinary shares to which it relates and such other evidence as our board of directors may reasonably require to show the right of the transferor to make the transfer;
- the instrument of transfer is in respect of only one class of ordinary shares;
- the instrument of transfer is properly stamped, if required;
- in the case of a transfer to joint holders, the number of joint holders to whom the ordinary share is to be transferred does not exceed four;
- the shares are free from any lien in favor of the Company; and
- a fee of such maximum sum as the Nasdaq Global Market may determine to be payable or such lesser sum as our directors may from time to time require is paid to us in respect thereof.

If our directors refuse to register a transfer, they shall, within two months after the date on which the instrument of transfer was lodged, send to each of the transferor and the transferee notice of such refusal.

Notwithstanding the above, transfers of shares which are listed on The Stock Exchange of Hong Kong Limited may be effected by any method of transferring or dealing in securities permitted by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and which has been approved by the board of directors for such purpose.

The registration of transfers may, on 14 days' notice being given by advertisement in one or more newspapers or by electronic means, be suspended and the register closed at such times and for such periods as our board of directors may from time to time determine, provided, however, that the registration of transfers shall not be suspended nor the register closed for more than 30 days in any year.

Liquidation. On a return of capital on winding up or otherwise (other than on conversion, redemption or purchase of ordinary shares), assets available for distribution among the holders of ordinary shares shall be distributed by a liquidator who may divide our assets for distribution among our shareholders in such liquidator's discretion. The liquidator also may vest all or part of our assets in trust. None of our shareholders may be compelled to accept any shares subject to liability.

Calls on Ordinary Shares and Forfeiture of Ordinary Shares. Our board of directors may from time to time make calls upon shareholders for any amounts unpaid on their ordinary shares in a notice served to such shareholders at least 14 calendar days prior to the specified time of payment. The ordinary shares that have been called upon and remain unpaid are subject to forfeiture.

Redemption of Ordinary Shares. The Companies Act and the Sixth Amended and Restated Articles of Association permit us to purchase our own shares. In accordance with our Sixth Amended and Restated Articles of Association and provided the necessary shareholders or board approval have been obtained, we may issue shares on terms that are subject to redemption, at our option or at the option of the holders of these shares, on such terms and in such manner, including out of capital, as may be determined by our board of directors.

Variations of Rights of Shares. All or any of the special rights attached to any class of shares may, subject to the provisions of the Companies Act, be varied with the written consent of the holders of three-fourths of the issued shares of that class or with the sanction of a Super-Majority Resolution (as defined in our Sixth Amended and Restated Articles of Association) passed at a general meeting of the holders of the shares of that class. The rights conferred upon the holders of the shares of any class issued shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu with such existing class of shares. Holders of our ordinary shares do not have preemptive, subscription or conversion rights. The ordinary shares are not subject to further calls or assessment by us. There are no sinking fund provisions applicable to the ordinary shares.

Inspection of Books and Records. Holders of our ordinary shares have no general right under Cayman Islands law to inspect or obtain copies of our list of shareholders or our corporate records. However, we will file annual audited financial statements with the SEC.

Issuance of Additional Shares. Our Sixth Amended and Restated Articles of Association authorizes our board of directors to issue additional ordinary shares from time to time as our board of directors shall determine, to the extent of available authorized but unissued shares.

Our Sixth Amended and Restated Articles of Association also authorizes our board of directors to establish from time to time one or more series of preferred shares and to determine, with respect to any series of preferred shares, the terms and rights of that series, including:

- the designation of the series;
- the number of shares of the series;
- the dividend rights, dividend rates, conversion rights, voting rights; and
- the rights and terms of redemption and liquidation preferences.

Our board of directors may issue preferred shares without action by our shareholders to the extent authorized but unissued. Issuance of these shares may dilute the voting power of holders of ordinary shares.

Anti-Takeover Provisions. Some provisions of our Sixth Amended and Restated Articles of Association may discourage, delay or prevent a change of control of our company or management that shareholders may consider favorable, including provisions that authorize our board of directors to issue preferred shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preferred shares without any further vote or action by our shareholders.

Exempted Company. We are an exempted company with limited liability under the Companies Act. The Companies Act distinguishes between ordinary resident companies and exempted companies. Any company that is registered in the Cayman Islands but conducts business mainly outside of the Cayman Islands may apply to be registered as an exempted company. The requirements for an exempted company are essentially the same as for an ordinary company except that an exempted company:

- does not have to file an annual return of its shareholders with the Registrar of Companies;
- is not required to open its register of members for inspection;
- does not have to hold an annual general meeting;
- may issue negotiable or bearer shares or shares with no par value;
- may obtain an undertaking against the imposition of any future taxation (such undertakings are usually given for 20 years in the first instance);
- may register by way of continuation in another jurisdiction and be deregistered in the Cayman Islands;
- may register as a limited duration company; and
- may register as a segregated portfolio company.

"Limited liability" means that the liability of each shareholder is limited to the amount unpaid by the shareholder on the shares of the company.

Description of American Depositary Shares

Citibank, N.A. acts as the depositary bank for the American Depositary Shares pursuant to the Deposit Agreement, dated as of September 20, 2017. Citibank's depositary offices are located at 388 Greenwich Street New York, New York 10013. American Depositary Shares are frequently referred to as "ADSs" and represent ownership interests in securities that are on deposit with the depositary bank. ADSs may be represented by certificates that are commonly known as "American Depositary Receipts" or "ADRs." The depositary bank has appointed a custodian to safekeep the securities on deposit. In this case, the custodian is Citibank, N.A. - Hong Kong, located at 9/F., Citi Tower, One Bay East, 83 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong.

Our ADSs are listed on the Nasdaq Global Market under the symbol "ZLAB."

We have appointed Citibank as depositary bank pursuant to a deposit agreement. A draft copy of the deposit agreement is on file with the SEC under cover of a Registration Statement on Form F-6. ADS holders may obtain a copy of the deposit agreement from the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549 and from the SEC's website (www.sec.gov). Please refer to Registration Number 333-273257 when retrieving such draft copy.

Each ADS represents the right to receive, and to exercise the beneficial ownership interests in, ten ordinary shares that are on deposit with the depositary bank and/or custodian. An ADS also represents the right to receive, and to exercise the beneficial interests in, any other property received by the depositary bank or the custodian on behalf of the owner of the ADS but that has not been distributed to the owners of ADSs because of legal restrictions or practical considerations. We and the depositary bank may agree to change the ADS-to-ordinary share ratio by amending the deposit agreement. This amendment may give rise to, or change, the depositary fees payable by ADS owners. The custodian, the depositary bank, and their respective nominees will hold all deposited property for the benefit of the holders and beneficial owners of ADSs. The deposited property does not constitute the proprietary assets of the depositary bank, the custodian, or their nominees. Beneficial ownership in the deposited property will under the terms of the deposit agreement be vested in the beneficial owners of the ADSs. The depositary bank, the custodian, and their respective nominees will be the record holders of the deposited property represented by the ADSs for the benefit of the holders and beneficial owners of the corresponding ADSs. A beneficial owner of ADSs may or may not be the holder of ADSs. Beneficial owners of ADSs will be able to receive, and to exercise beneficial ownership interests in, the deposited property only through the registered holders of the ADSs, the registered holders of the ADSs (on behalf of the applicable ADS owners) only through the depositary bank, and the depositary bank (on behalf of the owners of the corresponding ADSs) directly, or indirectly, through the custodian or their respective nominees, in each case upon the terms of the deposit agreement.

An ADS holder will become a party to the deposit agreement and therefore will be bound to its terms and to the terms of any ADR that represents such ADSs. The deposit agreement and the ADR specify our rights and obligations as well as ADS holders' rights and obligations as owner of ADSs and those of the depositary bank. ADS holders appoint the depositary bank to act on their behalf in certain circumstances. The deposit agreement and the ADRs are governed by New York law. However, our obligations to the holders of ordinary shares will continue to be governed by the laws of the Cayman Islands, which may be different from the laws in the United States.

In addition, applicable laws and regulations may require ADS holders to satisfy reporting requirements and obtain regulatory approvals in certain circumstances. ADS holders are solely responsible for complying with such reporting requirements and obtaining such approvals. Neither the depositary bank, the custodian, us, or any of their or our respective agents or affiliates shall be required to take any actions whatsoever on ADS holders' behalf to satisfy such reporting requirements or obtain such regulatory approvals under applicable laws and regulations.

We will not treat ADS holders as our shareholders, and ADS holders will not have direct shareholder rights. The depositary bank will hold on ADS holders' behalf the shareholder rights attached to the ordinary shares underlying the ADSs. ADS holders will be able to exercise the shareholders rights for the ordinary shares represented by the ADSs through the depositary bank only to the extent contemplated in the deposit agreement. To exercise any shareholder rights not contemplated in the deposit agreement, an ADS holder will, as an ADS owner, need to arrange for the cancellation of such ADSs and become a direct shareholder.

The manner in which ADS holders owns the ADSs (e.g., in a brokerage account vs. as registered holder, or as holder of certificated vs. uncertificated ADSs) may affect the holders' rights and obligations, and the manner in which, and extent to which, the depositary bank's services are made available to the holders. An ADS holder may hold the ADSs either by means of an ADR registered in such holder's name, through a brokerage or safekeeping account, or through an account established by the depositary bank in such holder's name reflecting the registration of uncertificated ADSs directly on the books of the depositary bank (commonly referred to as the "direct registration system" or "DRS"). The direct registration system reflects the uncertificated (book-entry) registration of ownership of ADSs by the depositary bank. Under the direct registration system, ownership of ADSs is evidenced by periodic statements issued by the depositary bank to the holders of the ADSs. The direct registration system includes automated transfers between the depositary bank and The Depository Trust Company ("DTC"), the central book-entry clearing and settlement system for equity securities in the United States. If an ADS holder decides to hold the ADSs through such holder's brokerage or safekeeping account, the holder must rely on the procedures of his/her broker or bank to assert his/her rights as an ADS owner. Banks and brokers typically hold securities such as the ADSs through clearing and settlement systems such as DTC. The procedures of such clearing and settlement systems may limit an ADS holder's ability to exercise such holder's rights as an owner of ADSs. ADS holders should consult with their broker or bank if they have any questions concerning these limitations and procedures. All ADSs held through DTC will be registered in the name of a nominee of DTC. This summary description assumes ADS holders have opted to own the ADSs directly by means of ADSs registered in such holders' name and, as such, we will refer to ADS holders as the "holders."

The registration of the ordinary shares in the name of the depositary bank or the custodian shall, to the maximum extent permitted by applicable law, vest in the depositary bank or the custodian the record ownership in the applicable ordinary shares with the beneficial ownership rights and interests in such ordinary shares being at all times vested with the beneficial owners of the ADSs representing the ordinary shares. The depositary bank or the custodian shall at all times be entitled to exercise the beneficial ownership rights in all deposited property, in each case only on behalf of the holders and beneficial owners of the ADSs representing the deposited property.

Dividends and Distributions

Holders of ADSs generally have the right to receive the distributions we make on the securities deposited with the custodian. ADS holders' receipt of these distributions may be limited, however, by practical considerations and legal limitations. Holders of ADSs will receive such distributions under the terms of the deposit agreement in proportion to the number of ADSs held as of the specified record date, after deduction of the applicable fees, taxes, and expenses. Holders of ordinary shares will be entitled to the same amount of dividends, if declared.

Distributions of Cash

Whenever we make a cash distribution for the securities on deposit with the custodian, we will deposit the funds with the custodian. Upon receipt of confirmation of the deposit of the requisite funds, the depositary bank will arrange for the funds received in a currency other than U.S. dollars to be converted into U.S. dollars and for the distribution of the U.S. dollars to the holders, subject to Cayman Islands laws and regulations.

The conversion into U.S. dollars will take place only if practicable and if the U.S. dollars are transferable to the United States. The depositary bank will apply the same method for distributing the proceeds of the sale of any property (such as undistributed rights) held by the custodian in respect of securities on deposit.

The distribution of cash will be made net of the fees, expenses, taxes, and governmental charges payable by holders under the terms of the deposit agreement. The depositary bank will hold any cash amounts it is unable to distribute in a non-interest bearing account for the benefit of the applicable holders and beneficial owners of ADSs until the distribution can be effected or the funds that the depositary bank holds must be escheated as unclaimed property in accordance with the laws of the relevant states of the United States.

Distributions of Ordinary Shares

Whenever we make a free distribution of ordinary shares for the securities on deposit with the custodian, we will deposit the applicable number of ordinary shares with the custodian. Upon receipt of confirmation of such deposit, the depositary bank will either distribute to holders new ADSs representing the ordinary shares deposited or modify the ADS-to-ordinary share ratio, in which case each ADS holders hold will represent rights and interests in the additional ordinary shares so deposited. Only whole new ADSs will be distributed. Fractional entitlements will be sold, and the proceeds of such sale will be distributed as in the case of a cash distribution.

The distribution of new ADSs or the modification of the ADS-to-ordinary share ratio upon a distribution of ordinary shares will be made net of the fees, expenses, taxes, and governmental charges payable by holders under the terms of the deposit agreement. In order to pay such taxes or governmental charges, the depositary bank may sell all or a portion of the new ordinary shares so distributed.

No such distribution of new ADSs will be made if it would violate a law (e.g., the U.S. securities laws) or if it is not operationally practicable. If the depositary bank does not distribute new ADSs as described above, it may sell the ordinary shares received upon the terms described in the deposit agreement and will distribute the proceeds of the sale as in the case of a distribution of cash.

Distributions of Rights

Whenever we intend to distribute rights to subscribe for additional ordinary shares, we will give prior notice to the depositary bank, and we will assist the depositary bank in determining whether it is lawful and reasonably practicable to distribute rights to subscribe for additional ADSs to holders.

The depositary bank will establish procedures to distribute rights to subscribe for additional ADSs to holders and to enable such holders to exercise such rights if it is lawful and reasonably practicable to make the rights available to holders of ADSs, and if we provide all of the documentation contemplated in the deposit agreement (such as opinions to address the lawfulness of the transaction). Holders may have to pay fees, expenses, taxes, and other governmental charges to subscribe for the new ADSs upon the exercise of such rights. The depositary bank is not obligated to establish procedures to facilitate the distribution and exercise by holders of rights to subscribe for new ordinary shares other than in the form of ADSs.

The depositary bank will not distribute the rights to holders if:

- We do not timely request that the rights be distributed to holders or we request that the rights not be distributed to holders; or
- We fail to deliver satisfactory documents to the depositary bank; or
- It is not reasonably practicable to distribute the rights.

The depositary bank will sell the rights that are not exercised or not distributed if such sale is lawful and reasonably practicable. The proceeds of such sale will be distributed to holders as in the case of a cash distribution. If the depositary bank is unable to sell the rights, it will allow the rights to lapse.

Elective Distributions

Whenever we intend to distribute a dividend payable at the election of shareholders either in cash or in additional shares, we will give prior notice thereof to the depositary bank and will indicate whether we wish the elective distribution to be made available to holders. In such case, we will assist the depositary bank in determining whether such distribution is lawful and reasonably practicable.

The depositary bank will make the election available to holders only if we have timely requested the elective distribution be made to holders, it is reasonably practicable, and we have provided all of the documentation contemplated in the deposit agreement. In such case, the depositary bank will establish procedures to enable holders to elect to receive either cash or additional ADSs, in each case as described in the deposit agreement.

If the election is not made available to holders, holders will receive either cash or additional ADSs, depending on what a shareholder in the Cayman Islands would receive upon failing to make an election, as more fully described in the deposit agreement.

Other Distributions

Whenever we intend to distribute property other than cash, ordinary shares, or rights to subscribe for additional ordinary shares, we will notify the depositary bank in advance and will indicate whether we wish such distribution to be made to holders. If so, we will assist the depositary bank in determining whether such distribution to holders is lawful and reasonably practicable.

If it is reasonably practicable to distribute such property to holders and if we provide to the depositary bank all of the documentation contemplated in the deposit agreement, the depositary bank will distribute the property to holders in a manner it deems practicable.

The distribution will be made net of fees, expenses, taxes, and governmental charges payable by holders under the terms of the deposit agreement. In order to pay such taxes and governmental charges, the depositary bank may sell all or a portion of the property received.

The depositary bank will not distribute the property to holders and will sell the property if:

- We do not request that the property be distributed to holders or if we request that the property not be distributed to holders; or
- We do not deliver satisfactory documents to the depositary bank; or
- The depositary bank determines that all or a portion of the distribution to holders is not reasonably practicable; or
- The proceeds of such a sale will be distributed to holders as in the case of a cash distribution.

Redemption

Whenever we decide to redeem any of the securities on deposit with the custodian, we will notify the depositary bank in advance. If it is practicable and if we provide all of the documentation contemplated in the deposit agreement, the depositary bank will provide notice of the redemption to holders.

The custodian will be instructed to surrender the shares being redeemed against payment of the applicable redemption price. The depositary bank will convert into U.S. dollars upon the terms of the deposit agreement the redemption funds received in a currency other than U.S. dollars and will establish procedures to enable holders to receive the net proceeds from the redemption upon surrender of their ADSs to the depositary bank. Holders may have to pay fees, expenses, taxes, and other governmental charges upon the redemption of the ADSs. If less than all ADSs are being redeemed, the ADSs to be retired will be selected by lot or on a pro rata basis, as the depositary bank may determine.

Changes Affecting Ordinary Shares

The ordinary shares held on deposit for the ADSs may change from time to time. For example, there may be a change in nominal or par value, split-up, cancellation, consolidation, or any other reclassification of such ordinary shares or a recapitalization, reorganization, merger, consolidation, or sale of assets of the Company.

If any such change were to occur, the ADSs would, to the extent permitted by law and the deposit agreement, represent the right to receive the property received or exchanged in respect of the ordinary shares held on deposit. The depositary bank may in such circumstances deliver new ADSs to holders, amend the deposit agreement, the ADRs, and the applicable Registration Statement(s) on Form F-6, call for the exchange of holders' existing ADSs for new ADSs and take any other actions that are appropriate to reflect as to the ADSs the change affecting the ordinary shares. If the depositary bank may not lawfully distribute such property to holders, the depositary bank may sell such property and distribute the net proceeds to holders as in the case of a cash distribution.

Issuance of ADSs upon Deposit of Ordinary Shares

Our ordinary shares have been and will be deposited with the custodian. The depositary bank may create ADSs on a holder's behalf if such holder or such holder's broker deposits ordinary shares with the custodian. The depositary bank will deliver these ADSs to the person such holder indicates only after such holder pays any applicable issuance fees and any charges and taxes payable for the transfer of the ordinary shares to the custodian. Holders' ability to deposit ordinary shares and receive ADSs may be limited by U.S. and Cayman Islands legal considerations applicable at the time of deposit.

The issuance of ADSs may be delayed until the depositary bank or the custodian receives confirmation that all required approvals have been given and that the ordinary shares have been duly transferred to the custodian. The depositary bank will only issue ADSs in whole numbers.

When a holder makes a deposit of ordinary shares, such holder will be responsible for transferring good and valid title to the depositary bank. As such, the holder will be deemed to represent and warrant that:

- The ordinary shares are duly authorized, validly issued, fully paid, non-assessable, and legally obtained.
- All preemptive (and similar) rights, if any, with respect to such ordinary shares have been validly waived or exercised.
- The holder is duly authorized to deposit the ordinary shares.
- The ordinary shares presented for deposit are free and clear of any lien, encumbrance, security interest, charge, mortgage, or adverse claim, and are not, and the ADSs issuable upon such deposit will not be, "restricted securities" (as defined in the deposit agreement).
- The ordinary shares presented for deposit have not been stripped of any rights or entitlements.

If any of the representations or warranties are incorrect in any way, we and the depositary bank may, at holders' cost and expense, take any and all actions necessary to correct the consequences of the misrepresentations.

Transfer, Combination, and Split-up of ADRs

Holders will be entitled to transfer, combine, or split up their ADRs and the ADSs evidenced thereby. For transfers of ADRs, a holder will have to surrender the ADRs to be transferred to the depositary bank and also must:

- ensure that the surrendered ADR is properly endorsed or otherwise in proper form for transfer;

- provide such proof of identity and genuineness of signatures as the depositary bank deems appropriate;
- provide any transfer stamps required by the State of New York or the United States; and
- pay all applicable fees, charges, expenses, taxes, and other government charges payable by ADR holders pursuant to the terms of the deposit agreement, upon the transfer of ADRs.

To have the ADRs either combined or split up, a holder must surrender his/her ADRs in question to the depositary bank with such holder's request to have them combined or split up, and such holder must pay all applicable fees, charges, and expenses payable by ADR holders, pursuant to the terms of the deposit agreement, upon a combination or split up of ADRs.

Withdrawal of Ordinary Shares Upon Cancellation of ADSs

Holders will be entitled to present their ADSs to the depositary bank for cancellation and then receive the corresponding number of underlying ordinary shares at the custodian's offices. Holders' ability to withdraw the ordinary shares held in respect of the ADSs may be limited by U.S. and Cayman Islands considerations applicable at the time of withdrawal. In order to withdraw the ordinary shares represented by the ADSs, holders will be required to pay to the depositary bank the fees for cancellation of ADSs and any charges and taxes payable upon the transfer of the ordinary shares. Holders assume the risk for delivery of all funds and securities upon withdrawal. Once canceled, the ADSs will not have any rights under the deposit agreement.

If a holder holds ADSs registered in his/her name, the depositary bank may ask such holder to provide proof of identity and genuineness of any signature and such other documents as the depositary bank may deem appropriate before it will cancel the ADSs. The withdrawal of the ordinary shares represented by the ADSs may be delayed until the depositary bank receives satisfactory evidence of compliance with all applicable laws and regulations. Please keep in mind that the depositary bank will only accept ADSs for cancellation that represent a whole number of securities on deposit.

Holders will have the right to withdraw the securities represented by the ADSs at any time except for:

- Temporary delays that may arise because (i) the transfer books for the ordinary shares or ADSs are closed, or (ii) ordinary shares are immobilized on account of a shareholders' meeting or a payment of dividends.
- Obligations to pay fees, taxes, and similar charges.
- Restrictions imposed because of laws or regulations applicable to ADSs or the withdrawal of securities on deposit.
- The deposit agreement may not be modified to impair holders' right to withdraw the securities represented by the ADSs except to comply with mandatory provisions of law.

Voting Rights

Holders generally have the right under the deposit agreement to instruct the depositary bank to exercise the voting rights for the ordinary shares represented by ADSs.

At our request, the depositary bank will distribute to holders any notice of shareholders' meeting received from us together with information explaining how to instruct the depositary bank to exercise the voting rights of the securities represented by ADSs.

If the depositary bank timely receives voting instructions from a holder, it will endeavor to vote the securities (in person or by proxy) represented by the holder's ADSs in accordance with such voting instructions as follows:

- *In the event of voting by show of hands*, the depositary bank will vote (or cause the custodian to vote) all ordinary shares held on deposit at that time in accordance with the voting instructions received from a majority of holders who provide timely voting instructions.
- *In the event of voting by poll,* the depositary bank will vote (or cause the custodian to vote) the ordinary shares held on deposit in accordance with the voting instructions received from the holders.

In the event of voting by poll, holders in respect of which no timely voting instructions have been received shall be deemed to have instructed the depositary bank to give a discretionary proxy to a person designated by us to vote the ordinary shares represented by such holders' ADSs; provided, that no such instructions shall be deemed given and no such discretionary proxy shall be given with respect to any matter as to which we inform the depositary bank that we do not wish such proxy to be given; provided, further, that no such discretionary proxy shall be given (x) with respect to any matter as to which we inform the depositary that (i) there exists substantial opposition, or (ii) the rights of holders or the shareholders of our company will be materially adversely affected, and (y) in the event that the vote is on a show of hands.

Please note that the ability of the depositary bank to carry out voting instructions may be limited by practical and legal limitations and the terms of the securities on deposit. We cannot assure that holders will receive voting materials in time to enable them to return voting instructions to the depositary bank in a timely manner.

Fees and Charges

Holders will be required to pay the following fees under the terms of the deposit agreement:

Service	Fees
• Issuance of ADSs (e.g., an issuance of ADS upon a deposit of ordinary shares, upon a change in the ADS(s)-to-ordinary share ratio, or for any other reason), excluding ADS issuances as a result of distributions of ordinary shares	Up to U.S. 5¢ per ADS issued
• Cancellation of ADSs (e.g., a cancellation of ADSs for delivery of deposited property, upon a change in the ADS(s)-to-share ratio, or for any other reason)	Up to U.S. 5¢ per ADS cancelled
• Distribution of cash dividends or other cash distributions (e.g., upon a sale of rights and other entitlements)	Up to U.S. 5¢ per ADS held
• Distribution of ADSs pursuant to (i) stock dividends or other free stock distributions, or (ii) exercise of rights to purchase additional ADSs	Up to U.S. 5¢ per ADS held
• Distribution of securities other than ADSs or rights to purchase additional ADSs (e.g., upon a spin-off)	Up to U.S. 5¢ per ADS held
• ADS Services	Up to U.S. 5¢ per ADS held on the applicable record date(s) established by the depositary bank

Holders will also be responsible to pay certain charges such as:

- taxes (including applicable interest and penalties) and other governmental charges;
- the registration fee as may from time to time be in effect for the registration of ordinary shares on the share register and applicable to transfers of ordinary shares to or from the name of the custodian, the depositary bank, or any nominees upon the making of deposits and withdrawals, respectively;
- certain cable, telex, and facsimile transmission and delivery expenses;
- the expenses and charges incurred by the depositary bank in the conversion of foreign currency;
- the fees and expenses incurred by the depositary bank in connection with compliance with exchange control regulations and other regulatory requirements applicable to ordinary shares, ADSs and ADRs; and
- the fees and expenses incurred by the depositary bank, the custodian, or any nominee in connection with the servicing or delivery of deposited property.

ADS fees and charges payable upon (i) the issuance of ADSs, and (ii) the cancellation of ADSs are charged to the person to whom the ADSs are issued (in the case of ADS issuances) and to the person whose ADSs are cancelled (in the case of ADS cancellations). In the case of ADSs issued by the depositary bank into DTC, the ADS issuance and cancellation fees and charges may be deducted from distributions made through DTC, and may be charged to the DTC participant(s) receiving the ADSs being issued or the DTC participant(s) holding the ADSs being cancelled, as the case may be, on behalf of the beneficial owner(s) and will be charged by the DTC participant(s) to the account of the applicable beneficial owner(s) in accordance with the procedures and practices of the DTC participants as in effect at the time. ADS fees and charges in respect of distributions and the ADS service fee are charged to the holders as of the applicable ADS record date. In the case of distributions of cash, the amount of the applicable ADS

fees and charges is deducted from the funds being distributed. In the case of (i) distributions other than cash and (ii) the ADS service fee, holders as of the ADS record date will be invoiced for the amount of the ADS fees and charges and such ADS fees and charges may be deducted from distributions made to holders of ADSs. For ADSs held through DTC, the ADS fees and charges for distributions other than cash and the ADS service fee may be deducted from distributions made through DTC, and may be charged to the DTC participants in accordance with the procedures and practices prescribed by DTC and the DTC participants in turn charge the amount of such ADS fees and charges to the beneficial owners for whom they hold ADSs.

In the event of refusal to pay the depositary bank fees, the depositary bank may, under the terms of the deposit agreement, refuse the requested service until payment is received or may set off the amount of the depositary bank fees from any distribution to be made to holders. Certain of the depositary fees and charges (such as the ADS services fee) may become payable shortly after the closing of an ADS offering. Note that the fees and charges holders may be required to pay may vary over time and may be changed by us and by the depositary bank. Holders will receive prior notice of such changes. The depositary bank may reimburse us for certain expenses incurred by us in respect of the ADR program, by making available a portion of the ADS fees charged in respect of the ADR program or otherwise, upon such terms and conditions as we and the depositary bank agree from time to time.

Amendments and Termination

We may agree with the depositary bank to modify the deposit agreement at any time without holders' consent. We undertake to give holders 30 days' prior notice of any modifications that would materially prejudice any of their substantial rights under the deposit agreement. We will not consider to be materially prejudicial to holders' substantial rights any modifications or supplements that are reasonably necessary for the ADSs to be registered under the Securities Act or to be eligible for book-entry settlement, in each case without imposing or increasing the fees and charges holders are required to pay. In addition, we may not be able to provide holders with prior notice of any modifications or supplements that are required to accommodate compliance with applicable provisions of law.

Holders will be bound by the modifications to the deposit agreement if they continue to hold their ADSs after the modifications to the deposit agreement become effective. The deposit agreement cannot be amended to prevent holders from withdrawing the ordinary shares represented by the ADSs (except as permitted by law).

We have the right to direct the depositary bank to terminate the deposit agreement. Similarly, the depositary bank may in certain circumstances on its own initiative terminate the deposit agreement. In either case, the depositary bank must give notice to holders at least 30 days before termination. Until termination, holders' rights under the deposit agreement will be unaffected.

After termination, the depositary bank will continue to collect distributions received (but will not distribute any such property until holders request the cancellation of their ADSs) and may sell the securities held on deposit.

After the sale, the depositary bank will hold the proceeds from such sale and any other funds then held for the holders of ADSs in a non-interest bearing account. At that point, the depositary bank will have no further obligations to holders other than to account for the funds then held for the holders of ADSs still outstanding (after deduction of applicable fees, taxes and expenses).

Books of Depositary

The depositary bank will maintain ADS holder records at its depositary office. Holders may inspect such records at such office during regular business hours but solely for the purpose of communicating with other holders in the interest of business matters relating to the ADSs and the deposit agreement.

The depositary bank will maintain in New York facilities to record and process the issuance, cancellation, combination, split-up, and transfer of ADSs. These facilities may be closed from time to time, to the extent not prohibited by law.

Limitations on Obligations and Liabilities

The deposit agreement limits our obligations and the depositary bank's obligations to holders. Please note the following:

- we and the depositary bank are obligated only to take the actions specifically stated in the deposit agreement without negligence or bad faith.
- the depositary bank disclaims any liability for any failure to carry out voting instructions, for any manner in which a vote is cast or for the effect of any vote, provided it acts in good faith and in accordance with the terms of the deposit agreement.
- the depositary bank disclaims any liability for any failure to determine the lawfulness or practicality of any action, for the content of any document forwarded to holders on our behalf or for the accuracy of any translation of such a document, for the investment risks associated with investing in ordinary shares, for the validity or worth of the ordinary shares, for any tax consequences that result from the ownership of ADSs, for the credit-worthiness of any third party, for allowing any rights to lapse under the terms of the deposit agreement, for the timeliness of any of our notices, or for our failure to give notice.
- we and the depositary bank will not be obligated to perform any act that is inconsistent with the terms of the deposit agreement.
- we and the depositary bank disclaim any liability if we or the depositary bank, or our respective controlling persons or agents are prevented or forbidden from, or subject to any civil or criminal penalty or restraint on account of, or delayed in, doing or performing any act or thing required by the terms of the deposit agreement, by reason of any provision, present or future of any law or regulation, or by reason of present or future provision of any provision of our articles of association, or any provision of or governing the securities on deposit, or by reason of any act of God or war or other circumstances beyond our control.
- we and the depositary bank disclaim any liability by reason of any exercise of, or failure to exercise, any discretion provided for in the deposit agreement or in our articles of association or in any provisions of or governing the securities on deposit.
- we and the depositary bank further disclaim any liability for any action or inaction in reliance on the advice or information received from legal counsel, accountants, any person presenting ordinary shares for deposit,

any holder or authorized representatives thereof, or any other person believed by either of us in good faith to be competent to give such advice or information.

- we and the depositary bank also disclaim liability for the inability by a holder to benefit from any distribution, offering, right, or other benefit that is made available to holders of ordinary shares but is not, under the terms of the deposit agreement, made available to holders.
- we and the depositary bank may rely without any liability upon any written notice, request, or other document believed to be genuine and to have been signed or presented by the proper parties.
- we and the depositary bank also disclaim liability for any consequential, indirect, or punitive damages for any breach of the terms of the deposit agreement, or otherwise.
- no disclaimer of any Securities Act liability is intended by any provision of the deposit agreement.
- nothing in the deposit agreement gives rise to a partnership or joint venture, or establishes a fiduciary relationship, among us, the depositary bank and holders.
- nothing in the deposit agreement precludes Citibank (or its affiliates) from engaging in transactions in which parties adverse to us or the ADS owners have interests, and nothing in the deposit agreement obligates Citibank to disclose those transactions, or any information obtained in the course of those transactions, to us or to the ADS owners, or to account for any payment received as part of those transactions.

Pre-Release Transactions

The depositary bank has informed us that it no longer engages in pre-release transactions, and has no intention to do so in the future.

Taxes

Holders will be responsible for the taxes and other governmental charges payable on the ADSs and the securities represented by the ADSs. We, the depositary bank and the custodian may deduct from any distribution the taxes and governmental charges payable by holders and may sell any and all property on deposit to pay the taxes and governmental charges payable by holders. Holders will be liable for any deficiency if the sale proceeds do not cover the taxes that are due.

The depositary bank may refuse to issue ADSs, to deliver, transfer, split, or combine ADRs or to release securities on deposit until all taxes and charges are paid by the applicable holder. The depositary bank and the custodian may take reasonable administrative actions to obtain tax refunds and reduced tax withholding for any distributions on holders' behalf. However, holders may be required to provide to the depositary bank and to the custodian proof of taxpayer status, residence, beneficial ownership (as applicable), and such other information as the depositary bank and the custodian may deem necessary to fulfill legal obligations. Holders are required to indemnify us, the depositary bank, and the custodian for any claims with respect to taxes arising out of any refund of taxes, reduced rate of withholding, or of the tax benefit obtained for or by the holders.

Foreign Currency Conversion

The depositary bank will arrange for the conversion of all foreign currency received into U.S. dollars if such conversion is practicable, and it will distribute the U.S. dollars in accordance with the terms of the deposit agreement. Holder may have to pay fees and expenses incurred in converting foreign currency, such as fees and expenses incurred in complying with currency exchange controls and other governmental requirements.

If the conversion of foreign currency is not practicable or lawful, or if any required approvals are denied or not obtainable at a reasonable cost or within a reasonable period, the depositary bank may take the following actions in its discretion:

- Convert the foreign currency and distribute the U.S. dollars to holders for whom the conversion, transfer, and distribution is lawful and practical.
- Distribute the foreign currency to holders for whom the distribution is lawful and practical.
- Hold the foreign currency (without liability for interest) for the applicable holders.

Governing Law/Waiver of Jury Trial

The deposit agreement and the ADRs will be interpreted in accordance with the laws of the State of New York. The rights of holders of ordinary shares (including ordinary shares represented by ADSs) is governed by the laws of the Cayman Islands.

By holding an ADS or an interest therein, ADS holders irrevocably agree that any legal suit, action, or proceeding against or involving us or the Depositary, arising out of or based upon the deposit agreement, ADSs, or ADRs, may only be instituted in a state or federal court in New York, New York, and ADS holders irrevocably waive any objection to the laying of venue and irrevocably submit to the exclusive jurisdiction of such courts with respect to any such suit, action or proceeding.

AS PARTIES TO THE DEPOSIT AGREEMENT, ADS HOLDERS IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING AGAINST THE COMPANY AND/OR THE DEPOSITARY ARISING OUT OF, OR RELATING TO, THE DEPOSIT AGREEMENT, ANY ADR, AND ANY TRANSACTIONS CONTEMPLATED THEREIN (WHETHER BASED ON CONTRACT, TORT, COMMON LAW, OR OTHERWISE).

ZAI LAB LIMITED
NON-EMPLOYEE DIRECTOR COMPENSATION POLICY

As of October 22, 2025, subject to the terms and conditions of the 2024 Equity Incentive Plan (the "Plan") of Zai Lab Limited (the "Company"), each individual who both provides services to the Company as a member of the Board of Directors (the "Board") and is not employed by the Company or an affiliate (a "Non-Employee Director") shall be entitled to receive the following amounts of compensation:

Type of Compensation	Amount and Form of Payment
Annual cash retainer	$50,000
Annual equity award	Each Non-Employee Director is eligible to receive, effective as of a date designated by the Board (the "Date of Grant"), and subject to satisfaction of applicable stock exchange requirements, an annual grant of a number of shares of Restricted Shares (as defined in the Plan) for such number of ADSs as is equal to $400,000 *divided* by the Nasdaq closing price of the Company's American Depositary Shares (the "ADSs") on the Date of Grant (or on the next succeeding business day if Nasdaq is not open for trading on the Date of Grant), rounded down to the nearest whole share. Such Restricted Shares shall vest in full on the earlier of: (i) the first anniversary of the Date of Grant or (ii) the day prior to the next subsequent Annual General Meeting of shareholders or such other date as may be designated by the Board, subject to continued service as a member of the Board through such date.
New member equity award	Each Non-Employee Director newly elected to the Board is eligible to receive, effective as of a date designated by the Board (the "Date of New Director Grant"), and subject to satisfaction of applicable stock exchange requirements, an initial grant of a number of Restricted Shares (as defined in the Plan) for such number of ADSs as is equal to $600,000 *divided* by the Nasdaq closing price of the Company's ADSs on the Date of New Director Grant (or on the next succeeding business day if Nasdaq is not open for trading on the Date of New Director Grant), rounded down to the nearest whole share. Such Restricted Shares shall vest ratably over three years on the anniversary of the Date of New Director Grant, subject to continued service as a member of the Board through such date. In the event that a newly elected Non-Employee Director's date of election is less than 180 days prior to the Date of Grant of the next annual equity award to Non-Employee Directors, such newly elected Non-Employee Director shall not be eligible to participate in that particular annual equity award, but shall be eligible to participate in subsequent annual equity awards.
Additional annual cash retainer for Lead Independent Director	$35,000
Additional annual cash retainer for Audit Committee chair	$25,000
Additional annual cash retainer for Audit Committee member	$12,500

Additional annual cash retainer for Compensation Committee chair	$20,000
Additional annual cash retainer for Compensation Committee member	$10,000
Additional annual cash retainer for Nominating and Corporate Governance Committee chair	$12,250
Additional annual cash retainer for Nominating and Corporate Governance Committee member	$6,125
Additional annual cash retainer for Research and Development Committee chair	$20,000
Additional annual cash retainer for Research and Development Committee member	$10,000
Additional annual cash retainer for Commercial Committee chair	$15,000
Additional annual cash retainer for Commercial Committee member	$7,500
Annual Limit on Non-Employee Director Compensation	The total compensation of each Non-Employee Director (including cash retainers and equity grants) shall not exceed $1,000,000 in the initial calendar year of service and $750,000 in any subsequent calendar year of service. Unless approved by the Company's shareholders at a general meeting, the total number of shares issued and to be issued upon the exercise of share options granted and to be granted under the 2022 Equity Incentive Plan and any other plan of the Company to any Non-Employee Director within any 12-month period shall not exceed 1% of the shares in issue at the date of any grant.

Cash retainers shall be payable in cash on a quarterly basis and pro-rated for periods of service of less than a full calendar quarter. In addition, Non-Employee Directors will be reimbursed by the Company for reasonable and customary expenses incurred in connection with attendance at Board and committee meetings, in accordance with the Company's policies as in effect from time to time.

For the avoidance of doubt, directors who are (i) employees of the Company, (ii) employees of one of its affiliates or (iii) (a) are affiliated with a shareholder holding more than one percent (1%) of the ordinary shares or ordinary share equivalents of the Company or (b) individually (or through any trust or estate planning entity) holding more than one percent (1%) of the ordinary shares or ordinary share equivalents of the Company will not receive compensation for their service as a director, other than reimbursement for reasonable and customary expenses incurred in connection with attendance at Board and committee meetings, in accordance with the Company's policies as in effect from time to time.

Exhibit 10.22

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) IS THE TYPE THAT REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL

Confidential
Execution Version

LICENSE AGREEMENT

This **LICENSE AGREEMENT** (the "**Agreement**") is entered into on April 24, 2023 (the "**Effective Date**") between:

ZAI LAB (US) LLC, a company organized under the laws of Delaware and having a place of business at 314 Main Street, Suite 04-100, Cambridge, MA 02142, USA ("**Zai**"); and

MEDILINK THERAPEUTICS (SUZHOU) CO., LTD., a company organized under the laws of the People's Republic of China and having a place of business at Unit 101, Block B3, Biomedical Industrial Park, No.218, Xinghu Street, Suzhou Industrial Park, Suzhou District, China (Jiangsu) Pilot Free Trade Zone ("**MediLink**").

MediLink and Zai are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**".

Recitals

Whereas, MediLink is developing YL212, a proprietary antibody-drug conjugate compound targeting DLL3, and owns or controls certain Patent, Know-How and other intellectual property rights relating to such product candidate; and

WHEREAS, Zai wishes to obtain from MediLink, and MediLink is willing to grant to Zai, an exclusive and worldwide license to research, develop, manufacture and commercialize such product, all on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, Zai and MediLink hereby agree as follows:

ARTICLE 1
DEFINITIONS

Unless the context otherwise requires, the terms in this Agreement with initial letters capitalized, shall have the meanings set forth below, or the meaning as designated in the indicated places throughout this Agreement.

1.1 "**Affiliate**" means, with respect to a Person, any Person that controls, is controlled by, or is under common control with such first Person. For the purpose of this definition, "control" (including, with correlative meaning, the terms "controlled by" and "under the common control") means the actual power, either directly or indirectly through one or more intermediaries, to direct or cause the direction of the management and policies of such Person, whether by the ownership of more than fifty percent (50%) of the voting stocking of such Person, by contract or otherwise.

1.2 "**Biosimilar Product**" means, with respect to a Product in a jurisdiction in the Territory, any pharmaceutical product that (a) is approved for use in such jurisdiction pursuant to a Regulatory Approval process governing approval of a generic, biosimilar, or interchangeable product of such Product based on the then-current standards for Regulatory Approval in such jurisdiction, whose Regulatory Approval in such jurisdiction was obtained using an abbreviated, expedited or other process in reliance on or in reference to the prior approval or licensure (including all clinical data submitted in support of the prior approval or licensure) of the Product; and (b) is sold in such jurisdiction by a Third Party that is not Zai hereof or a sublicensee of Zai or its Affiliates and did not purchase such product in a chain of distribution that included any of Zai or its Affiliates or sublicensees.

1.3 "**Claims**" means all Third Party demands, claims, actions, proceedings and liability (whether criminal or civil, in contract, tort or otherwise) for losses, damages, reasonable legal costs and other reasonable expenses of any nature.

1.4 "**CMC**" means chemistry, manufacturing and controls.

1.5 "**Commercialize**" or "**Commercialization**" means all activities directed to marketing, promoting, distributing, detailing, offering for sale or selling the Products (as well as importing and exporting activities in connection therewith), including all activities directed to obtaining pricing and reimbursement approvals for the Products, but excluding any activities directed to manufacturing or Development.

1.6 "**Commercially Reasonable Efforts**" means, with respect to a particular activity or the Development and Commercialization of the Products under this Agreement and a Party, those efforts that are commonly applied by a company in the industry of a similar size and profile as such Party to its own activities or the development and commercialization of a product owned by such company or to which it has exclusive rights, which product is at a similar stage of development or commercialization and has similar market potential, taking into account efficacy, safety, patent and regulatory exclusivity, anticipated or approved labeling, present and future market potential, competitive market conditions, the profitability of the product in light of pricing and reimbursement issues, and all other relevant factors. Commercially Reasonable Efforts of Zai shall be determined on a market-by-market and indication-by-indication basis, and it is anticipated that the level of efforts required may be different for different markets and indications and may change over time, reflecting changes in the status of the Products and markets involved.

1.7 "**Compound**" means YL212 (the structure and sequence of which are set forth in Exhibit A), which is MediLink's proprietary antibody-drug conjugate compound targeting DLL3, including any backup compound, modification and improvement thereof [***].

1.8 "**Confidential Information**" of a Party means all Know-How, unpublished patent applications and other information and data of a financial, commercial, business, operational or technical nature, patentable or otherwise, that is disclosed by or on behalf of such Party or any of its Affiliates or otherwise made available to the other Party or any of its Affiliates under this Agreement, whether made available orally, in writing or in electronic form. The terms and conditions of this Agreement are the Confidential Information of both Parties.

1.9 "**Control**" or "**Controlled**" means, with respect to any Know-How, Patents or other intellectual property rights, that a Party has the legal authority or right (whether by ownership, license or otherwise) to grant a license, sublicense, access or other right (as applicable) under such Know-How, Patents, or other intellectual property rights to the other Party on the terms and conditions set forth herein, in each case without breaching the terms of any agreement with a Third Party.

1.10 "**Develop**" or "**Development**" means all internal and external research, development and regulatory activities necessary or useful to obtain or maintain Regulatory Approval for the Product, including all non-clinical studies and clinical trials of the Product, manufacture process development, distribution of Products for use in clinical trials (including placebos and comparators), statistical analyses, and the preparation and submission of Regulatory Materials for, and all regulatory affairs, related to the Products.

1.11 "**Dollar**" means U.S. dollars, and "$" shall be interpreted accordingly.

1.12 "**Distributor**" means any Person appointed by Zai or any of its Affiliates or sublicensees to distribute, market and sell any Product with or without packaging rights, in one or more jurisdictions in the Territory, in circumstances where such Person purchases its requirements of Product from Zai or its Affiliates or sublicensees but does not otherwise make any royalty or other payment to Zai or its Affiliates or sublicensees with respect to its Know-How, Patents, or other intellectual property rights with respect to such Product.

1.13 "**EU**" means all countries that are officially recognized as member states of the European Union at any particular time.

1.14 "**FDA**" means the U.S. Food and Drug Administration, or its successor.

1.15 "**Field**" means the diagnosis, treatment, palliation, or prevention of all indications, conditions, diseases, and disorders in humans.

1.16 "**First Commercial Sale**" means, with respect to a Product in a jurisdiction in the Territory, the first sale of such Product by Zai, its Affiliates or sublicensees to an unrelated Third Party for distribution, use or consumption in such jurisdiction after Regulatory Approvals of such Product have been granted in such jurisdiction. [***].

1.17 "**GMP**" means the then-current good manufacturing practice standards, practices, and procedures promulgated or endorsed by the applicable Regulatory Authority as set forth in the guidelines imposed by such Regulatory Authority in the country or jurisdiction of manufacture or use, as may be updated from time-to-time, including, as applicable, the requirements with respect to current good manufacturing practices prescribed by the European Community under provisions of "The Rules Governing Medicinal Products in the European Community, Volume 4, Good Manufacturing Practices, Annex 13, Manufacture of Investigational Medicinal Products, December 2010," or the equivalent foreign requirements of applicable jurisdictions, or as otherwise required by Applicable Law.

1.18 "**Government Authority**" means any federal, state, national, provincial or local government, or political subdivision thereof, or any multinational organization or any authority, agency or commission entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power, any court or tribunal (or any department, bureau or division thereof, or any governmental arbitrator or arbitral body).

1.19 "**IND**" means any investigational new drug application, clinical trial application, clinical trial exemption or similar or equivalent application filed with the applicable Regulatory Authority for approval to conduct clinical testing of a pharmaceutical product in humans, and including all supplements or amendments that may be filed with respect to the foregoing.

1.20 "**IND Acceptance**" means, with respect to an IND, the date on which the sponsor of such IND is permitted, whether by implied permission or express approval (as the case may be), to initiate clinical trials following submission of such IND to the applicable Regulatory Authority.

1.21 "**Indication**" means a separate and distinct disease, disorder or medical condition for which a Product can be used to diagnose, treat or prevent, which use is the subject of a separate MAA approval for a distinct labeling supported by data from at least one Pivotal Clinical Trial not previously submitted to the applicable Regulatory Authority. For clarity, subpopulations or patients with a primary disease or condition, however stratified, shall not be deemed to be separate "Indications" for the purposes of this Agreement, including stratification by stages or progression (including precursor condition), particular combinations of symptoms associated with the primary disease or condition, prior treatment courses, response to prior treatment, different lines of treatment, family history, clinical history, phenotype, age (e.g. adult and pediatric) or other stratification. In addition, combination treatments with a Product and another product of an Indication shall not be deemed to be separate "Indication" for the purposes of this Agreement.

1.22 "**Invention**" means any data, results, discovery, finding, process, improvement, method, composition of matter, article of manufacture, patentable or otherwise, that is invented, reduced to practice, or otherwise generated by either Party exercising its rights or carrying out its

obligations under this Agreement, whether directly or via its Affiliates, agents, contractors or sublicensees, including all rights, title and interest in and to the intellectual property rights therein.

1.23 "**Joint Steering Committee**" or "**JSC**" means the committee established pursuant to Section 3.11.

1.24 "**Know-How**" means any proprietary information, including discoveries, improvements, modifications, processes, methods, protocols, formulas, data, inventions, know- how and trade secrets, patentable or otherwise, but excluding any Patents.

1.25 "**Law**" means any federal, state, local, foreign or multinational law, statute, standard, ordinance, code, rule, regulation, resolution or promulgation, or any order by any Government Authority, or any license, franchise, permit or similar right granted under any of the foregoing, or any similar provision having the force or effect of law.

1.26 "**Licensed IP**" means the Licensed Know-How and Licensed Patents.

1.27 "**Licensed Know-How**" means all Know-How that (a) is owned or Controlled by MediLink or its Affiliates as of the Effective Date or at any time during the Term, and (b) is necessary or reasonably useful for the Development, manufacture, Commercialization or otherwise exploitation of the Compounds and Products within the Field in the Territory.

1.28 "**Licensed Patents**" means all Patents that (a) are owned or Controlled by MediLink or its Affiliates as of the Effective Date or at any time during the Term, and (b) claim or cover the Compound or Product (including composition of matter, methods of making or using) or otherwise that are necessary or reasonably useful for the Development, manufacture, Commercialization or otherwise exploitation of the Compounds and Products. Licensed Patents existing as of the Effective Date are set forth in **Exhibit A**. For the avoidance of doubt, Licensed Patents include Licensed Product Patents and Licensed Platform Patents.

1.29 "**Licensed Platform Patents**" means all Licensed Patents other than Licensed Product Patents, including without limitation any Licensed Patents that claim [***].

1.30 "**Licensed Product Patents**" means all Licensed Patents that specifically direct to or claim the composition of matter of, or the method of making or using, the Compound or the Product and do not specifically direct to or claim the composition of matter of, or the method of making or using, any other compound or product targeting any target other than the DLL3.

1.31 "**Linker(s)**" means any compound or composition that is useful for linking a Payload and a cell-binding moiety, including an antibody, together to form a conjugate of such Payload with such cell-binding moiety.

1.32 "**MAA**" or "**Marketing Authorization Application**" means an application to the appropriate Regulatory Authority for approval to commercially sell a pharmaceutical product in a particular jurisdiction and all amendments and supplements thereto, including New Drug

Application (NDA) and Biologic License Application (BLA) filed with the Food and Drug Administration in the U.S., and equivalent foreign applications, but excluding applications for pricing and reimbursement approval.

1.33 "**Net Sales**" means, with respect to a Product, the gross amount received by Zai, its Affiliates or sublicensees (each of the foregoing, a "**Selling Party**") for sale of such Product to independent Third Parties (including Distributors) in *bona fide* arm's length transactions with respect to such Product, less the following amounts [***].

If a Product is sold in a jurisdiction in the Territory as a combination of the Compound with another active pharmaceutical ingredient or component that is not a Compound, or in combination with other pharmaceutical or biologics products, or diagnostic products, then Net Sales, for the purposes of determining royalty payments on the combination, shall be calculated using one of the following alternative methods:

[***].

1.34 "**Patents**" means all patents and patent applications (which for the purpose of this Agreement shall be deemed to include certificates of invention and applications for certificates of invention), including all divisionals, continuations, substitutions, continuations-in-part, re- examinations, reissues, additions, renewals, revalidations, extensions, registrations, pediatric exclusivity periods and supplemental protection certificates and the like of any such patents and patent applications, and any and all foreign equivalents of the foregoing.

1.35 "**Patent Challenge**" means any direct or indirect dispute or challenge, or any assistance in the dispute or challenge of the validity, patentability, scope, priority, construction, non-infringement, inventorship, ownership or enforceability of any Patents or any claim thereof, or opposition or assistance in the opposition of the grant of any Patents, in any legal or administrative proceedings, including in a court of law, before the United States Patent and Trademark Office or other agency or tribunal in any jurisdiction, or in arbitration including, without limitation, by reexamination, inter partes review, opposition, interference, post-grant review, nullity proceeding, preissuance submission, third party submission, derivation proceeding or declaratory judgment action, but in each case do not including any communication with patent agencies and authorities in the ordinary course of patent prosecution and maintenance.

1.36 "**Payload(s)**" means a therapeutic cytotoxic or cytostatic moiety, including, without limitation, a cytotoxic compound.

1.37 "**Person**" means any individual, partnership, limited liability company, firm, corporation, association, trust, unincorporated organization or other entity.

1.38 "**Phase 1 Clinical Trial**" means a human clinical trial of a pharmaceutical product that would satisfy the requirements of 21 CFR 312.21(a), as amended from time to time

(or its successor regulation), or with respect to any other jurisdiction, the equivalent of such a clinical trial in such other jurisdiction.

1.39 "**Phase 2 Clinical Trial**" means a human clinical trial of a pharmaceutical product that would satisfy the requirements of 21 CFR 312.21(b), as amended from time to time (or its successor regulation), or with respect to any other jurisdiction, the equivalent of such a clinical trial in such other jurisdiction.

1.40 "**Phase 3 Clinical Trial**" means a human clinical trial of a pharmaceutical product that would satisfy the requirements of 21 CFR 312.21(c), as amended from time to time (or its successor regulation), or with respect to any other jurisdiction, the equivalent of such a clinical trial in such other jurisdiction.

1.41 "**Pivotal Clinical Trial**" means (a) a Phase 3 Clinical Trial, or (b) a clinical trial of a Product in the Field that would satisfy the requirements of 21 C.F.R. 312.21(c), as amended from time to time (or its successor regulation), and is a registration trial designed to establish statistically significant efficacy and safety of such Product for the purpose of obtaining a MAA or similar application for marketing approval from the competent Regulatory Authorities in a given jurisdiction, or, with respect to any other jurisdiction, the equivalent of such a clinical trial in such other jurisdiction; provided however that such clinical trial shall not be deemed a Pivotal Clinical Trial if additional human clinical trial is required for obtaining a MAA or similar application for marketing approval from the competent Regulatory Authorities.

1.42 "**PRC**" means the People's Republic of China, for the purpose of this Agreement, excluding Hong Kong SAR, Macau SAR and Taiwan.

1.43 "**Product**" means any product that contains a Compound, in any and all forms, presentations, doses and formulations.

1.44 "**Regulatory Approval**" means, with respect to pharmaceutical or biological product, all approvals, licenses, registrations and authorizations that are necessary for the commercial sale of such product in a given regulatory jurisdiction, including separate pricing and reimbursement approvals where reasonably necessary for the sale of such product, even if such approvals are not legally required to commercialize such product in such jurisdiction.

1.45 "**Regulatory Authority**" means, with respect to pharmaceutical or biological product, any applicable Government Authority responsible for granting Regulatory Approvals for such product.

1.46 "**Regulatory Exclusivity Period**" means, with respect to a Product in any jurisdiction in the Territory, an additional market protection, other than Patent protection, granted by a Regulatory Authority in such jurisdiction that confers an exclusive commercialization period during which Zai or its Affiliates or sublicensees have the exclusive right to market and sell such Product in such jurisdiction.

1.47 "**Regulatory Material**" means any regulatory application, submission, notification, communication, correspondence, registration and other filings made to, received from or otherwise conducted with a Regulatory Authority in order to Develop, manufacture, market, sell or otherwise Commercialize the Product in a particular jurisdiction. For clarity, Regulatory Materials include IND, MAAs and Regulatory Approvals.

1.48 "**Sublicense Income**" means all payments received by Zai or any of its Affiliates from any Third Party sublicensee in consideration for the grant of a sublicense to the Licensed IP under the license (or any portion thereof) granted to Zai pursuant to Section 2.1 of this Agreement, but excluding the following payments: [***]. It shall be subject to the dispute resolution mechanism under this Agreement if MediLink and Zai fail to reach an agreement thereon within [***] after receipt by Zai of the notice of such negotiation from MediLink.

1.49 "**Territory**" means any and all countries and regions in the world.

1.50 "**Third Party**" means any Person other than a Party or an Affiliate of a Party.

1.51 "**Third Party Costs**" means actual, reasonable and documented out-of-pocket costs and expenses paid or payable by MediLink to Third Parties and specifically identifiable and incurred to conduct the activities assigned to MediLink under the then-current MediLink Development Plan, and in accordance with the budget for such Third Party Costs as set forth in the then-current MediLink Development Plan.

1.52 "**Valid Claim**" means a claim of an issued and unexpired Licensed Patent that has not been irrevocably or unappealably revoked, held invalid or unenforceable by a patent office, court or other governmental agency of competent jurisdiction in a final and non-appealable judgment (or judgment from which no appeal was taken within the allowable time period) and has not been disclaimed, denied or admitted to be invalid or unenforceable through reissue, re- examination or disclaimer or otherwise.

1.53 "**United States**" or "**U.S.**" means the United States of America and its territories and possessions.

1.54 Interpretation. In this Agreement, unless otherwise specified:

(a) the words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation";

(b) words denoting the singular shall include the plural and vice versa and words denoting any gender shall include all genders;

(c) the word "or" is used in the inclusive sense typically associated with the phrase "and/or";

(d) words such as "herein", "hereof", and "hereunder" refer to this Agreement as a whole and not merely to the particular provision in which such words appear; and

(e) the Exhibits and other attachments form part of the operative provision of this Agreement and references to this Agreement shall include references to the Exhibits and attachments.

1.55 Additional Definitions. The following table identifies the location of definitions set forth in various Sections of the Agreement:

Defined Terms	**Section**
Affected Sublicense Agreements	7.3(b)(ii)(1)
Alliance Manager	3.10
Bankruptcy Code	5.6
CMC and IND Enabling Studies	3.4(a)
CMC and IND Enabling Study Payments	3.4(d)(i)
CNIPA	5.8
Competing Program	2.5(a)
Completion Date	4.5
Conjugated Sublicense	1.48
Development Milestone	4.2(a)
Failure to Supply	3.7(c)
[***]	[***]
FTE	3.5(b)
FTE Costs	3.5(b)
FTE Rate	3.5(b)
ICC	10.6(a)
Indemnified Party	9.3
Indemnifying Party	9.3
Initiation	4.2(b)(iii)
[***]	[***]
Manufacturing Technology Transfer of ADC and Antibody	3.7(e)
Manufacturing Technology Transfer of Linker and Payload	3.7(f)
MediLink Development Plan	3.4(a)
MediLink Indemnitees	9.2
Defined Terms	**Section**
Mono Product	1.33
Other Products	1.33
Outline of Zai Development Plan	3.2(b)
Permitted Subcontractors	3.4(c)

Prior CDA	6.6
Product Marks	5.7
Royalty Term	4.4(b)
SEC	6.5(b)
Selling Party	1.33
Sublicense Income for the Same Event	4.5
Sublicense Payment	4.5
Term	7.1
Terminated Jurisdictions	7.3(b)
Terminated Products	7.3(b)
Territory Infringement	5.3(a)
Third Party IP	1.48
Transition Plan	3.3
Zai Development Plan	3.2(b)
Zai Indemnitees	9.1

ARTICLE 2
LICENSE

2.1 License to Zai. Subject to the terms of this Agreement, MediLink hereby grants Zai and its Affiliates an exclusive (even as to MediLink and its Affiliates, but subject to rights retained under Section 2.3), sublicensable (solely in accordance with Section 2.2) and royalty bearing license under the Licensed IP to research, Develop, make, have made, use, sell, offer for sale, import, Commercialize and otherwise exploit the Compounds and Products in the Field in the Territory.

2.2 Sublicenses. Subject to the terms of this Agreement, Zai shall have the right to grant sublicenses (through multiple tiers) to any Third Party under its license in Section 2.1, for the sole purpose of performing Zai's obligations and exercising Zai's rights with respect to the Development, manufacturing (as applicable) and Commercialization of Products in accordance with this Agreement; *provided however* (a) each sublicense shall be subject to and consistent with the terms and conditions under this Agreement; (b) Zai shall remain fully responsible and liable for any breach of the terms of this Agreement by any of its sublicensees to the same extent as if Zai itself has committed any such breach, and shall terminate promptly the agreement with any sublicensee if such sublicensee is in material breach of this Agreement and does not cure such breach pursuant to the termination clause in such sublicense agreement; (c) Zai shall promptly notify MediLink of the grant of any sublicense to a Third Party by Zai and provide MediLink with a true and accurate abstract of such sublicense agreement (which shall at least include the key financial terms and equivalent termination clause) within [***] after execution; (d) subject to Section 7.3(b)(ii)(1) of this Agreement, any termination of the licenses granted to Zai under Section 2.1 as a result of an early termination of this Agreement with respect to one or more Products in one or more jurisdiction or in its entirety shall cause the sublicensees to automatically lose the same rights under any sublicense accordingly.

2.3 Retained Rights. Notwithstanding the exclusive licenses granted to Zai under Section 2.1, MediLink retains the right to practice the Licensed IP in the Field in the Territory to fulfill its obligations under this Agreement. For clarification, MediLink has the right to grant any Third Party any license under the Licensed Platform Patents to exploit compounds and products other than Compounds and Products, subject to MediLink's non-compete obligations under Section 2.5.

2.4 No Implied License. Except as expressly set forth herein, neither Party shall acquire any license, right or other interest, by implication or otherwise, under any Know-How, Patents, or other intellectual property rights of the other Party. Any rights not expressly granted to Zai by MediLink under this Agreement are hereby retained by MediLink. Zai shall not have the right to practice the Licensed IP to research, Develop, make, have made, use, sell, offer for sale, import, Commercialize and otherwise exploit compounds or products other than Compounds and Products.

2.5 Non-Compete.

(a) Subject to Sections 2.5(b), 2.5(c) and 2.5(d) below, [***], other than for the sole purpose of fulfilling its obligations with respect to the Compounds and Products under this Agreement, neither Party will, and each Party will cause its Affiliates not to, (i) directly or indirectly, whether by itself or with or through any of its Affiliates, or (ii) with, through or in collaboration with any Third Party, whether through license, assignment, joint venture, investment or otherwise (including via any arrangement or series of arrangements with a Third Party), research, develop, manufacture or commercialize [***] (a "**Competing Program**").

(b) Notwithstanding the foregoing, in the event that a Third Party becomes an Affiliate of a Party after the Effective Date through merger, acquisition, consolidation or other similar transaction:

(i) if such transaction results in a Change of Control of such Party, then the non-compete obligations set forth in Section 2.5(a) shall not apply to such new Affiliate, and such new Affiliate's conduct of any Competing Program shall not constitute a breach of such Party's exclusivity obligations set forth above; [***]; and

(ii) if such transaction does not result in a Change of Control of such Party and, as of the closing date of such transaction, such new Affiliate is engaged in the conduct of a Competing Program, then such new Affiliate shall have [***] from the closing date of such transaction to wind down or divest such Competing Program, and such new Affiliate's conduct of such Competing Program during such [***] period shall not constitute a breach of such Party's exclusivity obligations set forth above; [***].

(c) Notwithstanding the foregoing, [***], it being understood that any Competing Program [***] shall not be considered as a breach of such Party's non-compete obligation set forth above.

(d) In addition, [***], MediLink will not, and MediLink will cause its Affiliates not to (i) directly or indirectly, whether by itself or with or through any of its Affiliates, or (ii) with, through or in collaboration with any Third Party, whether through license, assignment, joint venture, investment or otherwise (including via any arrangement or series of arrangements with a Third Party), [***].

ARTICLE 3
DEVELOPMENT, MANUFACTURE AND COMMERCIALIZATION

3.1 General. Subject to the terms and conditions of this Agreement, Zai shall be solely responsible for the Development, manufacture and Commercialization of the Compounds and Products in the Field in the Territory, at Zai's own cost and expense.

3.2 Diligence.

(a) General. Subject to MediLink complying with all of its obligations under Section 3.3, Section 3.4 and Section 3.7, Zai (either by itself or through its Affiliates and sublicensees) shall use Commercially Reasonable Efforts to Develop and Commercialize at least one Product in the Field in the Territory.

(b) Development Plan. No later than [***] after the Effective Date, Zai shall prepare an initial Development plan, consistent with the outline for carrying out the clinical studies and other material Development activities ("**Outline of Zai Development Plan**") as set forth in **Exhibit C**, for the Product in the Field in the Territory for JSC's review, discussion and approval (upon JSC's approval, such plan, as may be amended from time to time pursuant to this Section 3.2(b), the "**Zai Development Plan**"). From time to time, the JSC shall consider and approve any proposed modifications or updates proposed by Zai. During the Term of this Agreement, Zai shall use Commercially Reasonable Efforts to conduct and complete all the required Development activities in the Territory in compliance in all material aspects with the Zai Development Plans.

(c) Development Goals.

(i) Zai shall use Commercially Reasonable Efforts to [***]. Notwithstanding anything to the contrary in this Agreement, Zai will not be deemed to be in breach of its obligations under this Section 3.2(c) to the extent it is prevented from or delayed in using Commercially Reasonable Efforts to achieve such goal as the result of any technical problems inherent in the Product, or any change of the Development strategy as agreed by the Parties, or any freedom to operate issue with respect to the Product. [***].

(ii) In addition, if, for any [***], then, through the JSC, the Parties shall discuss the future arrangement of the Development of Product under this Agreement and, if the Parties fail to reach agreement within [***], MediLink shall have the right to terminate this Agreement pursuant to Section 7.2(e).

3.3 Transition. Within [***] after the Effective Date, (a) MediLink shall transfer to Zai all Licensed Know-How (including Regulatory Materials) that exists on the Effective Date and is necessary or reasonably useful for the research, Development and Commercialization of the Compounds and Products in the Field in the Territory, and (b) the Parties will discuss and agree upon a written transition plan to effect the transition to Zai of all activities with respect to the Compounds and Products in the Field, other than the CMC and IND Enabling Studies and the manufacturing activities set forth in Section 3.7 (such plan, the "**Transition Plan**"), which shall include a list of such Licensed Know-How to be transferred. [***].

3.4 CMC and IND Enabling Studies.

(a) MediLink Development Plan. After the Effective Date, MediLink shall work with Zai to complete the IND enabling studies, the CMC studies, and other preclinical development and manufacturing activities with respect to the Compounds and Products, including [***] under Zai's oversight and pursuant to this Section 3.4(a) in order to secure the IND approvals for the Products. As of the Effective Date, the Parties have agreed to a plan for the CMC and IND Enabling Studies with respect to the Compounds and Products in the Field, as set forth in **Exhibit B** (such plan, as may be amended from time to time pursuant to this Section 3.4(a), the "**MediLink Development Plan**"). The MediLink Development Plan shall set forth with reasonable details, *inter alia*, (i) the scope and timeline of the CMC and IND Enabling Studies to be conducted by or on behalf of MediLink, [***]. Any changes, amendments or revisions to the MediLink Development Plan shall require JSC's approval. MediLink shall (1) perform all of the activities assigned to it under the MediLink Development Plan in good scientific manner and in compliance with all applicable Law and this Agreement, and (2) allocate sufficient time, effort, equipment, and skilled personnel to complete such activities in accordance with the MediLink Development Plan (including the timeline set forth therein). MediLink shall not, and shall cause its Affiliates and Permitted Subcontractors not to, conduct any activities with respect to the Compounds and/or Products outside the MediLink Development Plan, unless otherwise agreed by the Parties.

(b) Performance. The Parties will collaborate in good faith in completing the CMC and IND Enabling Studies set forth in the MediLink Development Plan. MediLink shall keep Zai fully informed of the activities conducted by or on behalf of MediLink under the MediLink Development Plan and provide Zai with copies of all data and results generated thereunder in a timely manner. Zai shall have final decision-making authority with respect to any and all CMC and IND Enabling Studies performed under this Section 3.4, provided that Zai will consider MediLink's comments thereon in good faith. For clarity, Zai shall have the right to take over or terminate any activities assigned to MediLink at any time in its sole and absolute discretion and at Zai's own cost and expense.

(c) Affiliates and Permitted Subcontractors. MediLink shall not subcontract or delegate any of the activities assigned to it under the MediLink Development Plan to any Third Party, other than the permitted Third Party subcontractors set forth in the MediLink Development Plan or otherwise approved by Zai in writing (such approval cannot be unreasonably withheld)

(such Third Party subcontractors, "**Permitted Subcontractors**"). MediLink shall cause its Affiliates and Permitted Subcontractors to comply with the provisions of this Agreement in connection with the performance of MediLink's obligations under the MediLink Development Plan and this Agreement, including confidentiality and non-use obligations and ownership of Inventions. MediLink shall be responsible for the performance of its Affiliates and Permitted Subcontractors and any breach by its Affiliates or Permitted Subcontractors of any of MediLink's obligations under the MediLink Development Plan and this Agreement shall be deemed a breach by MediLink.

(d) Cost.

(i) Zai will pay MediLink the sum of the following payments ("**CMC and IND Enabling Study Payments**") for the CMC and IND Enabling Studies conducted by MediLink: [***]. In the event that Zai elects to take over or terminate any activities assigned to MediLink pursuant to the last sentence of Section 3.4(b), the Parties shall discuss in good faith appropriate reduction to the CMC and IND Enabling Study Payments to account for the cost of such activities. Notwithstanding the foregoing, no reduction to the CMC and IND Enabling Study Payments will incur to the extent such payments cover Third Party Costs committed by MediLink that are not cancellable and cannot be reallocated to other projects, if Zai elects to take over or terminate any activities assigned to MediLink under the MediLink Development Plan that have been initiated at the time Zai makes such election in its written notice to MediLink.

(ii) As of the Effective Date, the estimated fee in clause (III) of Section 3.4(d)(i) above is [***]. For clarity, the Parties acknowledge that the above estimated price for Third Party Costs is for reference purpose, and such Third Party Costs for IND enabling studies will be ultimately determined and paid on the basis of the amount actually paid by MediLink to the Permitted Subcontractors for the IND enabling studies. MediLink agrees to provide Zai with full transparency into all Third Party Costs with respect to each activity assigned to it under the MediLink Development Plan and will maintain records relating to all Third Party Costs for the performance of each such activity.

(iii) After receipt by Zai of the final study report of [***] provided by MediLink, MediLink shall invoice Zai for [***], and Zai will make such payment to MediLink no later than [***] after receipt of such an invoice from MediLink. For the avoidance of doubt, such payment for [***] in as set forth in clause (III) of Section 3.4(d)(i) above.

(iv) Zai shall notify MediLink in writing within [***] after the first IND Acceptance of a Product. After receipt of such notice, MediLink shall invoice Zai for parts (I), (II) and (III) of the CMC and IND Enabling Study Payments. No later than [***] after receipt of such an invoice from MediLink, Zai will make payment of parts (I), (II) and (III) of CMC and IND Enabling Study Payments to MediLink.

(v) Notwithstanding the foregoing, unless otherwise agreed by the Parties, if this Agreement is terminated by Zai pursuant to Section 7.2(a) before the achievement of the first IND Acceptance of a Product, then Zai shall not be required to pay for any CMC and

IND Enabling Study Payments to MediLink, but Zai shall instead pay MediLink, within [***] after the effective date of such termination, either:

(1) if MediLink has completed [***] that have not been completed by MediLink before the receipt of the notice of termination; or

(2) if MediLink has not completed [***], an amount equal to the actual cost (including non-cancelable obligations) incurred by MediLink to conduct such IND enabling studies.

(vi) For clarity, the Compound and Product manufactured by MediLink under the MediLink Development Plan, [***], shall be solely owned by Zai.

(e) Scientific Records. MediLink shall, and shall cause its Affiliates and Permitted Subcontractors to, maintain reasonably complete, current and accurate records of all CMC and IND Enabling Studies related activities conducted by or on behalf of MediLink under the MediLink Development Plan, and all data and other information resulting from such activities. Such records shall fully and properly reflect all work done and results achieved in the performance of the activities assigned to MediLink under the MediLink Development Plan in good scientific manner. Such records will be maintained in sufficient detail and in good scientific manner appropriate for patent and regulatory purposes and in accordance with applicable Laws. MediLink shall keep Zai informed on the progress, results and status of all work performed under the MediLink Development Plan through periodic reports as required in the MediLink Development Plan. Upon completion of all activities under the MediLink Development Plan or Zai's request, MediLink shall promptly provide Zai with any and all data, results and information generated under the MediLink Development Plan to the extent not previously provided. Upon Zai's request from time to time, MediLink shall make available its relevant personnel to discuss such data, results and information with Zai and answer any questions Zai may have with respect thereto. Zai shall have the right to review and copy the records maintained by MediLink at reasonable times and to obtain access to the original records to the extent necessary or reasonably useful for the purpose of obtaining the Regulatory Approvals of the Products in the Field in the Territory. For clarity, Zai shall have the right to use the data and results generated by MediLink under the MediLink Development Plan to support further Development of the Product in the Field in the Territory without additional payment to MediLink.

(f) Financial Records and Audit. MediLink shall, and shall cause its Affiliates and Permitted Subcontractors to, keep complete and accurate books and records in sufficient detail for the purpose of determining all amounts payable under this Section 3.4. Upon at least [***] prior notice, such books and records shall be open for examination, during regular business hours, for a period of [***] from the creation of such books and records, and not more often than [***]. Section 4.12 shall apply to such books and records for purposes of confirming the costs and expenses incurred in performing the activities assigned to MediLink under the MediLink Development Plan, *mutatis mutandis*, with Zai being the auditing party and MediLink being the audited party.

3.5 Other Development Activities.

(a) Except for the CMC and IND Enabling Studies set forth in the MediLink Development Plan, Zai (either by itself or through its Affiliates and sublicensees) shall have the sole right, at its sole discretion and own cost and expense, to Develop the Products in the Field in the Territory consistent with the Zai Development Plan. Without limiting the generality of the foregoing, Zai will have the sole right to lead global development and be responsible for all clinical trials required for the Regulatory Approvals of the Products in the Field in the Territory consistent with the Zai Development Plan. Upon Zai's request, MediLink shall cooperate with Zai in such efforts with respect to the Development of the Products in the Field in the Territory.

(b) Zai will pay MediLink the documented FTE Costs for the FTE hours actually worked by such FTEs after the Effective Date as requested by Zai in performance of the cooperation with Zai for such Development activities. For clarity, the FTE Rate shall apply only to employees of MediLink and its Affiliates. No later than [***] following [***], MediLink will provide Zai with a reasonably detailed invoice, which shall include a report of the number of FTEs assigned to cooperate with Zai and the cooperation activities requested by Zai and performed by such FTEs. No later than [***] after receipt of an invoice from MediLink, Zai will make payment of FTE Costs for such [***]. For purposes of this Section 3.5, (I) "**FTE Costs**" means, for any period, the sum of each FTE costs. Each FTE costs will be calculated as follows: each given FTE Rate multiplied by the number of relevant FTEs applied to such FTE Rate in such period; (II) "**FTE Rate**" means the rate for different employees as set forth in **Exhibit E**; and (III) "**FTE**" means the equivalent of the work of one appropriately qualified employee working on a full-time basis in performing the cooperation activities requested by Zai under this Section 3.5 for hourly base period time. [***]. In no event will one person be counted as greater than one (1) FTE.

3.6 Regulatory.

(a) Zai (either by itself or through its Affiliates and sublicensees) shall have the sole right to apply for and maintain, at its sole discretion and own cost and expense, all Regulatory Approvals of the Products in the Field in the Territory consistent with the Zai Development Plan. Zai shall be responsible for the preparation of all Regulatory Materials and Zai or its designee shall be the holder of such Regulatory Approvals in the Territory.

(b) Zai shall be responsible for all communications and interactions with Regulatory Authorities with respect to the Products in the Field in the Territory, both prior to and subsequent to Regulatory Approval. Unless otherwise required by applicable Law, MediLink shall not, and shall cause its Affiliates and Permitted Subcontractors not to, correspond or communicate with Regulatory Authorities regarding any Compound or Product without Zai's prior written consent. If MediLink, its Affiliates, or Permitted Subcontractors receive any correspondence or other communication from a Regulatory Authority regarding a Compound or Product, MediLink shall provide Zai with access to or copies of all such correspondence or communication promptly after its receipt.

(c) Zai shall keep MediLink reasonably informed of regulatory developments related to Products in each jurisdiction in the Territory and will promptly notify MediLink in writing of any major decision by any Regulatory Authority in the Territory regarding any Product.

(d) MediLink shall support Zai as may be requested by Zai from time to time in connection with Zai's preparation, submission to Regulatory Authorities and maintenance of Regulatory Materials, including to obtain or maintain IND and Regulatory Approvals, for any Compounds and Products, including attending meetings with Regulatory Authorities regarding any Compound or Product upon Zai's request. Zai will pay MediLink the documented FTE Costs for the FTE hours actually worked by such FTEs after the Effective Date in performance of the support to Zai for such regulatory affairs. The calculation method of FTE Costs and the payment mechanism as set forth in Section 3.5(b) shall apply *mutatis mutandis*.

3.7 Manufacture and Supply.

(a) Prior to the date of the Initiation of the first Pivotal Clinical Trial with respect to a Product in a given jurisdiction, in addition to [***] under the MediLink Development Plan, MediLink shall (either by itself or through its Affiliates or CDMOs) manufacture and supply all of Zai's requirements of any Compound, Product, linker of any Compound, and/or payload of any Compound for Development use under the current manufacturing scale [***]. The Parties agree that in case of any change of labor cost, material cost, facility cost (e.g. plant, equipment, etc.) and other reasonable cost resulting in MediLink changing price for drug product of similar manufacturing scale for all of its customers, such price for drug product can be changed upon mutual agreement and execution of relevant supplemental agreement thereof by the Parties.

(b) Following the date of the Initiation of the first Pivotal Clinical Trial with respect to a Product in a given jurisdiction, unless otherwise provided in this Agreement, Zai shall procure any Compound, Product, linker of any Compound, and/or payload of any Compound from MediLink for Development or Commercialization use under the manufacturing scale [***]. Further, after completion of the relevant manufacturing technology transfer set forth in Sections 3.7(e) and 3.7(f) below, Zai shall have the right to manufacture any Compound, Product, linker and/or payload of the Compound either by itself or through its Affiliates or CDMOs established by Zai. The Parties agree that in case of any change of labor cost, material cost, facility cost (e.g. plant, equipment, etc.) and other reasonable cost resulting in MediLink changing price for drug product of similar manufacturing scale for all of its customers, such price for drug product can be changed upon mutual agreement and execution of relevant supplemental agreement thereof by the Parties.

(c) [***].

(d) All Compounds, Products and linkers/payloads of the Compound supplied by MediLink shall comply with applicable specifications, shall be manufactured in compliance with all applicable Laws (including GMP), and shall be accompanied by certificate of analysis and certificate of compliance as applicable. The Parties will negotiate in good faith and agree on other detailed terms for such supply, including forecast, ordering, delivery, inspection,

acceptance and other customary terms, which may be set forth in one or more separate supply agreement and quality agreement.

(e) [***].

(f) [***].

3.8 Commercialization. Zai (either by itself or through its Affiliates and sublicensees) shall be responsible for all aspects of the Commercialization of the Products in the Field in the Territory, at Zai's sole discretion and own cost and expense, including: (a) developing and executing a commercial launch and pre-launch plan, (b) negotiating with applicable Government Authorities regarding the price and reimbursement status of the Product; (c) marketing and promotion; (d) booking sales and distribution and performance of related services; (e) handling all aspects of order processing, invoicing and collection, inventory and receivables; (f) providing customer support, including handling medical queries, and performing other related functions; and (g) conforming its practices and procedures to applicable Laws relating to the marketing, detailing and promotion of the Products in the Territory. For clarity, as between the Parties, Zai shall have the sole right to book all product sales of the Products in the Field in the Territory.

3.9 Development Records and Reporting. Zai shall, and shall cause its Affiliates and sublicensees to, maintain reasonably complete, current and accurate records of all Development activities conducted by or on behalf of Zai under this Agreement, and all data and other information resulting from such activities. Such records shall fully and properly reflect all work done and results achieved in the performance of Zai's Development activities under the Zai Development Plan and this Agreement. Such records will be maintained in sufficient detail and in good scientific manner appropriate for patent and regulatory purposes and in accordance with applicable Laws. Prior to the First Commercial Sale of a Product in the Field in the Territory, within [***] after the end of [***], Zai shall provide MediLink with report summarizing its material Development activities performed during such [***] with respect to the Products in the Field in the Territory.

3.10 Alliance Manager. Within [***] after the Effective Date, each Party will appoint (and notify the other Party of the identity of) a senior representative having a general understanding of biopharmaceutical development, manufacturing and commercialization issues to act as its alliance manager under this Agreement ("**Alliance Manager**"). The Alliance Manager will serve as the contact point between the Parties for the purposes of sharing information. Each Party may replace its Alliance Manager upon written notice to the other Party.

3.11 Joint Steering Committee.

(a) Composition. The Parties shall establish a Joint Steering Committee ("**JSC**") to facilitate the exchange of information between the Parties regarding the MediLink Development Plan and the Zai Development Plan. The JSC shall be in effect throughout the Term of this Agreement. The JSC shall be composed of three (3) senior representatives that are

employees of each Party. Each Party may replace any of its representatives at any time upon written notice to the other Party with other employees of such first Party.

(b) Meetings. The JSC shall meet as soon as practicable after its creation following the Effective Date, and thereafter at least [***] per [***] and at such additional times as the Parties deem appropriate. JSC meetings may be conducted in person, by telephone or by videoconference. Each Party shall use reasonable efforts to cause all of its representatives to attend the meetings of the JSC. If a representative of a Party is unable to attend a meeting, such Party may designate an alternate member to attend such meeting in place of the absent member. Each Party shall be solely responsible for the expenses of its representatives in attending any meeting of the JSC.

(c) Responsibilities. The JSC will have the following powers and responsibilities:

(i) review, discussion and approval of any change, amendment or revision to the MediLink Development Plan;

(ii) review, discussion and approval of the initial Zai Development Plan and any change, amendment or revision thereto;

(iii) monitoring the work under the MediLink Development Plan;

(iv) monitoring the work under the Zai Development Plan;

(v) review, discussion and decision on the matters regarding the Development goals as set forth in Section 3.2(c), including the determination of whether a goal has been achieved or can be waived, the adjustment of any Development goals; and

(vi) undertaking or approving such other matters as are specifically assigned to the JSC in this Agreement.

(vii) Decision Making. Each Party, through its representatives, shall have one (1) vote on matters coming before the JSC. All decisions of the JSC shall be made in good faith and shall be unanimous. Decisions on any matter may be taken at a meeting, by conference call, video conference or in writing (including email). The JSC shall not have any authority beyond the specific matters set forth in Section 3.11 or explicitly assigned to it in any provision of this Agreement, and in particular shall not have any power to amend or waive any terms or conditions of this Agreement.

(d) Dispute Resolution within the JSC. In resolving any disputes within the responsibility of the JSC, each Party shall, subject to the terms and conditions of this Agreement, act in good faith and in a commercially reasonable manner, it being understood that the respective Alliance Managers will be the first step in attempting to resolve issues. If the JSC is unable to resolve any dispute within the responsibility of the JSC within [***] after a Party provides notice to

the other Party of the existence of such dispute, such dispute or other matter shall be referred to the Executive Officers as set forth in Section 10.6(a) for resolution.

[***].

ARTICLE 4
PAYMENTS

4.1 Upfront Payment. Zai shall pay to MediLink a one-time non-refundable upfront payment of [***] within [***] after receipt of the invoice issued by MediLink after the Effective Date.

4.2 Development Milestone Payments.

(a) Milestone Events. Subject to the remainder of this Section 4.2, Zai shall pay to MediLink the following one-time, non-refundable development milestone payments set forth in the table below upon the first achievement of the corresponding milestone event in the Field in the Territory by Zai, its Affiliates or sublicensees ("**Development Milestone**"):

Development Milestone Event	Milestone Payment
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

[***]	[***]
Total up to:	[***]

(b) Milestone Conditions.

(i) Each Development Milestone payment set forth above shall be due and payable only once, regardless of how many times such milestone event is achieved and/or the number of Products that achieve such milestone event. [***].

(ii) [***]

(iii) [***]

(iv) [***]

(v) [***]

(c) Notice and Payment. Zai shall notify MediLink in writing within [***] after the first achievement of each milestone. Zai shall pay to MediLink the corresponding milestone payment within [***] after the receipt of the invoice issued by MediLink after the delivery or receipt of the notice for the achievement of such milestone.

4.3 Sales Milestone Payments.

(a) Milestone Events. Subject to the remainder of this Section 4.3, Zai shall pay to MediLink the following one-time, non-refundable sales milestone payments set forth in the table below when the aggregated annual Net Sales of all Products sold in the Field in the Territory in a calendar year reach the corresponding threshold value indicated below.

Aggregate annual Net Sales of all Products in the Field in the Territory exceed:	**Milestone Payment**
1) [***]	[***]
2) [***]	[***]
3) [***]	[***]
4) [***]	[***]
5) [***]	[***]
Total up to:	[***]

(b) Milestone Conditions. Each sales milestone payment set forth above shall be due and payable only once, regardless of how many times such milestone event is achieved. If [***]. The Net Sales of a Product sold in a jurisdiction in the Field in the Territory after the

expiration of the Royalty Term for such Product in such jurisdiction shall not be included in the calculation of annual Net Sales to determine whether any Net Sales threshold has been achieved; [***].

(c) Notice and Payment. As part of the royalty report in Section 4.4(e), Zai shall provide written notice to MediLink if the aggregated annual Net Sales of the Products in the Field in the Territory first reach any threshold value set forth in Section 4.3(a) above during the time period to which such report pertains. Zai shall pay to MediLink the corresponding milestone payments within [***] after the receipt of the invoice issued by MediLink after the receipt of the notice for the achievement of such milestone.

4.4 Royalty Payments.

(a) Royalty Rate. Subject to the remainder of this Section 4.4, with respect to each Product, Zai shall make [***] non-refundable royalty payments to MediLink on the Net Sales of such Product sold in the Field in the Territory, as calculated by multiplying the applicable royalty rate set forth in the table below by the corresponding amount of incremental, aggregated annual Net Sales of such Product sold in the Field in the Territory in the applicable calendar year.

For that portion of annual Net Sales of a Product in the Field in the Territory	**Royalty Rate**
[***] [***]	[***]
[***] [***]	[***]
[***] [***]	[***]
[***] [***]	[***]

(b) Royalty Term. Zai's obligation to pay royalties pursuant to this Section shall expire, on a Product-by-Product and jurisdiction-by-jurisdiction basis, upon the latest of [***].

(c) Royalty Conditions. The royalties under this Section 4.4 shall be subject to the following conditions: [***].

(d) Royalty Reductions. [***].

(e) Report and Payment. Within [***] after the end of [***], commencing with the First Commercial Sale of a Product in the Territory, Zai shall provide MediLink with a royalty report that contains the following information for the applicable calendar quarter, on a Product-by-Product and jurisdiction-by-jurisdiction basis: (i) the amount of gross sales of the Product, (ii) a calculation of Net Sales of the Product, (iii) a calculation of the royalty payment due on such Net Sales, including the application of any reduction made in accordance with Section 4.4(d), (iv) the exchange rate for such jurisdiction, and (v) the aggregate annual Net Sales and whether any sales milestone has been achieved. Zai shall pay MediLink in Dollars the

royalties owed with respect to Net Sales for such calendar quarter within [***] after the receipt of the invoice issued by MediLink after the receipt of the royalty report for such calendar quarter.

4.5 Sublicense Payments. Subject to the remainder of this Section 4.5, Zai shall pay to MediLink sublicense payments (each, a "**Sublicense Payment**") on a sublicense agreement-by- sublicense agreement basis, calculated by multiplying the applicable payment rate for the product development stage in the Field in the Territory for such sublicense agreement at which the lead Product under such sublicense agreement is sublicensed (as set forth below in this Section 4.5) by the amount of the Sublicense Income received by Zai or its Affiliates during the Term with respect to such sublicense agreement. Notwithstanding anything to the contrary in this Agreement, if any Development Milestone is triggered and a sublicensee is obligated to pay any consideration to Zai or any of its Affiliates for the [***]. Zai will notify MediLink in writing within [***] after Zai's receipt of any Sublicense Income. Zai shall pay to MediLink the corresponding Sublicense Payment within [***] after the receipt of the invoice issued by MediLink after the receipt of the notice for the receipt of such Sublicense Income. For purposes of the table set forth in this Section 4.5, [***].

Product development stage at the time of the signing date of the applicable sublicense agreement:	**Payment Rate**
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

4.6 MediLink's Third Parties Payment Obligations. MediLink shall be solely responsible for the payment of royalty, milestone and other payments due to Third Parties under any agreements between MediLink (or its Affiliates) and Third Parties on account of Zai's, its Affiliates' and sublicensees' Development, manufacture, Commercialization and exploitation of the Compounds and Products in the Field in the Territory.

4.7 Currency; Exchange Rate. All payments due from Zai to MediLink under this Agreement shall be made by Zai in Dollars by bank wire transfer in immediately available funds to a bank account designated by MediLink in writing. The rate of exchange to be used in computing the amount of currency equivalent in Dollars shall be made at the average of the closing exchange rates reported by Bank of China for the first, middle and last business days of the applicable reporting period for the payment due.

4.8 Blocked Currency. If the conversion of a local currency in the Territory into Dollars or transfer of funds out of a jurisdiction in the Territory becomes materially restricted, forbidden or substantially delayed due to applicable Laws, then Zai shall promptly notify MediLink and amounts accrued in such jurisdiction may be paid by Zai in local currency into an account in a local bank designated by MediLink, provided that MediLink has an account in the

given local bank or MediLink agrees to (but not obliged to) open an account in such local bank for the purpose hereof and to the extent it is practically permissible, unless the Parties otherwise agree. For the avoidance of doubt, any additional taxes and/or expenses resulting therefrom for all the payments hereunder being transferred into the specific bank account designated by MediLink (e.g. PRC bank account) shall be borne by Zai.

4.9 Late Payments. If Zai fails to pay any undisputed sum due to MediLink on or before the due date therefor, simple interest shall thereafter accrue on the sum due from the due date until the date of payment at a [***] Zai's any material breach of its payment obligations under this Agreement shall be regarded as a material breach of this Agreement, and MediLink is entitled (without obligation) to terminate this Agreement in accordance with Section 7.2(b). Notwithstanding the foregoing, unless otherwise provided herein, the interest and constitution of a material breach set forth in this Section 4.9 shall not apply if the payment is delayed due to government restriction on currency conversion or transfer of funds out of a jurisdiction in the Territory, and in that case, the Parties shall discuss to address such late payment (e.g. discussion for the solution of making such payment through other jurisdiction or by Zai's Affiliates on behalf of Zai) upon MediLink's receipt of written notice of such government restriction from Zai with evidence.

4.10 No Refunds. Except as expressly provided herein (including any refund for overpayment) or otherwise agreed by the Parties, all payments under this Agreement will be irrevocable, non-refundable and non-creditable.

4.11 Taxes.

(a) Taxes on Income. [***].

(b) Tax Cooperation; Withholding Tax.

(i) The Parties agree to cooperate with one another and use reasonable efforts to avoid or reduce tax withholding or similar obligations in respect of royalties, milestone payments, and other payments made under this Agreement. [***]. At the request and expense of the other Party, each Party shall provide reasonable assistance to enable the recovery, to the extent permitted by Law, of withholding taxes or similar obligations resulting from payments made under this Agreement, which recovery shall be for the benefit of the Party bearing such withholding tax as set forth in Sections 4.11(b)(ii) and (iii).

(ii) Except for the [***].

(iii) Notwithstanding the foregoing, Zai shall [***]; provided however that Zai shall not be required to [***]if MediLink fails to timely provide Zai with the tax forms or assistance as set forth in Section 4.11(b)(i) above or if the tax withholding arises or is increased due to an action taken by MediLink, such as a change of residence of MediLink or an assignment of the Agreement by MediLink.

4.12 Financial Records and Audit. Zai shall, and shall cause its Affiliates and sublicensees to, maintain complete and accurate books and records in sufficient detail to permit MediLink to confirm the accuracy of Net Sales reported by Zai and the achievement of sales milestones under this Agreement. Upon at least [***] prior notice, such books and records shall be open for examination, during regular business hours, for a period of [***] from the creation of individual records, and not more often than [***], by an independent certified public accountant selected by MediLink and reasonably acceptable to Zai, for the sole purpose of verifying for MediLink the accuracy of the financial reports provided by Zai under this Agreement. MediLink shall bear the cost of such audit unless such audit reveals an underpayment by Zai of more than [***] of the amount actually due for the time period being audited, in which case Zai shall reimburse MediLink for the costs of such audit. Zai shall pay to MediLink any underpayment discovered by such audit within [***] after the accountant's report, plus interest (as set forth in Section 4.9) from the original due date. If the audit reveals an overpayment by Zai, then Zai may take a credit for such overpayment against any future payments due to MediLink (if there will be no future payment due, then MediLink shall promptly refund such amount to Zai).

ARTICLE 5
INTELLECTUAL PROPERTY RIGHTS

5.1 Inventions.

(a) Each Party shall solely own all Inventions invented or developed solely by or on behalf of such Party, including its and its Affiliate's employees, contractors and/or agents. The Parties shall jointly own all Inventions invented or developed jointly by both Parties. Except to the extent restricted by the licenses and other rights granted to other Party under this Agreement or any other agreement between the Parties, each Party, as joint owners, shall be entitled to practice, license, assign and otherwise exploit its interest in the jointly owned Inventions without the duty of accounting or seeking consent from the other Party.

(b) [***].

5.2 Patent Prosecution.

(a) As between the Parties, (i) Zai shall have the first right to file, prosecute and maintain (1) any Licensed Product Patents, including those identified as such in **Exhibit A**, [***].

(b) For clarification, any Licensed Patents that claim [***] will not fall into the condition of item (i)(1) or item (i)(2) of Section 5.2(a). MediLink shall have the first right to file, prosecute and maintain such Licensed Patents [***].

(c) Each Party shall consult with the other Party and keep the other Party reasonably informed of the status of the Licensed Patents and shall provide the other Party with all material correspondence received from any patent authority in the Territory in connection therewith, provided that such provision of correspondence shall not be more than [***]. In addition,

each prosecuting Party shall promptly provide the other Party with drafts of all proposed material filings and correspondence to any patent authority in the Territory with respect to the Licensed Patents for the other Party's review and comment prior to the submission of such proposed filings and correspondences. The prosecuting Party shall consider in good faith the other Party's comments prior to submitting such filing and correspondences.

(d) Each Party shall notify the other Party of any decision to cease prosecution or maintenance of any Licensed Patents that such Party has the first right to prosecute or maintain. Such Party shall provide such notice at least [***] prior to any filing or payment due date, or any other due date that requires action, in connection with such Licensed Patent. In such event, upon the other Party's request, such Party shall transfer the prosecution and maintenance of such Licensed Patents in the Territory to the other Party, and the other Party shall have the right to continue prosecution or maintenance of such Licensed Patents in the Territory at the other Party's own expense.

(e) Each Party shall provide the other Party all reasonable assistance and cooperation in the patent prosecution efforts under this Section 5.2, including (i) providing any information required for such prosecution as reasonably requested by the other Party (if applicable); and (ii) providing any necessary powers of attorney and executing any other required documents or instruments for such prosecution.

5.3 Patent Enforcement.

(a) Each Party shall promptly notify the other Party if it becomes aware of any alleged or threatened infringement by a Third Party of any Licensed Product Patents or the jointly owned Inventions in the Field in the Territory (the "**Territory Infringement**"). The information of such Territory Infringement as disclosed by such Party to the other Party shall be considered Confidential Information of both Parties, subject to Article 6.

(b) As between the Parties, Zai shall have the first right to bring and control any legal action in connection with any **Territory Infringement** of (i) any Licensed Product Patents; (ii) the jointly owned Inventions; and (iii) any other claim in any Licensed Platform Patents with the approval of MediLink, in each case at its own expense and as it reasonably determines appropriate, and Zai shall consider in good faith the interests of MediLink in such legal action. MediLink shall have the right to be represented in any such action by counsel of its choice at its own expense. If [***], then, in either case, MediLink shall have the right to bring and control any legal action in connection with such Territory Infringement [***].

(c) As between the Parties, MediLink shall have the first right to bring and control any legal action in connection with any Territory Infringement of any Licensed Platform Patents against an infringer exploiting compounds and products across MediLink's technology platform, at MediLink's own expense and as it reasonably determines appropriate [***].

(d) At the request and expense of the Party bringing the action under Section 5.3(b) or Section 5.3(c) above, the other Party shall provide reasonable assistance in connection therewith, including by executing reasonably appropriate documents, cooperating in discovery

and joining as a party to the action if required. In connection with any such proceeding, the Party bringing the action under Section 5.3(b) or Section 5.3(c) shall keep the other Party reasonably informed on the status of such action and shall not enter into any settlement admitting the invalidity of, or otherwise impairing the other Party's rights in, the Licensed Patents without the prior written consent of the other Party (not to be unreasonably withheld).

(e) [***].

5.4 Defense of Licensed Patents. In the event that a Party receives notice of any claim alleging the invalidity or unenforceability of any Licensed Patent, such Party shall bring such claim to the attention of the other Party, including all relevant information related to such claim. The Parties shall discuss such claim. Where such allegation is made in an opposition, reexamination, interference or other patent office proceeding or a declaratory judgement action, then the provisions of Section 5.2 shall apply; provided however that if a Party wishes to bring an infringement claim to enforce the Licensed Patent, then the provisions of Section 5.3 shall apply. Where such allegation is made in a counterclaim to an enforcement action brought under Section 5.3, then the provisions of Section 5.3 shall apply. Each Party shall provide to the Party defending any such rights under this Section 5.4 all reasonable assistance in such enforcement, at such defending Party's request and expense. The defending Party shall keep the other Party reasonably informed of the status and progress of such efforts and shall reasonably consider the other Party's comments on any such efforts. Without the prior written consent of the other Party (not to be unreasonably withheld), neither Party shall enter into any settlement of any claim, suit or action that it defended under this Section 5.4 that admits the invalidity or unenforceability of any Licensed Patent, requires abandonment or limits the scope of any Licensed Patent or would limit or restrict the ability of either Party to Develop, manufacture or Commercialize the Products.

5.5 Defense of Third Party Claims. If a claim is brought by a Third Party alleging infringement of any Know-How, Patent, or any other intellectual property right of such Third Party by the Development, manufacture or Commercialization of the Product, the Party first having notice of the claim or assertion shall promptly notify the other Party, the Parties shall agree on and enter into an "common interest agreement" wherein the Parties agree to their shared, mutual interest in the outcome of such potential dispute, and thereafter, the Parties shall promptly meet to consider the claim or assertion and the appropriate course of action. Each Party shall be entitled to represent itself in any litigation to which it is a party, at its own expense, unless otherwise agreed upon by the Parties or as otherwise set forth in this Agreement. No Party may enter into any settlement in a manner that diminishes the other Party's rights in, the Licensed IP or the Inventions without the prior written consent of the other Party.

5.6 Bankruptcy Protection. All licenses granted by MediLink to Zai under this Agreement are and shall otherwise be deemed to be, for purposes of Section 365(n) of Title 11, United States Code or foreign equivalent laws (the "**Bankruptcy Code**"), licenses of rights to "intellectual property" as defined in Section 101 of the Bankruptcy Code. As the licensee, Zai shall retain and may fully exercise all of its rights and elections under the Bankruptcy Code. Upon the bankruptcy of MediLink, Zai shall further be entitled to a complete duplicate of, or

complete access to, any such intellectual property, and such, if not already in its possession, shall be promptly delivered to Zai, unless MediLink elects to continue, and continues, to perform all of its obligations under this Agreement.

5.7 Trademarks. Zai shall have the right to brand the Products in the Territory using Zai related trademarks and any other trademarks and trade names (including Chinese character trademarks and trade names) Zai determines appropriate for the Products, which may vary by jurisdiction or within a jurisdiction in the Territory ("**Product Marks**"). Zai shall own all rights in the Product Marks, and all goodwill in the Product Marks shall accrue to Zai. Zai shall register, maintain and enforce, at its own cost and expense, the Product Marks in the Territory as Zai determines reasonably necessary.

5.8 License Registration. Zai shall have the right to register the license granted by MediLink to Zai hereunder with the China National Intellectual Property Administration ("**CNIPA**"), by submitting this Agreement (or a simplified and/or Chinese language version of this Agreement) and other required documents to CNIPA. Zai shall be solely responsible for leading such license registration process, including drafting all the required agreements and documents, and communicating with CNIPA. Upon Zai's request, MediLink shall execute such documents and take such further action reasonably requested by Zai in connection with such registration, provided that Zai shall provide the drafts of such documents to MediLink for review and approval before submitting to CNIPA. For the avoidance of doubt, if there is any discrepancy between this Agreement and the simplified and/or Chinese language version of this Agreement for registration purpose, this Agreement shall prevail.

5.9 No-Challenge Clause. In the event that (i) Zai or any of its Affiliates, sublicensees, or agents bring a Patent Challenge against the Licensed Patents, or (ii) Zai or any of its Affiliates, sublicensees, or agents assist a Third Party in bringing a Patent Challenge against the Licensed Patents, and (iii) MediLink does not choose to exercise its right to terminate this Agreement pursuant to Section 7.2(d), then the royalty and milestone payments due hereunder shall continue to be payable at least until the Patent Challenge has been upheld by a final and unappealable decision of a court or Governmental Authority. In the event that such a Patent Challenge is successful, Zai will have no right to recoup any payments made before or during the period of challenge. In the event that a Patent Challenge is unsuccessful, Zai shall reimburse MediLink for all reasonable costs incurred by MediLink or its Affiliates in their defense against the Patent Challenge.

ARTICLE 6
CONFIDENTIALITY

6.1 Confidentiality Obligations. Except to the extent expressly authorized by this Agreement or otherwise agreed in writing by the Parties, each Party agrees that, during the Term of this Agreement and [***] thereafter, it shall keep confidential and shall not publish or otherwise disclose and shall not use for any purpose other than as provided for in this Agreement (which includes the exercise of any rights or the performance of any obligations hereunder) any Confidential Information of the other Party. Each Party shall cause its Affiliates and its sublicensees and its and their respective officers, directors, employees, and agents to comply with the confidentiality obligations set forth herein. In addition, MediLink shall protect the secrecy and

confidentiality of the Licensed Know-How using at least the same degree of care as it uses to prevent the disclosure of its own other confidential information of like importance, but in no event less than a reasonable degree of care.

6.2 Exceptions. The obligations set forth in Section 6.1 shall not apply to any information that the receiving Party can demonstrate that such information:

(a) is known by the receiving Party at the time of its receipt without an obligation of confidentiality, and not through a prior disclosure by the disclosing Party, as documented by the receiving Party's business records;

(b) is in the public domain before its receipt from the disclosing Party, or thereafter enters the public domain other than through the receiving Party's breach of the confidentiality obligations set forth herein;

(c) is subsequently disclosed to the receiving Party by a Third Party who may lawfully do so and is not under an obligation of confidentiality to the disclosing Party; or

(d) is developed by the receiving Party independently and without use of, or reference to, any Confidential Information of the disclosing Party, as documented by the receiving Party's business records.

Any combination of features or disclosures that would otherwise constitute Confidential Information shall not be deemed to fall within the foregoing exclusions merely because individual features are published or available to the general public or in the rightful possession of the receiving Party unless the combination itself and principle of operation are published or available to the general public or in the rightful possession of the receiving Party.

6.3 Authorized Disclosures. Notwithstanding the obligations set forth in Sections 6.1 and 6.5, a Party may disclose the other Party's Confidential Information to the extent:

(a) such disclosure is reasonably necessary: (i) for the filing, prosecution and enforcement of Patents as contemplated by this Agreement; (ii) in connection with regulatory filings for the Products (for clarity, this clause (ii) shall only apply to Zai, but not MediLink, as a disclosing Party); (iii) for the prosecuting or defending litigation as contemplated by this Agreement; or (iv) for disclosure to Third Parties bound by written obligation of confidentiality and non-use at least as stringent as those set forth under this Article 6 and only to the extent necessary or appropriate in connection with the exercise of its rights or the performance of its obligations hereunder;

(b) such disclosure is reasonably necessary: (i) to such Party's directors, attorneys, independent accountants or financial advisors for the sole purpose of enabling such directors, attorneys, independent accountants or financial advisors to provide advice to such Party; or (ii) to actual or potential investors, acquirers, licensees and other financial or commercial partners solely for the purpose of evaluating or carrying out an actual or potential investment,

acquisition or collaboration; provided that in each such case on the condition that such recipients are bound by confidentiality and non-use obligations substantially consistent with those contained in the Agreement and only to the extent necessary or appropriate in connection with the exercise of its rights or the performance of its obligations hereunder or for the purposes described above (provided further that for disclosure to investors and other financial partners, the duration of confidentiality and non-use obligations may be shorter than what is required by Section 6.1 but no less than [***] from the date of disclosure); or

(c) such disclosure is required by applicable Laws, judicial or administrative process, provided that in such event such Party shall promptly inform the other Party of such required disclosure and provide the other Party an opportunity to challenge or limit the disclosure obligations. Confidential Information that is disclosed pursuant to this Section 6.3(c) shall remain otherwise subject to the confidentiality and non-use provisions of this Article 6, and the Party disclosing Confidential Information pursuant to Law or court order shall take all steps reasonably necessary, including seeking of confidential treatment or a protective order to ensure the continued confidential treatment of such Confidential Information.

6.4 Scientific Publication. Except to the extent required by applicable Laws, neither Party shall publish any peer-reviewed manuscripts, or give other forms of public disclosure such as abstracts and presentations, relating to the Compound or Product directed at any Licensed IP, without the other Party's review and, in the case MediLink is the Party seeking such publication or disclosure, Zai's prior written approval. Each Party shall provide the other Party with draft of any proposed publication relating to any Compound and/or Product directed at any Licensed IP at least [***] prior to its intended submission for publication. The publishing Party shall consider and implement in good faith any comments thereto provided by the other Party. Upon the other Party's request, the publishing Party shall remove any and all of such other Party's Confidential Information from the proposed publication, and shall delay the submission for a period up to [***] to allow time for the preparation and filing of a patent application directed to any Inventions disclosed in such publication. The publishing Party shall also provide the other Party a copy of the manuscript at the time of the submission. This Section 6.4 shall also apply to MediLink's proposed publication relating to the Licensed Know-How and MediLink shall remove any and all Confidential Information pertaining to Licensed Know-How from such publication upon Zai's request.

6.5 Publicity.

(a) Subject to the rest of this Section 6.5, no disclosure of the terms of this Agreement may be made by either Party, and neither Party shall use the name, trademark, trade name or logo of the other Party, its Affiliates or their respective employee(s) in any publicity, promotion, news release or disclosure relating to this Agreement or its subject matter, without the prior express written permission of the other Party, except as may be required by Law.

(b) A Party may disclose this Agreement and its terms in securities filings with the Securities Exchange Commission (or equivalent agency) (the "**SEC**") to the extent required by Law after complying with the procedure set forth in this Section 6.5. In such event,

the Party seeking such disclosure will prepare a draft confidential treatment request and proposed redacted version of this Agreement to request confidential treatment for this Agreement, and the other Party agrees to promptly (and in any event, no less than [***] after receipt of such confidential treatment request and proposed redactions) give its input in a reasonable manner in order to allow the Party seeking disclosure to file its request within the time lines proscribed by applicable Laws. The Party seeking such disclosure shall exercise Commercially Reasonable Efforts to obtain confidential treatment of this Agreement as represented by the redacted version reviewed by the other Party.

(c) Each Party acknowledges that the other Party may be legally required to make public disclosures (including in filings with the SEC) of certain material developments or material information generated under this Agreement and agrees that each Party may make such disclosures as required by Law, *provided* that the Party seeking such disclosure first provides the other Party a copy of the proposed disclosure, and provided further that (except to the extent that the Party seeking disclosure is required to disclose such information to comply with Law) if the other Party demonstrates to the reasonable satisfaction of the Party seeking disclosure, within [***] of such Party's providing the copy, that the public disclosure of previously undisclosed information will materially adversely affect the Development and/or Commercialization of the Product, the Party seeking disclosure will remove from the disclosure such specific previously undisclosed information as the other Party shall reasonably request to be removed to the extent permitted by Law.

6.6 Prior CDA. This Agreement supersedes the Non-Disclosure Agreement between the Parties dated [***] (the "**Prior CDA**") with respect to information disclosed thereunder. All information exchanged between the Parties under the Prior CDA shall be deemed Confidential Information of the disclosing Party and shall be subject to the terms of this Article 6.

6.7 Equitable Relief. Each Party acknowledges that a breach of this Article 6 may not reasonably or adequately be compensated in damages in an action at law and that such a breach may cause the other Party irreparable injury and damage. By reason thereof, each Party agrees that the other Party shall be entitled to seek, in addition to any other remedies it may have under this Agreement or otherwise, preliminary and permanent injunctive and other equitable relief to prevent or curtail any breach of the obligations relating to Confidential Information set forth herein.

ARTICLE 7
TERM AND TERMINATION

7.1 Term. The term of this Agreement ("**Term**") shall commence upon the Effective Date and, unless terminated by either Party pursuant to Section 7.2, shall continue in full force and effect, on Product-by-Product and jurisdiction-by-jurisdiction basis, until the expiration of the Royalty Term for such Product in such jurisdiction. After the expiration (but not early termination) of the Term for a particular Product in a particular jurisdiction, the licenses granted by MediLink to Zai hereunder shall continue and shall become fully paid, royalty free, perpetual and irrevocable with respect to such Product in such jurisdiction.

7.2 Termination.

(a) Termination by Zai for Convenience. At any time, Zai may terminate this Agreement (either in whole or on a Product-by-Product and jurisdiction-by-jurisdiction basis) by providing written notice of termination to MediLink, which notice includes an effective date of termination at least [***] after the date of the notice.

(b) Termination for Material Breach. If either Party believes that the other is in breach of its material obligations hereunder, then the non-breaching Party may deliver notice of such breach to the other Party. The allegedly breaching Party shall have [***] (or [***] for failure to make payment when due) from such notice to dispute or cure such breach. If the Party receiving notice of breach fails to cure, or fails to dispute, that breach within the applicable cure period set forth above, then the Party originally delivering the notice of breach may terminate this Agreement effective on written notice of termination to the other Party. If the allegedly breaching Party disputes the existence, materiality or cure of the alleged breach, the cure period shall be tolled, and the other Party shall not have the right to terminate this Agreement until such dispute is resolved in accordance with Section 10.6. Notwithstanding the foregoing, if any uncured material breach by the breaching Party is with respect to one or more, but not all, of the jurisdictions in the Territory or one or more, but not all, of the Compounds or Products, the other Party shall not have the right to terminate this Agreement in its entirety, but shall have the right to terminate this Agreement solely with respect to the jurisdiction(s) and Compound(s) and Product(s) for which such material breach and failure to cure applies.

(c) Termination on Insolvency of a Party. Either Party shall be entitled to terminate this Agreement by notice to the other Party, if at any time during the Term, (i) the other Party files for or is subject to the institution of bankruptcy, liquidation or receivership proceedings,
(ii) the other Party assigns all or a substantial portion of its assets for the benefit of creditors, (iii) a receiver or custodian is appointed for the other Party's business, or (iv) a substantial portion of the other Party's business is subject to attachment or similar process, in each case if such circumstance is not remedied or dismissed within [***] after receipt of such notice.

(d) Termination by MediLink for Patent Challenge. MediLink may terminate this Agreement with immediate effect by providing written notice of termination to Zai, if Zai does not prove to MediLink, within [***] after MediLink has requested Zai in writing to terminate a Patent Challenge in the sense of Section 5.9, that such Patent Challenge is terminated or has never been undertaken by Zai, its Affiliates, or sublicensees.

(e) Termination by MediLink for Zai's Failure to Meet the Development Diligence Goals. If Zai fails to (A) meet the Development goal set forth in [***] , and, in each case of (A) and (B), is unable to remedy the situation within [***] after receiving the notice from MediLink after the Parties fail to reach agreement to resolve such issue [***], MediLink shall have the right to amend all the licenses granted by MediLink hereunder into non-exclusive licenses and, if such failure is not remedied within the additional [***], MediLink shall have the

right to terminate this Agreement with immediate effect by providing written notice of termination to Zai.

7.3 Effect of Termination.

(a) Termination of Zai's License. Upon the early termination of this Agreement in its entirety for any reason, the license granted by MediLink to Zai under this Agreement shall terminate. [***].

(b) Other Consequences of Early Termination of this Agreement. Upon early termination (and not expiration) of this Agreement by either Party, the following shall apply:

(i) All accrued payments that are payable but unpaid by Zai at the effective date of the termination of this Agreement shall be settled within [***] after the termination of this Agreement.

(ii) If Zai terminates this Agreement under Sections 7.2(a) to 7.2(c) or MediLink terminates this Agreement under Sections 7.2(b) to 7.2(e):

(1) All sublicense agreements with respect to the Terminated Products in Terminated Jurisdictions between Zai or its Affiliates and a Third Party sublicensee pursuant to Section 2.2 ("**Affected Sublicense Agreements**") shall be automatically and simultaneously terminated. Notwithstanding the foregoing, if, at the time of such termination, there is any Affected Sublicense Agreement, and the Third Party sublicensee is in good standing of its Affected Sublicense Agreement, and such termination did not arise from any act or omission of such Third Party sublicensee, then, upon Zai's request within [***] after termination, MediLink shall negotiate with such Third Party sublicensee to grant a direct license under the Licensed IP to such Third Party sublicensee as a substitute of its sublicense from Zai with respect to the Terminated Products in the Terminated Jurisdictions. The Parties acknowledge that it is in MediLink's sole discretion whether or not to grant such direct license to such Third Party sublicensee;

(2) Zai shall within a period of [***] post the termination completely wind-down Zai's and its Affiliates' and sublicensees' exploitation of the Terminated Product in the Terminated Jurisdiction at its own cost and expense, but the foregoing shall not apply to any activities permitted under Section 7.3(a) above, or activities of sublicensees that obtain direct license from MediLink pursuant to Section 7.3(b)(ii)(1) above;

(3) Zai shall grant to MediLink an exclusive and royalty bearing license under Zai's sole Inventions and Zai's interest in any joint Inventions to Develop, manufacture and Commercialize the Terminated Product in the Field in the Terminated Jurisdiction free of charge, [***];

(4) Zai shall (i) return to MediLink all documents entitling it to act in the name and on behalf of MediLink towards patent registries and (ii) hand over to

MediLink the prosecution and maintenance of the Licensed Patents and joint Inventions, in each case to the extent that Zai is responsible for the prosecution and maintenance and relevant to the Terminated Product in the Terminated Jurisdiction, in an orderly and sound manner so that the timely filing of all necessary filings and the duly payment of all applicable fees to the patent registries can be secured by MediLink at MediLink's own cost;

(5) After the license granted by Zai to MediLink under Section 7.3(b)(ii)(3) above becomes effective, Zai shall transfer and assign to MediLink (or its designees) all Regulatory Materials relevant to the rights granted by MediLink to Zai hereunder, including Regulatory Approvals, prepared or obtained by or on behalf of Zai for the Terminated Product in the Terminated Jurisdiction prior to the effective date of such termination;

(6) Zai shall transfer to MediLink [***], all quantities of any Terminated Product in the Terminated Jurisdiction and, in the case this Agreement is terminated in its entirety, any Compound or Product, in the possession or Control of Zai or of its Affiliates (including clinical trial supplies and Terminated Products for Commercialization in the Terminated Jurisdiction); and

(7) After the license granted by Zai to MediLink under Section 7.3(b)(ii)(3) above becomes effective, Zai shall cooperate with MediLink and its designees to facilitate an orderly and prompt transition of the Development, manufacture (as applicable) and Commercialization activities, as applicable, with respect to the Terminated Products in the Terminated Jurisdictions to MediLink (or its designees) and shall provide MediLink with reasonable transition assistance for this purpose at MediLink's cost and expense.

For clarity, if this Agreement is terminated only with respect to one or more Compounds or Products in specified jurisdiction(s) and not in its entirety (such Compounds and Products, "**Terminated Products**"; such jurisdictions, "**Terminated Jurisdictions**"), then the above termination consequences shall apply with respect to such Terminated Product(s) in such Terminated Jurisdiction(s) only.

(c) Return of Confidential Information. Upon the early termination of this Agreement in its entirety, each Party shall promptly return to the other Party all Confidential Information of such other Party.

(d) Change or Cancellation of License Registration. Upon early termination of this Agreement, Zai shall be responsible for filing the change formalities (in case this Agreement is terminated only with respect to certain Terminated Jurisdictions) or cancellation formalities (in case this Agreement is terminated in its entirety) of the license registration as set forth in Section 5.8 with CNIPA according to the applicable Laws.

7.4 Survival. Expiration or termination of this Agreement shall not relieve the Parties of any obligation accruing prior to such expiration or termination. Without limiting the foregoing, the following provisions shall survive the expiration or termination of this Agreement in accordance with their terms: Article 1 (Definition), Article 4 (Payments (but solely if any

accrued payment obligations are not fully fulfilled), including Section 4.12 (Financial Records and Audit)), Section 5.1(a), Article 6 (Confidentiality), Section 7.3 (Effect of Termination), Section 7.4 (Survival), Article 9 (Indemnification; Liability), Section 10.5 (Governing Law), Section 10.6 (Dispute Resolution) and other provisions set forth in this Agreement which, from their context or meaning, are intended to survive termination or expiration of this Agreement.

7.5 Termination Not Sole Remedy. Termination is not the sole remedy under this Agreement and, whether or not termination is effected and notwithstanding anything contained in this Agreement to the contrary, all other remedies shall remain available except as agreed to otherwise herein.

ARTICLE 8
REPRESENTATIONS AND WARRANTIES

8.1 Mutual Representations and Warranties. Each Party hereby represents, warrants, and covenants (as applicable) to the other Party as follows:

(a) it is a company or corporation duly organized, validly existing, and in good standing (if applicable) under the Laws of the jurisdiction in which it is incorporated, and has full corporate power and authority and the legal right to own and operate its property and assets and to carry on its business as it is now being conducted and as contemplated in this Agreement, including, without limitation, the right to grant the licenses granted by it hereunder;

(b) as of the Effective Date, (i) it has the corporate power and authority and the legal right to enter into this Agreement and perform its obligations hereunder; (ii) it has taken all necessary corporate action on its part required to authorize the execution and delivery of the Agreement and the performance of its obligations hereunder; and (iii) the Agreement has been duly executed and delivered on behalf of such Party, and constitutes a legal, valid, and binding obligation of such Party that is enforceable against it in accordance with its terms;

(c) it is not a party to any agreement that would materially prevent it from granting the rights granted to the other Party under this Agreement or performing its obligations under the Agreement and after the Effective Date, it shall not enter into any oral or written agreement or arrangement that would conflict with its obligations under this Agreement; and

(d) it shall comply in all material aspects with all applicable Laws in the course of performing its obligations and exercising its rights under this Agreement.

8.2 Additional Representations and Warranties of MediLink. MediLink represents, warrants, and covenants (as applicable) to Zai that, as of the Effective Date:

(a) MediLink (or its Affiliates) is the sole owner of the Licensed IP, free and clear of all liens, and MediLink has the right to grant to Zai the rights and licenses under the Licensed IP as purported to be granted hereunder;

(b) All Licensed IP has been invented or developed in PRC, MediLink has obtained all necessary PRC government approvals required for the grant of the license and the transfer of the Licensed IP to Zai, including such approvals required by applicable PRC technology export control laws as of the Effective Date, and MediLink will do and execute or procure to be done and executed all such further acts, things, agreements and other documents as may be necessary (as of the Effective Date) to give effect to the terms of this Agreement, including to comply with the applicable PRC technology import and export laws and regulations.

(c) MediLink and its Affiliates have not granted, and will not grant during the Term, any rights in the Licensed IP that are inconsistent with the rights granted to Zai under this Agreement;

(d) to the knowledge of MediLink and its Affiliates, MediLink have not infringed or misappropriated any intellectual property of any Third Party during its Development and manufacture of any Compounds and/or Products, and have not received any notice from any Third Party asserting or alleging any such infringement;

(e) to the knowledge of MediLink and its Affiliates, the Development, manufacture and Commercialization (as contemplated by the Parties as of the Effective Date) of the Compounds and/or Products (as such Compounds and Products exist as of the Effective Date) can be carried out under this Agreement without infringing or misappropriating any intellectual property rights of any Third Party;

(f) there is no pending or, to the knowledge of MediLink and its Affiliates, alleged or threatened, adverse actions, suits, proceedings, or claims against MediLink or its Affiliates involving the Licensed IP, Compounds or Products;

(g) MediLink and its Affiliates are not aware of any infringement or misappropriation of any Licensed IP by any Third Party;

(h) **Exhibit A** includes all Patents Controlled by MediLink and its Affiliates as of the Effective Date that claim or cover the Compounds and/or Products, all of which have been diligently prosecuted and maintained in accordance with applicable Laws;

(i) there is no pending or, or to the knowledge of MediLink and its Affiliates, alleged or threatened, re-examination, opposition, interference or litigation, or any written communication alleging that any Licensed Patent is invalid or unenforceable anywhere in the world;

(j) MediLink (including its Affiliates and contractors) has complied with all applicable Laws in connection with the Development of the Compounds and/or Products in all material aspects, and has not used any employee, consultant or contractor who has been debarred by any Regulatory Authority, or to its knowledge, is the subject of a debarment proceeding by any Regulatory Authority;

(k) there is no agreement between MediLink or its Affiliates and any Third Party pursuant to which MediLink or its Affiliates has (i) obtained any right or license to any Compound or Product or any intellectual property rights related to any Compound or Product, or
(ii) agreed to provisions that would require Zai or any of its Affiliates or sublicensees to make any payments (including royalties) to any Third Party or to undertake or observe any restrictions or obligations with respect to the Development, manufacture, Commercialization or other exploitation of any Compound or Product in the Field in the Territory; and

(l) all information provided by MediLink to Zai for due diligence purposes in relation to this Agreement is complete and accurate in all material respects. Without limiting the foregoing, MediLink has disclosed to Zai and made available to Zai for review of all material non- clinical and clinical data for the Compounds and Products, and all other material information (including relevant correspondence with Regulatory Authorities) relating to the Compounds and Products, in each case that would be material for Zai to assess the safety and efficacy of the Compounds and Products.

8.3 Disclaimer. EXCEPT AS EXPRESSLY STATED HEREIN, NO OTHER REPRESENTATIONS OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, WARRANTY OF VALIDITY OF LICENSED IP, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, IS MADE OR GIVEN BY OR ON BEHALF OF A PARTY. ALL SUCH OTHER REPRESENTATIONS AND WARRANTIES, WHETHER ARISING BY OPERATION OF LAW OR OTHERWISE, ARE HEREBY EXPRESSLY EXCLUDED. EXCEPT AS EXPRESSLY STATED HEREIN, NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED AS A WARRANTY OR REPRESENTATION BY MEDILINK THAT THE COMPOUND OR PRODUCT, OR THE PRACTICE OR USE OF THE LICENSED IP WILL NOT INFRINGE THE INTELLECTUAL PROPERTY RIGHTS OF ANY THIRD PARTY. Both Parties understand that the Compounds and Products are the subject of ongoing research and development and neither Party can assure that any Compound or Product can be successfully Developed and Commercialized.

ARTICLE 9
INDEMNIFICATION; LIABILITY

9.1 Indemnification by MediLink. MediLink shall indemnify and hold Zai, its Affiliates and their respective officers, directors, agents and employees ("**Zai Indemnitees**") harmless from and against any Claims against them arising or resulting from:

(a) the negligence or willful misconduct or breach of this Agreement by any of the MediLink Indemnitees; or

(b) the Development, manufacture and Commercialization of any Compound or Product by or on behalf of MediLink, its Affiliates, licensees and sublicensees (other than Zai, its Affiliates and sublicensees);

except in each case, to the extent such Claims result from any activities set forth in Section 9.2 for which Zai is obligated to indemnify the MediLink Indemnitee.

9.2 Indemnification by Zai. Zai shall indemnify and hold MediLink, its Affiliates and their respective officers, directors, agents and employees ("**MediLink Indemnitees**") harmless from and against any Claims against them arising or resulting from:

(a) the negligence or willful misconduct or breach of this Agreement by any of the Zai Indemnitees; or

(b) the Development, manufacture and Commercialization of any Compound or Product by or on behalf of Zai, its Affiliates or sublicensees (other than MediLink and its Affiliates); except in each case, to the extent such Claims result from any activities set forth in Section 9.1 for which MediLink is obligated to indemnify the Zai Indemnitee.

9.3 Indemnification Procedure. If either Party is seeking indemnification under Sections 9.1 or 9.2 (the "Indemnified Party"), it shall inform the other Party (the "Indemnifying Party") of the Claim giving rise to the obligation to indemnify pursuant to such Section as soon as reasonably practicable after receiving notice of the Claim. [***].

9.4 Mitigation of Loss. Each Indemnified Party shall take and shall procure that its Affiliates take all such reasonable steps and action as are reasonably necessary or as the Indemnifying Party may reasonably require in order to mitigate any Claims (or potential losses or damages) under this Article 9. Nothing in this Agreement shall or shall be deemed to relieve any Party of any common law or other duty to mitigate any losses incurred by it.

9.5 Limitation of Liability. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, OR INDIRECT DAMAGES OR FOR ANY LOST PROFITS ARISING FROM OR RELATING TO ANY BREACH OF THIS AGREEMENT, IN EACH CASE HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY, WHETHER IN CONTRACT, TORT, NEGLIGENCE, BREACH OF STATUTORY DUTY OR OTHERWISE, REGARDLESS OF ANY NOTICE OF THE POSSIBILITY OF SUCH DAMAGES. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS SECTION 9.5 IS INTENDED TO OR SHALL LIMIT OR RESTRICT THE INDEMNIFICATION RIGHTS OR OBLIGATIONS OF ANY PARTY UNDER SECTION 9.1 OR 9.2, OR DAMAGES AVAILABLE FOR EITHER PARTY'S BREACH OF SECTION 2.5 OR A PARTY'S BREACH OF CONFIDENTIALITY OBLIGATIONS IN ARTICLE 6.

ARTICLE 10
GENERAL PROVISIONS

10.1 Force Majeure. Neither Party shall be held liable to the other Party nor be deemed to have defaulted under or breached this Agreement for failure or delay in performing any obligation under this Agreement to the extent such failure or delay is caused by or results from causes beyond the reasonable control of the affected Party, potentially including

embargoes, war, acts of war (whether war be declared or not), acts of terrorism, insurrections, riots, civil commotions, fire, floods, earthquakes, pandemic or epidemic (including caused by any governmental lockdown measures due to COVID-19), or other acts of God, or acts, omissions or delays in acting by any governmental authority or the other Party. The affected Party shall notify the other Party in writing of such force majeure circumstances as soon as reasonably practical, and shall promptly undertake and continue diligently all reasonable efforts necessary to cure such force majeure circumstances or to perform its obligations in spite of the ongoing circumstances, provided, however, that the payment of amounts due and owing hereunder shall not be excused by reason of a Force Majeure affecting the payer unless the payment process is affected by such Force Majeure event (such as a bank closure or failure, power outage or other Force Majeure events that affect the payment process, and in that case, the Parties shall discuss a solution to address the late payment due to such Force Majeure event (e.g. discussion for the solution of changing a bank through which payments are made) upon MediLink's receipt of written notice of such Force Majeure event from Zai with evidence).

10.2 Assignment. This Agreement may not be assigned or otherwise transferred, nor may any right or obligation hereunder be assigned or transferred, by either Party without the prior written consent of the other Party. Notwithstanding the foregoing, either Party may, without consent of the other Party, assign this Agreement and its rights and obligations hereunder in whole or in part to an Affiliate of such Party, or in whole to its successor in interest in connection with the sale of all or substantially all of its business or assets to which this Agreement relates. Any attempted assignment not in accordance with the foregoing shall be null and void and of no legal effect. Any permitted assignee shall assume all assigned obligations of its assignor under this Agreement (for clarity, any assignment by MediLink shall not affect any license or other rights granted to Zai under this Agreement). The terms and conditions of this Agreement shall be binding upon, and shall inure to the benefit of, the Parties and their respected successors and permitted assigns.

10.3 Severability. If any one or more of the provisions contained in this Agreement is held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby, unless the absence of the invalidated provision(s) adversely affects the substantive rights of the Parties. The Parties shall in such an instance use their best efforts to replace the invalid, illegal or unenforceable provision(s) with valid, legal and enforceable provision(s) which, insofar as practical, implement the purposes of this Agreement.

10.4 Notices. All notices which are required or permitted hereunder shall be in writing and sufficient if delivered personally, sent by email and concurrently with any of the following (while the receipt of the latter shall constitute the date of receipt of notice), sent by nationally-recognized overnight courier or sent by registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

If to MediLink:

MediLink Therapeutics, Ltd.
Unit 101, Block B3, BioBay
218 Xinghu Street, Suzhou Industrial Park
Suzhou, China
Attn: [***]
Email: [***]

with a copy to:

Unit 101, Block B3, BioBay
218 Xinghu Street, Suzhou Industrial Park
Suzhou, China
Attn: [***]
Email: [***]

If to Zai:

Zai Lab (US) LLC
314 Main Street
Suite 04-100
Cambridge, MA 021442, USA
Attn: [***]
Email: [***]

with a copy to:

[***]
Attn: [***]
Email: [***]

or to such other address(es) as the Party to whom notice is to be given may have furnished to the other Party in writing in accordance herewith. Any such notice shall be deemed to have been given: (a) when delivered if personally delivered on a business day (or if delivered or sent on a non-business day, then on the next business day); (b) on [***] after dispatch if sent by nationally-recognized overnight courier; or (c) on [***] following the date of mailing, if sent by mail.

10.5 Governing Law. This Agreement shall be governed by and construed in accordance with the [***], without reference to any rules of conflict of laws that may require the application of the laws of a different jurisdiction.

10.6 Dispute Resolution

(a) The Parties shall negotiate in good faith and use good faith efforts to settle any dispute, controversy or claim arising from or related to this Agreement or the breach thereof. Any such dispute, controversy or claim shall be referred to the Chief Executive Officers of the Parties for attempted resolution. In the event the Chief Executive Officers are unable to resolve

such dispute, controversy or claim within [***] after such matter is referred to them, then, upon the written request of either Party, such dispute, controversy or claim shall be finally resolved by binding arbitration administered by [***] pursuant to its arbitration rules. Judgment on the arbitration award may be entered in any court having jurisdiction thereof.

(b) The arbitration shall be conducted by a single arbitrator mutually agreed by the Parties within [***] after initiation of arbitration. If the Parties are unable or fail to agree upon the arbitrator, the arbitrator shall be [***], and all arbitration proceedings and communications shall be in English.

(c) Either Party may apply to the arbitrator for interim injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either Party also may, without waiving any remedy under this Agreement, seek from any court having jurisdiction any injunctive or provisional relief necessary to protect the rights or property of that Party pending the arbitration award. The arbitrator shall have no authority to award punitive or any other type of damages not measured by a Party's compensatory damages. Each Party shall bear its own costs and expenses and attorneys' fees and an equal share of the arbitrator's fees and any administrative fees of arbitration.

(d) Except to the extent necessary to confirm an award or as may be required by law, neither a Party nor an arbitrator may disclose the existence, content, or results of an arbitration without the prior written consent of both Parties. In no event shall an arbitration be initiated after the date when commencement of a legal or equitable proceeding based on the dispute, controversy or claim would be barred by the applicable statute of limitations.

(e) Notwithstanding the foregoing, in the event of a dispute with respect to the validity, scope, enforceability or ownership of any Patent or other intellectual property rights, and such dispute is not resolved by the Chief Executive Officers as set forth in Section 10.6(a), such dispute shall not be submitted to an arbitration proceeding and instead, unless otherwise agreed by the Parties in writing, either Party may initiate litigation in a court of competent jurisdiction in any jurisdiction in which such rights apply.

10.7 Entire Agreement; Amendments. This Agreement, together with the Exhibits hereto, contains the entire understanding of the Parties with respect to the subject matter hereof. Any other express or implied agreements and understandings, negotiations, writings and commitments, either oral or written, with respect to the subject matter hereof are superseded by the terms of this Agreement. The Exhibits to this Agreement are incorporated herein by reference and shall be deemed a part of this Agreement. This Agreement may be amended, or any term hereof modified, only by a written instrument duly executed by authorized representative(s) of both Parties hereto.

10.8 Headings; Language. The captions to the several Articles, Sections and subsections hereof are not a part of this Agreement, but are merely for convenience to assist in locating and reading the several Articles and Sections hereof. This Agreement was prepared in

the English language, which language shall govern the interpretation of, and any dispute regarding, the terms of this Agreement.

10.9 Independent Contractors. It is expressly agreed that MediLink and Zai shall be independent contractors and that the relationship between the two Parties shall not constitute a partnership, joint venture or agency. Neither MediLink nor Zai shall have the authority to make any statements, representations or commitments of any kind, or to take any action, which shall be binding on the other Party, without the prior written consent of the other Party.

10.10 Waiver. The waiver by either Party hereto of any right hereunder, or of any failure of the other Party to perform, or of any breach by the other Party, shall not be deemed a waiver of any other right hereunder or of any other breach by or failure of such other Party whether of a similar nature or otherwise.

10.11 Cumulative Remedies. No remedy referred to in this Agreement is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to in this Agreement or otherwise available under Law.

10.12 Waiver of Rule of Construction. Each Party has had the opportunity to consult with counsel in connection with the review, drafting and negotiation of this Agreement. Accordingly, the rule of construction that any ambiguity in this Agreement shall be construed against the drafting Party shall not apply.

10.13 Business Day Requirements. In the event that any notice or other action or omission is required to be taken by a Party under this Agreement on a day that is not a business day then such notice or other action or omission shall be deemed to be required to be taken on the next occurring business day.

10.14 Counterparts. This Agreement may be executed in two or more counterparts by original signature, facsimile or PDF files, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

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IN WITNESS WHEREOF, the Parties intending to be bound have caused this License Agreement to be executed by their duly authorized representatives as of the Effective Date.

ZAI LAB (US) LLC	**MEDILINK THERAPEUTICS (SUZHOU) CO., LTD.**
By: /s/ Josh Smiley	By: /s/ Liang Xiao
Name: Josh Smiley	Name: Liang Xiao
Title: President and Chief Operating Officer	Title: Chief Operating Officer

LIST OF EXHIBITS

Exhibit A: Licensed Patents and Compound Structure
Exhibit B: MediLink Development Plan (Including IND Enabling Studies List)
Exhibit C: Outline of Zai Development Plan
Exhibit D: Costs (Including Estimated Breakdown for Third Party Costs) for IND Enabling Studies
Exhibit E: FTE Rate

Exhibit A: Licensed Patents and Compound Structure

[***]

Exhibit B: MediLink Development Plan (Including IND Enabling Studies List)

[***]

Exhibit C: Outline of Zai Development Plan

[***]

Exhibit D: Costs (Including Estimated Breakdown for Third Party Costs) for IND Enabling Studies

[***]

Exhibit E: FTE Rate

[***]

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "**Agreement**") is entered into on and effective as of February 24, 2026 (the "**Effective Date**") by and between Zai Lab (US) LLC, a Delaware limited liability company (the "**Company**"), and Yajing Chen (the "**Employee**").

RECITALS

WHEREAS, the Company, and its parent corporation and affiliates, are engaged in the business of researching, developing, manufacturing, and commercializing drug products in the pharmaceutical industry (the "**Business of the Group**");

WHEREAS, the Company promoted the Employee to Chief Financial Officer, and the Employee accepted such promotion, and the Company and the Employee previously entered into that certain Letter Agreement, dated July 6, 2023 (the "**Existing Agreement**"); and

WHEREAS, the Company and the Employee desire to amend and replace the Existing Agreement in its entirety with the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the promises and the respective covenants and agreements of the parties, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Employment.

The Employee's employment under the terms of this Agreement will commence as of the Effective Date and will continue until terminated in accordance with Section 4 (the "**Employment Period**").

1.1. Duties and Responsibilities. The Company agrees to employ the Employee as the Chief Financial Officer of Zai Lab Limited, an exempted company organized under the laws of the Cayman Islands and the ultimate parent corporation of the Company (the "**Parent Company**"). The Employee agrees to render such services and to perform such duties and responsibilities as are normally associated with and inherent in the aforementioned role and the capacity in which the Employee is employed, as well as such other duties and responsibilities as shall from time to time be assigned to the Employee by the Chief Executive Officer of the Parent Company (the "**Chief Executive Officer**") or such person's designee.

1.2. Acceptance of Employment. The Employee accepts such employment set out in Section 1.1 and agrees to faithfully perform and render the services required of the Employee under this Agreement. Except for reasonable vacations, absences due to temporary illness, and activities that may be mutually agreed to by the parties, the Employee shall devote the time, attention, and energies during normal business hours and such evenings and weekends as may be reasonably required for the discharge of her duties to the Business of the Group, and the performance of the Employee's duties and responsibilities under this Agreement.

1.3. Positions with Affiliates. If requested by the Company or the Parent Company, the Employee agrees to serve without additional compensation if elected, nominated, or appointed as an officer and/or director of the Parent Company, and any of its subsidiaries or affiliates (collectively, "**Affiliates**"), and in one or more executive offices of any of the Affiliates.

1.4. Conflicts of Interest. The Employee has reviewed with the Company the present directorships, ownership (legal and beneficial, direct and indirect) interests, and other positions or roles held by the Employee or her associate(s). The Employee agrees to review with the Company any potential directorships, ownership (legal and beneficial, direct and indirect) interests, and other positions or roles with business organizations or arrangements before Employee takes on such engagement or ownership. The Employee or her associate(s) is precluded from owning an interest (legal and beneficial, direct and indirect) in another company or serving as an employee, director, consultant, advisor, or member of such other company that may be directly competitive or directly in conflict with the Parent Company until such interest is presented to the Chief Executive Officer and the Chief Executive Officer or such person's designee consents to such interest or employment, upon consultation with the board of directors of the Parent Company (the "**Board**"), as appropriate.

1.5. Compliance with Policies. The Employee agrees that, during the Employment Period, she will comply with all corporate policies, practices, and procedures, including the Code of Business Conduct and Ethics, applicable to her position.

2. Place of Performance.

The Employee shall perform services on a remote basis. The Company or the Parent Company may require that the Employee travel in furtherance of the Business of the Group, to the extent necessary and/or substantially consistent with the then-present business travel obligations of employees at substantially the same service level as the Employee, which will include routine travel to the offices of the Parent Company, including offices in China and in Cambridge, Massachusetts.

3. Compensation Benefits and Expense Reimbursements.

3.1. Base Salary. In consideration for the agreement of the Employee to be employed under this Agreement, during the Employment Period, the Employee shall receive from the Company an annual base salary (as it may be adjusted from time to time, the "**Base Salary**"), which is currently $520,000. The Base Salary to be paid to the Employee will be subject to reduction for payroll tax withholdings and deductions legally required (if any) and such other deductions properly and reasonably authorized by the Employee. The Company shall pay such Base Salary in accordance with its standard payroll procedures. The Base Salary will be subject to review by the Board or the Compensation Committee of the Board (the "**Compensation Committee**"), and any adjustments will be made by the Board or the Compensation Committee based upon its respective normal performance review practices for executive employees of the Company.

3.2. Annual Bonus. For each calendar year completed during the Employment Period, the Employee may be eligible to receive an annual bonus with a target equal to 45% of the Base Salary (as it may be adjusted from time to time, the "Target Bonus"). The actual amount of such annual bonus shall be determined by the Board or the Compensation Committee in its sole discretion based on the Employee's performance and corporate performance against goals established by the Board or the Compensation Committee. Any annual bonus awarded hereunder shall be paid not later than April 15th following the end of the calendar year to which such bonus relates; however, in order to receive any such bonus, the Employee must be employed with the Company through the date that such bonus is paid.

3.3. Equity Incentives. For each calendar year completed during the Employment Period, the Employee will be eligible to receive an annual equity grant (the "**Annual Equity Grant**"). The amount of the Annual Equity Grant shall be determined by the Board or the Compensation Committee in its sole discretion, and shall be denominated in options and restricted stock units in accordance with an allocation determined by the Board or the Compensation Committee. Annual Equity Grants will be subject to the terms, definitions, and provisions of the applicable equity incentive plan, award agreements between the Employee and the Parent Company, any other shareholder and/or option holder agreements, and any other restrictions and/or limitations generally applicable to the equity of the Parent Company or equity awards held by Company executives or otherwise imposed by law. For the avoidance of doubt, this Agreement does not modify any previous equity grants to the Employee.

3.4. Participation in Employee Benefit Plans / Paid Time Off. During the Employment Period, the Employee will be entitled to participate in all employee benefit plans from time to time in effect for similarly situated executive employees of the Company generally, except to the extent such plans are duplicative of benefits otherwise provided to the Employee under this Agreement (e.g., a severance pay plan). The Employee's participation will be subject to the terms of the applicable plan documents, applicable corporate policies, and any other restrictions or limitations imposed by law or regulation. The Company reserves the right to amend, modify, cancel, or terminate the benefit plans and programs it offers to its employees at any time. In addition, the Employee will accrue twenty (20) days of paid vacation per calendar year, which may be carried over to the next calendar year, up to a maximum of thirty (30) days ("**Vacation Cap**"). Once the Vacation Cap is reached, the Employee will not accrue additional vacation until the number of accrued vacation days falls below the Vacation Cap. The Employee will also receive paid sick time and holidays in accordance with applicable corporate policies.

3.5. Reimbursements. During the Employment Period, the Company may provide the Employee with a corporate credit card to be used solely for business-related expenses in accordance with applicable corporate policies and procedures. Additionally, insofar as the Employee incurs any business-related expenses paid for the Employee personally and not with the corporate card, the Employee will be reimbursed, in accordance with applicable corporate policies and practices, for all reasonable traveling expenses and other disbursements incurred by the Employee for or on behalf of the Company in the performance of the Employee's duties hereunder upon presentation by the Employee of appropriate documentation. The Employee's right to payment or reimbursement for reasonable business expenses hereunder shall be subject to the following additional rules: (a) the amount of expenses eligible for payment or reimbursement during any calendar year shall not affect the expenses eligible for payment or reimbursement in any other calendar year, (b) payment or reimbursement shall be made by the Company as soon as reasonably practicable following the time that the applicable expense is submitted by the Employee to the Company and in no event later than December 31 of the calendar year following the calendar year in which the expense or payment was incurred, and (c) the right to payment or reimbursement shall not be subject to liquidation or exchange for any other benefit.

3.6. Deductions. Recognizing that the Employee is an employee for all purposes, the Company shall deduct from any compensation payable to the Employee the sums which the Company is required by law to deduct, including, but not limited to, federal and state withholding taxes, social security taxes, and state disability insurance and mandatory

provident funds, and the Company shall pay any amounts so deducted to the applicable governmental entities and agents entitled to receive such payments.

4. Termination.

4.1. Death or Disability. If the Employee dies, then the Employee's employment by the Company hereunder shall automatically terminate on the date of the Employee's death (such termination a "**Termination Due to Death**"). If the Employee is incapacitated or disabled by accident, sickness, or otherwise so as to render Employee mentally or physically incapable of performing the services required to be performed by Employee under this Agreement for a period of ninety (90) consecutive days or longer, or for any ninety (90) days during any six (6) month period (such condition a "**Disability**"), the Company, at its option, may terminate the Employee's employment under this Agreement immediately upon giving the Employee notice to that effect (such termination a "**Termination Due to Disability**").

(a) Verification of Disability. If any question arises as to whether, during the Employment Period, the Employee is disabled through any illness, injury, accident, or condition of either a physical or psychological nature so as to be unable to perform substantially all of the Employee's duties and responsibilities hereunder, the Employee may, and at the request of the Company shall, submit to a medical examination by a physician selected by the Company to whom the Employee or the Employee's guardian has no reasonable objection to determine whether the Employee is so disabled, and such determination shall for the purposes of this Agreement be conclusive of the issue. If such a question arises and the Employee fails to submit to such a medical examination, the Company's determination of the issue shall be binding on the Employee.

4.2. Termination by the Company for Cause. The Company may terminate the employment of the Employee hereunder at any time during the Employment Period for "Cause" (as defined below) (such termination a "**Termination by the Company for Cause**") by giving the Employee notice of such termination, which shall take effect immediately. For the purposes of this Agreement, "**Cause**" means any of the following grounds, as determined by the Company in its reasonable judgment:

(a) the Employee's use of legal or illegal drugs, including alcohol, which interferes with the performance of the Employee's obligations and duties hereunder;

(b) the Employee's commission of a felony, or any crime involving fraud, moral turpitude, or misrepresentation, or violation of applicable securities laws;

(c) the Employee's mismanagement of the business and affairs of the Parent Company or an Affiliate which results or could reasonably be expected to result in material harm to the Parent Company or an Affiliate;

(d) the Employee's material breach of any of the terms of this Agreement, including if the Employee does not travel as required pursuant to Section 2, or any other agreement between the Employee and the Parent Company or an Affiliate;

(e) the Employee's violation of the Compliance Agreement (as defined in Section 6) and any confidentiality or other restrictive covenant set forth in this Agreement or any other agreement between the Employee and Parent Company or an Affiliate or any material policy of the Parent Company or an Affiliate; or

(f) the Employee's material failure to perform or substantial negligence in the performance of the Employee's obligations and duties hereunder, or any other conduct by the Employee which is or could reasonably be expected to be materially detrimental to the interests and well-being of the Parent Company or an Affiliate, including, without limitation, harm to its business or reputation.

4.3. Termination by the Company without Cause. The Company may terminate the employment of the Employee hereunder at any time during the Employment Period without Cause (such termination a "**Termination by the Company without Cause**") by giving the Employee notice of such termination.

4.4. Termination by the Employee without Good Reason. The Employee may terminate her employment hereunder at any time without Good Reason (as defined below) (such termination a "**Termination by the Employee without Good Reason**"). A Termination by the Employee without Good Reason will be deemed to be effective following reasonable notice by the Employee to the Company, including the Head of Human Resources, of not less than thirty (30) calendar days, provided that the Company may elect to waive all or any portion of such notice period and may accelerate the Employee's last day of employment.

4.5. Termination by the Employee for Good Reason. The Employee may terminate her employment hereunder at any time for "Good Reason" (as defined below) by (i) providing written notice to the Company, including the Head of Human Resources, specifying in reasonable detail the condition giving rise to the Good Reason no later than the thirtieth (30th) day following the occurrence of that condition; (ii) providing the Company a period of thirty (30) days to remedy the condition and so specifying in the notice; and (iii) terminating the Employee's employment for Good Reason within thirty (30) days following the earlier of the expiration of the period to remedy if the Company fails to remedy the condition or receipt of notice from the Company that it will not remedy the condition (such termination a "**Termination by the Employee for Good Reason**"). For purposes of this Agreement, the term "**Good Reason**" shall include any of the following conditions that occur without the Employee's consent:

(a) any material diminution of the Employee's duties or responsibilities hereunder (except in connection with a Termination for Cause or pursuant to Section 4.2.);

(b) assignment to the Employee of duties or responsibilities that are materially inconsistent with the Employee's then-current position, except accommodations as may be provided in connection with the Employee's illness or Disability; or

(c) a material breach of the Agreement by the Company.

4.6. Change in Control Termination. The Employee's employment may terminate hereunder pursuant to a Termination by the Company without Cause or a Termination by the Employee for Good Reason within twelve (12) months following a Change in Control (such

termination a "**Change in Control Termination**"). For purposes of this Agreement, "**Change in Control**" means the occurrence of any of the following:

(a) any one person, or more than one person acting as a group ("Person"), acquires ownership of the stock of the Parent Company that, together with the stock held by such Person, constitutes more than 50% of the total voting power of the stock of the Parent Company, other than as a result of a private financing of the Parent Company approved by the Board;

(b) a majority of the members of the Board is replaced during any twelve (12) month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the appointment or election; or

(c) any Person acquires (or has acquired during the twelve (12) month period ending on the date of the most recent acquisition by such Person) assets from the Parent Company that have a total gross fair market value equal to or more than 50% of the total gross fair market value of all of the assets of the Parent Company immediately prior to such acquisition(s). For purposes of this subsection (c), gross fair market value means the value of the assets of the Parent Company, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

For purposes of this definition of Change in Control, Persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Parent Company. Further and for the avoidance of doubt, a transaction will not constitute a Change in Control if: (i) its sole purpose is to re-domicile the Parent Company in a jurisdiction other than its original jurisdiction of incorporation, (ii) its sole purpose is to create a holding company that will be owned in substantially the same proportions by the persons who held the Parent Company's securities immediately before such transaction, or (iii) the transaction is an equity financing of the Company or Parent Company.

5. Effect of Termination.

Upon the termination of the Employee's employment with the Company, however caused, Employee is eligible to receive the following accrued obligations (in the aggregate, the "**Final Compensation**"): (a) the unpaid portion of the Base Salary, computed on a pro rata basis up to (and including) the effective date of such termination (the "**termination date**"); (b) reimbursement for any expenses for which the Employee has not been reimbursed as provided in Section 3.5, provided that the Employee submits all such expenses and required supporting documentation within sixty (60) days of the termination date; and (c) if required by applicable law or corporate policy, pay at the final rate of the Base Salary for any accrued but unused vacation time as of the termination date. Payment of Final Compensation will be made in accordance with state law. Except as set forth in Section 5, neither the Employee nor his beneficiary or estate will have any further rights or claims against the Company, Parent Company, or Affiliates for compensation or otherwise, including under any severance plan, program, or practice, and the Company, Parent Company, and Affiliates shall have no further obligation to the Employee or his beneficiary or estate or any further liability under this Agreement or otherwise by way of compensation or otherwise.

5.1. Termination by the Company for Cause or Termination by the Employee without Good Reason. For the avoidance of doubt, upon a Termination by the Company for

Cause or a Termination by the Employee without Good Reason, the Employee will not be eligible to receive additional compensation or benefits under this Agreement other than the Final Compensation.

5.2. Termination Due to Death or Disability. Upon a Termination Due to Death or a Termination Due to Disability, the Employee will be eligible to receive the following additional payments upon satisfaction of the Release requirements in Section 5.6:

(a) an aggregate amount equal to one (1) month of Base Salary, payable in accordance with the Company's normal payroll practices on the next regular payday following the date on which the Release of Claims (as defined in Section 5.6) becomes effective and irrevocable; and

(b) subject to the Employee being eligible for and timely electing COBRA benefits, payment of the Company's portion of monthly premiums for the continuation of health insurance benefits as in effect for the Employee immediately prior to the termination date under the law commonly known as COBRA with such COBRA Continuation is payable directly to the insurance carrier (the "**COBRA Continuation Benefits**") for one (1) month, provided that if the Company determines in its sole discretion that it cannot pay the COBRA Premiums without potentially violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), the Company will in lieu thereof provide to the Employee a taxable monthly payment payable at the same time that the Base Salary payment is made under subsection (a) above.

5.3. Termination by the Company without Cause or Termination by the Employee for Good Reason. Upon a Termination by the Company without Cause or a Termination by the Employee for Good Reason, the Employee will be eligible to receive the following additional payments (in the aggregate, the "**Severance Payments**") upon satisfaction of the Release requirements in Section 5.6:

(a) an aggregate amount equal to twelve (12) months of Base Salary, provided in the form of salary continuation, payable in substantially equal installments in accordance with the Company's normal payroll practices during the twelve (12) month period following the termination date, provided that the first such payment will be made on the next regular payday following the sixtieth (60th) day after the termination date (and will include any Severance Payment installment that would have otherwise been paid during the period following the termination date through the date of the first Severance Payment installment);

(b) COBRA Continuation Benefits for twelve (12) months, provided that if the Company determines in its sole discretion that it cannot pay the COBRA Premiums without potentially violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), the Company will provide to the Employee a taxable monthly payment payable at the same time that the Base Salary payments are made under subsection (a) above; and

(c) a payment equal to a pro-rated Target Bonus (determined by multiplying the Target Bonus by a fraction, the numerator of which is the number of days during the fiscal year of termination that the Employee is employed by the

Company and the denominator of which is three hundred and sixty-five (365)) (the "**Pro-Rated Bonus**"), payable at the same time bonuses for such year are paid to other senior executives of the Company.

5.4. Change in Control Termination. Upon a Change in Control Termination, the Employee will be eligible to receive the Severance Payments described in Section 5.3 upon satisfaction of the Release requirements in Section 5.6. The Employee will also be entitled to one hundred percent (100%) accelerated vesting of any then-outstanding unvested stock options, restricted stock, and other equity awards granted to the Employee by the Parent Company upon satisfaction of the Release requirements in Section 5.6.

5.5. Liquidated Damages. The parties acknowledge and agree that damages which will result to the Employee for a Termination Without Cause or other breach of this Agreement by the Company shall be extremely difficult or impossible to establish or prove, and agree that the Severance Payments and Enhanced Severance Payments (if applicable) shall constitute liquidated damages for any breach of this Agreement by the Company through the termination date. The Employee agrees that, except for such other payments and benefits to which the Employee may be eligible as expressly provided by the terms of this Agreement or any applicable benefit plan, such liquidated damages shall be in lieu of all other claims that the Employee may make by reason of termination of the Employee's employment or any such breach of this Agreement and that, as a condition to receiving the Severance Payments or Enhanced Severance Payments (as applicable), the Employee will execute the Release of Claims (as described in Section 5.6).

5.6. Release. The obligation of the Company to provide any severance payments or benefits to or on behalf of the Employee under Section 5.2, 5.3, or 5.4 is conditioned on the Employee timely executing and delivering to the Company, and not subsequently revoking, a separation agreement containing a general release of claims and other customary terms in a form provided to the Employee by the Company (the "**Release of Claims**"), provided that the Release of Claims becomes effective and irrevocable no later than sixty (60) days following the termination date (such deadline, the "**Release Deadline**"). If the Release of Claims does not become effective by the Release Deadline, the Employee will forfeit any rights to such severance under this Agreement. In no event will such severance be paid or provided until the Release of Claims becomes effective and irrevocable.

5.7. **Section 409A**. Notwithstanding anything to the contrary in this Agreement, if at the termination date, the Employee is a "specified employee," as defined below, any and all amounts payable under this Agreement on account of such separation from service that would (but for this provision) be payable within six (6) months following the termination date, shall instead be paid on the next business day following the expiration of such six (6) month period or, if earlier, upon the Employee's death; except:

(a) to the extent of amounts that do not constitute a deferral of compensation within the meaning of Treasury regulation Section 1.409A-1(b) (including without limitation by reason of the safe harbor set forth in Section 1.409A-1(b)(9)(iii), as determined by the Company in its reasonable good faith discretion);

(b) benefits which qualify as excepted welfare benefits pursuant to Treasury regulation Section 1.409A-1(a)(5); or

(c) other amounts or benefits that are not subject to the requirements of Section 409A of the Internal Revenue Code of 1986, as amended ("**Section 409A**").

For purposes of this Agreement, all references to "termination of employment" and correlative phrases shall be construed to require a "separation from service" (as defined in Section 1.409A-

1(h) of the Treasury regulations after giving effect to the presumptions contained therein), and the term "specified employee" means an individual determined by the Company to be a specified employee under Treasury regulation Section 1.409A-1(i). Each payment made under this Agreement shall be treated as a separate payment and the right to a series of installment payments under this Agreement is to be treated as a right to a series of separate payments. In no event shall the Company or any of its Affiliates have any liability relating to the failure or alleged failure of any payment or benefit under this Agreement to comply with, or be exempt from, the requirements of Section 409A.

5.8. **Limitations on Payments**. Notwithstanding anything in this Agreement or elsewhere to the contrary, if any payment or benefit received or to be received by the Employee under this Agreement or otherwise by the Company or an Affiliate (collectively, the "**Payments**") would (a) constitute a "parachute payment" within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the "**Code**"), and (b) but for this Section 5.8, be subject to the excise tax imposed by Section 4999 of the Code, then the Payments shall be reduced (but not below zero) to the extent needed such that no portion of the Payments constitutes a "parachute payment" within the meaning of Section 280G of the Code; provided that no reduction in the Payments shall be made by reason of this Section 5.8 unless, on an after-tax basis taking into account the excise tax imposed by Section 4999 of the Code together with all applicable income taxes, the Payments payable to the Employee would be greater than if such reduction had not been made. Any reduction in the Payments required by the immediately preceding sentence shall be applied, first, against any cash severance payments, then against other payments and benefits to which Q&A 24(c) of Section 1.280G-1 of the Treasury Regulations does not apply, and finally against all remaining payments and benefits.

6. Post-Employment Compliance.

The Compliance Agreement executed and delivered by the Employee as of January 12, 2023 (the "**Compliance Agreement**") remains in full force and effect and the terms and conditions thereof are specifically incorporated herein by reference. The obligation of the Company to make any payments or provide any compensation to or on behalf of the Employee under Section 5.2, 5.3, or 5.4, and the Employee's right to retain the same, is expressly conditioned upon the Employee's continued performance of the Employee's obligations under this Agreement, the Compliance Agreement, and any other agreement between the Employee and the Company or an Affiliate (including any restrictive covenants therein).

7. Standards of Conduct.

The Employee will conduct herself in an ethical and professional manner at all times and in accordance with applicable laws, regulations, and corporate policies or guidelines, including the Code of Business Conduct and Ethics, and the ethical guidelines of applicable State

licensing boards under which the Employee is licensed and with which the Employee is providing services to the Company.

8. Indemnification.

The Employee may be eligible for indemnification in accordance with the Indemnification Agreement executed and delivered by the Employee as of July 7, 2023 (the "**Indemnification Agreement**"). The Indemnification Agreement remains in full force and effect and the terms and conditions thereof are specifically incorporated herein by reference. The obligation of the Company to make any indemnification payments to or on behalf of the Employee under this

Section 8, and the Employee's right to retain the same, is expressly conditioned upon the Employee's continued performance of the obligations under this Agreement.

9. Representations and Warranties of the Employee.

The Employee represents and warrants to the Company that: (a) the Employee has the proper skill, training, and background to perform under the terms of this Agreement in a competent and professional manner; (b) the Employee will not infringe any intellectual property rights including patent, copyright, trademark, trade secret, or other proprietary right of any person;
(c) the Employee will not use any trade secrets or confidential information of the Parent Company, Affiliates, or third parties other than as authorized and for the furtherance of the Business of the Group; and (d) the Employee's signing of this Agreement and the performance of the Employee's obligations hereunder will not breach or be in conflict with any other agreement to which the Employee is a party or is bound, and the Employee is not now subject to any covenants against competition or similar covenants or any court order that could affect the performance of the Employee's obligations under this Agreement.

10. Enforcement.

It is the desire and intent of the parties that the provisions of this Agreement will be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. Accordingly, to the extent that a restriction contained in this Agreement is more restrictive than permitted by the laws of any jurisdiction whose law may be deemed to govern the review and interpretation of this Agreement, the terms of such restriction, for the purpose only of the operation of such restriction in such jurisdiction, will be the maximum restriction allowed by the laws of such jurisdiction and such restriction will be deemed to have been revised accordingly herein. A court having jurisdiction over an action arising out of or seeking enforcement of any restriction contained in this Agreement may modify the terms of such restriction in accordance with this Section 10.

11. Assignment.

The Employee may not, without the written consent of the Company, assign any rights or delegate any of the duties of the Employee under this Agreement. As used in this provision, "assignment" and "delegation" shall mean any sale, gift, pledge, hypothecation, encumbrance, or other transfer of all or any portion of the rights, obligations, or liabilities in or arising from this Agreement to any person or entity, whether by operation of law or otherwise, and regardless of the legal form of the transaction in which the attempted transfer occurs. This Agreement may be assigned by the Company, without the Employee's consent,

to any Affiliate or any other person or entity, in each case, which is a successor in interest to substantially all of the business operations or assets of the Company.

12. D&O Insurance.

The Employee will receive Directors' and Officers' ("D&O") insurance coverage to the same extent provided to officers of the Company under the Company's D&O insurance policy.

13. Miscellaneous.

13.1. Notices. Any notice, request, demand or other communication required or permitted to be given to a party pursuant to the provisions of this Agreement will be in writing and will be effective and deemed given under this Agreement on the earliest of: (a) the date of personal delivery, (b) the date of transmission by facsimile or e-mail, with confirmed transmission and receipt, (c) two (2) days after deposit with an internationally-recognized courier or overnight service such as Federal Express or DHL, or (d) five (5) days after mailing via certified mail, return receipt requested. All notices not delivered personally or by facsimile will be sent with postage and other charges prepaid and properly addressed to the party to be notified at the address set forth on the signature pages hereto.

13.2. Gender; Time. The parties agree that any use of words in any gender in this Agreement shall also refer to the masculine, feminine, nonbinary, or neutral gender, as the case may require. Time is of the essence in performance of the rights and obligations under this Agreement.

13.3. Survival. Provisions of this Agreement shall survive any termination of employment if so provided in this Agreement or if necessary or desirable to accomplish the purposes of other surviving provisions.

13.4. Binding Agreement; Benefit. The provisions of this Agreement will be binding upon and will inure to the benefit of the respective heirs, legal representatives, and successors of the parties.

13.5. Governing Law. This Agreement will be governed by, and construed and enforced in accordance with, the laws of the State of Maryland without giving effect to its principles or rules of conflict laws to the extent such principles or rules would require or permit the application of the laws of another jurisdiction.

13.6. Dispute Resolution. To the fullest extent permitted by law, disputes, controversies, and claims between the Employee and the Company shall be resolved through final and binding confidential arbitration in accordance with the Compliance Agreement.

13.7. Waiver of Breach. The waiver by either party of a breach of any provision of this Agreement by the other party must be in writing and will not operate or be construed as a waiver of any subsequent breach by such other party.

13.8. Entire Agreement; Amendments. This Agreement, together with the Compliance Agreement and Indemnification Agreement, contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements or understanding among the parties with respect thereto, including without limitation the Existing Agreement. This Agreement may be amended only by an agreement in writing signed by each of the parties.

13.9. Headings / Construction. The Section headings contained in this Agreement are for reference purposes only and will not affect in any way the meaning or interpretation of this Agreement. The language used in this Agreement shall be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party. This Agreement shall be interpreted in accordance with the plain meaning of its terms and not strictly for or against any of the parties.

13.10. Severability. Subject to the provisions of Section 10, any provision of this Agreement that is prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction will not invalidate or render unenforceable such provision in any other jurisdiction.

13.11. Further Assurances. The Employee agrees to execute, acknowledge, seal, and deliver such further assurances, documents, applications, agreements, and instruments, and to take such further actions, as the Company may reasonably request in order to accomplish the purposes of this Agreement.

13.12. Consultation with Counsel. The Employee acknowledges that she had the right to consult with counsel in the review of this Agreement.

13.13. Costs. Each of the parties shall pay all costs and expenses incurred or to be incurred by such party in negotiating and preparing this Agreement.

13.14. Execution. The parties may execute this Agreement, with a manual or electronic signature, either in whole or in any number of counterparts. If in counterparts, those counterparts, as so delivered, shall together constitute one and the same document. The parties agree that each such counterpart is an original and shall be binding upon the parties, even though all of the parties may not be signatories to the same counterpart.

[*REMAINDER OF PAGE INTENTIONALLY LEFT BLANK*]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

COMPANY:	EMPLOYEE:
/s/ Samantha (Ying) Du	/s/ Yajing Chen
Name: Samantha Du Title: Chief Executive Officer	Name: Yajing Chen
Address: c/o Zai Lab Limited 314 Main Street 4th Floor, Suite 100 Cambridge, MA 02142	Address: On File with the Company
Date: Feb 24, 2026	Date: Feb 21, 2026

AMENDMENT TO EMPLOYMENT AGREEMENT

THIS AMENDMENT TO EMPLOYMENT AGREEMENT ("**Amendment**") is made and entered into as of February 24, 2026, by and between Zai Lab (US) LLC (the "**Company**"), and Joshua Smiley (the "**Employee**").

WHEREAS, The Company and the Employee previously entered into an Employee Agreement, dated August 1, 2022 (the "**Agreement**"); and

WHEREAS, the Company and the Employee desire to amend only portions of Section 8.3 of the Agreement related to compensation upon Termination Without Cause or Termination for Good Reason as described below; the remainder of the Agreement continues without change.

NOW, THEREFORE, in consideration of the promises and the respective covenants and agreements of the parties contained in the Agreement, and as amended by the Amendment, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to amend Section 8.3 of the Agreement as follows:

8.3. Termination Without Cause or Termination for Good Reason, including in Connection with a Change in Control.

8.3.1. Upon the termination of the Employee's employment hereunder pursuant to a Termination Without Cause or a Termination for Good Reason (not within twelve (12) months following a Change in Control) and subject to Sections 3.7, 8.4, 14 and 15, neither the Employee nor his beneficiary or estate will have any further rights or claims against the Company or any of its Affiliates under this Agreement except to receive the following (in the aggregate, the "**Severance Payments**") in addition to the Final Compensation in accordance with Section 8.1:

(i) an aggregate amount equal to the Base Salary for twelve (12) months (the "**Severance Period**"), payable from the effective date of such termination in accordance with the Company's normal payroll policies and at the same rate and in the same manner as set forth in Section 3.1 and 3.7 hereof, and to be reduced by any Non-Competition Payments (as defined in the Compliance Agreement) paid to you pursuant to the Compliance Agreement with respect to the same period of time;

(ii) a payment equal to a pro-rated Target Bonus for the year of such employment termination (determined by multiplying the Target Bonus by a fraction, the numerator of which is the number of days during the fiscal year of termination that the Employee is employed by the Company and the denominator of which is three hundred and sixty-five (365)), payable at the same time bonuses for such year are paid to other senior executives of the Company (the "**Pro-rated Bonus**"); and

(iii) COBRA Continuation Benefits during the Severance Period, provided that if the Company determines in its sole discretion that it

cannot pay the COBRA Premiums without potentially violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), the Company will in lieu thereof provide to the Employee a taxable payment payable at the same time that the Base Salary payments are made under subsection (i) above.

The Severance Payments (other than Final Compensation) under subsections (i) and (ii) above will be provided in the form of salary continuation, payable in equal installments in accordance with the Company's normal payroll practices, during the Severance Period, provided that the first such payment will be made on the next regular pay day following the date on which the Release of Claims (as defined below) becomes effective and irrevocable and will be retroactive to effective date of the termination of the Employee's employment.

8.3.2. Upon the termination of the Employee's employment hereunder pursuant to a Termination Without Cause or a Termination for Good Reason within twelve (12) months following a Change in Control and subject to Sections 3.7, 8.4, 14 and 15, neither the Employee nor his beneficiary or estate will have any further rights or claims against the Company or any of its Affiliates under this Agreement except to receive the following in addition to the Final Compensation in accordance with Section 8.1 and the Severance Payments in accordance with Section 8.3.1: full acceleration of vesting for any unvested portion of any outstanding equity incentive awards granted under the Plan or any successor equity incentive plan.

Entire Agreement

The Agreement, as amended by this Amendment, together with the Compliance Agreement, contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements or understanding among the parties with respect to the subject matter hereto. This Amendment may be amended only by an agreement in writing signed by each of the parties hereto.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

COMPANY:

/s/ Samantha (Ying) Du

Samantha Du
Chairperson and CEO

Address:
Chief Executive Officer
Zai Lab (US) LLC
314 Main Street
Suite 04-100
Cambridge, MA 02142

With a copy to:

Law Department
Zai Lab (US) LLC
314 Main Street
Suite 04-100
Cambridge, MA 02142

EMPLOYEE:

Joshua Smiley

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

COMPANY:

Samantha Du
Chairperson and CEO

Address:
Chief Executive Officer
Zai Lab (US) LLC
314 Main Street
Suite 04-100
Cambridge, MA 02142

With a copy to:

Law Department
Zai Lab (US) LLC
314 Main Street
Suite 04-100
Cambridge, MA 02142

EMPLOYEE:

/s/ Joshua Smiley

Joshua Smiley

Exhibit 10.38

No.: C260204GR3102202

PURSUANT TO ITEM 601(b)(10)(iv) OF REGULATION S-K, THIS EXHIBIT OMITS CERTAIN INFORMATION, IDENTIFIED BY [***], THAT IS NOT MATERIAL AND THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

Guarantee Contract

Bank of Communications Co., Ltd.

No.: C260204GR3102202

Guarantee Contract

Important

The Guarantor is required to read the full text of this contract carefully, especially the articles marked with ▲▲. In case of any doubt, please promptly submit it to the Creditor for clarifications.

In order to ensure the fulfillment of all the Creditor's rights under the main contract entered into or to be entered into between the Debtor and the Creditor, the Guarantor is willing to provide the guarantee agreed herein.

This contract is hereby entered into to clarify the rights and obligations of both parties through consultation between the Guarantor and the Creditor.

Article 1 Principal Creditor's Rights

1.1 The principal Creditor's rights guaranteed by the Guarantor are all those under the main contract (covering all main contracts in case that multiple main contracts exist, the same below), including all kinds of loans granted by the Creditor to the Debtor in accordance with the main contract and the Creditor's rights (including contingent debts) against the Debtor arising from other bank credit business.

The bank credit business agreed herein refers to the direct financial support provided by the bank to the customer, or the guarantee of the compensation and payment liability that the customer may incur in the relevant economic activities. It includes but is not limited to any business or business under other names as listed above.

▲▲1.2 The specific contents of any principal Creditor’s rights, such as the currency and amount of the principal, interest rate and debt performance period, shall be specified by the Creditor and the debtor in the main contract (including the application for the use of credit limit under the main contract and/or the documents with other names signed by both the Creditor and the debtor, and the application for the use of credit limit and the documents with other names are collectively referred to as the “Credit Limit Use Application” herein, the same below).

Where the maximum-amount guarantee is provided in accordance with Article 10.2(2) of this contract, regardless of whether the credit limit under the main contract is revolving, the purpose of the credit limit, the specific purpose of each use of the credit limit, and the term of credit facility shall be specifically agreed upon by both the Creditor and the Debtor in the main contract. With regard to the maximum-amount guarantee provided under Article 10.2(2), the principal claims that incur during the period as specified in Article 10.2(2) are secured by this contract.

1.3 Where the Guarantor provides the Debtor with the maximum-amount guarantee in accordance with Article 10.2(2) of this contract, the following provisions shall apply.

The guaranteed principal Creditor’s rights under this contract shall be determined on the date of occurrence of the last principal Creditor’s right under all main contracts (the “date of determination of principal Creditor’s rights”). Where the Creditor cancels all the credit limits in accordance with the main contract, the date when all credit limits are cancelled is the date of determination of principal Creditor's rights.

The principal Creditor’s rights incurred on or before the date of determination of principal Creditor’s rights, along with the interest (including compound interest, overdue and misappropriation penalty interest), penalty for breach of contract, compensation for damages, and the cost of realizing the Creditor's rights as stipulated in Article 2.2 herein are all within the guarantee scope of this contract.

The occurrence of the principal Creditor's rights refers to the Creditor's loan disbursement, financing funds, overdrafts or the issuance

of bank acceptance bills, letters of credit, letters of guarantee or standby letters of credit (SLCs).

▲▲1.4 The actual amount of the Creditor's rights under the main contract, whether lower or higher than the maximum amount of Creditor’s rights agreed herein, does not affect the Guarantor's ability to assume guarantee liability in accordance with this contract.

Article 2 Guarantor’s Liability

2.1 The Guarantor’s liability hereunder is a joint and several liability guarantee.

2.2 The scope of the guarantee shall be the principal and interest, compound interest, penalty interest, penalty for breach of contract, compensation for damages and expenses for realizing the Creditor’s rights under all main contracts. The expenses of realizing the Creditor's rights include, but are not limited to, collection fees, litigation fees (or arbitration fees), preservation fees, publicity fees, enforcement fees, and reasonably incurred attorney fees, travel expenses and other expenses.

2.3 The guarantee period shall be calculated separately according to the debt performance period of each principal debt agreed in the main contract (under the issuance of bank acceptance bill/letter of credit/letter of guarantee, according to the date of the Creditor’s making advance payment). The guarantee period under each principal debt is three years from the date of expiration of the debt performance period (or the date of the Creditor's making advance payment).

Where the Creditor and the Debtor agree that the Debtor may fulfill the repayment obligation in installments, the guarantee period of the principal debt shall be calculated separately according to the repayment obligation for each period, which shall be three years from the expiration date of each debt performance period (or the date of the Creditor’s making advance payment).

Where the Creditor declares that any principal debt is due early, the expiration date of the performance period of the principal debt shall be the early maturity date announced by the Creditor.

▲▲2.4 Where guarantee is provided in accordance with Article 10.2(1), the Guarantor has carefully read the main contract and acknowledged all the terms.

Where the maximum-amount guarantee is provided in accordance with Article 10.2(2), the Guarantor has carefully read the main contract and confirmed all terms of the signed main contract before this contract is signed. For the main contract to be signed after the signing of this contract, the Guarantor agrees, and the Creditor and the Debtor can enter into the main contract without notifying the Guarantor or obtaining the Guarantor's consent, and the Guarantor will contact the Debtor for provision of relevant documents.

▲▲2.5 Where guarantee is provided in accordance with Article 10.2(1), if the Creditor and the debtor change the main contract, the Guarantor shall still assume the joint and several liability guarantee. However, where the main contract is changed without the written consent of the Guarantor and the contractual amount, interest rate or debt performance period is extended, the Guarantor shall only assume the guarantee liability according to the amount, interest rate and term agreed in the original main contract. Nevertheless, if the Creditor adjusts the interest rate (including rate increase) or extends the debt performance period in accordance with the provisions of the main contract under the premise that the main contract remains unchanged, the Guarantor shall still assume all the guarantee liabilities.

Where the maximum-amount guarantee is provided in accordance with Article 10.2(2), the Creditor and the Debtor can modify the main contract (including but not limited to modifying the facility amount,

credit period, debt performance period, interest rate and other terms under the main contract without notifying the Guarantor or obtaining the Guarantor's consent, in which case the Guarantor shall still assume the joint and several guarantee liability. With regard to Article 10.2(2), regardless of any change to the main contract, the Guarantor shall assume the guarantee liability for the principal claims that incur during the period as specified in Article 10.2(2) within the maximum amount of claims as agreed in this contract.

▲▲2.6 The parties hereto specifically agree as follows: where the debtor shall assume Guarantor the liability for restitution and/or compensation after the main contract is confirmed to be invalid, the Guarantor shall bear corresponding civil liability.

▲▲2.7 The guarantee under this contract is a continuing guarantee, and any part of the payment or settlement of all or part of the guaranteed debt of the debtor shall not be regarded as the termination of the Guarantor's guarantee liability hereunder, and the Guarantor shall still assume its liability in accordance with this contract.

▲▲2.8 Before the debts under the main contract are fully repaid, where the Creditor allows the Debtor to transfer all or part of the debts without the written consent of the Guarantor, the Guarantor shall no longer assume the guarantee liability for all or part of the debts after the transfer.

▲▲2.9 Before the debts under the main contract are fully repaid, where a third party is involved in the debts while adding a third-party debt, the Guarantor's guarantee liability shall not be affected.

Article 3 Guarantor's Representations and Warranties

3.1 The Guarantor is incorporated in accordance with the law and validly existing, with all necessary legal capacity and the ability to fulfill the obligations of this contract and assume civil liability in its own name.

3.2 The signing and performance of this contract represent true intention of the Guarantor, are subject to all necessary consents, approvals and authorizations, with no legal defects.

3.3 All documents, materials and information provided by the Guarantor for the Creditor in the process of signing and performing this contract are true, accurate, complete and valid.

▲▲3.4 The Guarantor does not belong to any enterprises or is not an individual on the sanctions list of the United Nations, the European Union or the United States, and is not located in the countries and regions sanctioned by the United Nations, the European Union or the United States.

▲▲Article 4 Guarantor's Obligations

4.1 The Guarantor hereby irrevocably and unconditionally warrants to the Creditor that if the Debtor fails to repay all or part of the principal of the loan, financing funds or the Creditor's advance payment or the corresponding interest on time and in full, the Guarantor shall immediately pay the Creditor all the amounts due and payable by the debtor.

4.2 The Guarantor shall cooperate with the Creditor in supervising and inspecting the latter's operation and financial conditions, provide financial statements, other materials and information required by the Creditor for post-loan risk management needs in a timely manner, and ensure that the documents, materials and information provided are true, complete and accurate.

4.3 The Guarantor shall notify the Creditor in writing within seven days from the date when any of the following events occurs:

(1) Amending the articles of association, changing the name, legal representative, domicile, mailing address or business scope of the enterprise and other industrial and commercial registration items, and

making decisions that have a significant impact on finance and personnel status;

(2) Intending to file for bankruptcy or may file or has been filed for bankruptcy by Creditor;

(3) Events involving major litigation, arbitration or administrative measures, or property preservation or other compulsory measures have been taken against major assets;

(4) Providing guarantee for third parties and, as a result, posing material adverse impact on its economic condition, financial condition or its ability to perform their obligations under this contract;

(5) Signing contracts that have a significant impact on its operations and financial condition;

(6) Facing suspension of production, suspension of business, dissolution, suspension of business for rectification, revocation or revocation of business license;

(7) The Guarantor or its legal representative (person in charge) or key management personnel member is involved in violating laws and regulations or violating the applicable rules of the exchange(s);

(8) Suffering a distress in operation, deteriorating financial conditions, or facing other events that have a material adverse impact on the Guarantor's operation, financial condition or solvency or economic condition;

(9) A major safety or environmental protection-related accident occurs to the Guarantor;

(10) The audit opinions issued by the Guarantor's external auditor on its financial statements are not standard unqualified opinions;

(11) The Guarantor is investigated, punished or taken other similar measures by the competent authorities due to its serious violations of laws, regulations and/or regulatory requirements;

(12) The Guarantor or its affiliate is included in the sanctions list of the United Nations, the European Union or the United States, or the

country or region in which the guarantor is located is included in the list of countries and regions sanctioned by the United Nations, the European Union or the United States.

4.4 The Guarantor hereby irrevocably and unconditionally agrees that the Guarantor shall not exercise against the debtor or other guarantors the right of the guarantor to claim compensation from the debtor or other guarantors as a result of the performance of this contract until the guaranteed debts are fully repaid. If the Guarantor's exercise of any such right or claim in breach of this article results in receiving any payment from the Debtor, the Guarantor shall make such payment to the Creditor immediately upon receipt.

4.5 If the Debtor becomes a shareholder or actual controller of the Guarantor before the Debtor repays all the debts under the main contract in full, the Guarantor will immediately notify the Creditor and provide a resolution of the shareholders' meeting (general meeting of shareholders) on agreeing to provide the guarantee.

4.6 The Guarantor warrants to comply with the national anti-money laundering laws, regulations and relevant policy requirements, not to engage in activities involving money laundering and terrorist financing, and actively cooperate with the Creditor to carry out various anti-money laundering works such as customer identification, transaction record keeping, and reporting of large-amount and suspicious transactions.

4.7 The Guarantor warrants that the Guarantor and its employees and agents will not provide, grant, solicit or accept any form of material benefits (including but not limited to cash, physical cards, travel, etc.) or other non-material benefits to or from the Creditor or the Creditor's employees in any form; not to use the funds or services provided by Creditor in any form, directly or indirectly, for activities related to corruption or bribery. If it is aware of any violation of this article, the

Guarantor shall provide clues and relevant information for the Creditor in a timely, truthful, complete and accurate manner, and cooperate with the Creditor on relevant matters in accordance with the latter's requirements.

▲▲Article 5 Deduction and Transfer Agreement

5.1 The Guarantor authorizes that the Creditor has the right to deduct money from any account opened by the Guarantor at any branch of Bank of Communications Co., Ltd. for repayment only when the Guarantor shall assume the guarantee liability to the Creditor in accordance with this contract.

5.2 After the deduction and transfer of money, the Creditor shall notify the Guarantor of the account number, main contract number, credit limit application number, contract number, deducted amount and debt balance related herein.

5.3 Where the Guarantor is unable to fully repay all debts owed by the Guarantor (including the payment made by the Guarantor to assume the guarantee liability and the money deducted by the Creditor in accordance with this contract).

(1) The money shall be first used to settle the unpaid expenses when due. On the premise that the mandatory provisions of laws, regulations, rules and regulations and relevant regulatory requirements applicable to the Creditor are not violated, if the principal and interest of the matured debt are overdue for less than 90 days, the balance after offsetting the expenses shall be used first to offset the unpaid interest or penalty interest, compound interest, and then used to offset the unpaid principal at maturity; if the principal or interest of the matured debt is overdue for 90 days or more, the balance after offsetting the expenses shall be used first to offset the unpaid principal at maturity, and then used to offset the unpaid interest or penalty interest, compound interest at maturity;

(2) Where the Guarantor has multiple debts (including debts owed by the Guarantor to the Creditor under other contracts), the Creditor has the right to determine the order of repayment and offsetting of each debt of the Guarantor at its own discretion, provided that such order of repayment does not violate the mandatory provisions of laws, regulations, rules and regulations and relevant regulatory requirements applicable to the Creditor. The Creditor shall notify the Guarantor of the result of debt offsetting. This article applies unless otherwise agreed by the parties on the matters in this article.

5.4 Where the deducted and transferred amount is denominated in a currency different from that of the debt to be repaid, the amount of the debt shall be converted and repaid at the exchange rate announced by Bank of Communications Co., Ltd. at the time of deduction and transfer. Where going through the formalities of foreign exchange settlement and sale is needed, the Guarantor is obliged to assist the Creditor in handling the procedures upon the Creditor's request.

▲▲Article 6 Notices

6.1 The contact information (including mailing address, contact phone number, fax number, e-mail, and more) filled in by the Guarantor in this contract is true and valid. In the event of a change in any contact information, the Guarantor shall immediately mail/send the change information in writing to the correspondence address provided by the Creditor in this contract. Such changes to information take effect upon receipt of the notice of the changes by the Creditor.

6.2 Unless otherwise expressly provided in this contract, the Creditor shall have the right to make any notice to the Guarantor by any of the following means. The Creditor has the right to choose the method of notification deemed as appropriate and is not liable for errors, omissions or delays in delivery by post, fax, telephone or any other

communication system. Where the Creditor chooses multiple notification methods at the same time, the one that reaches the Guarantor in the shortest time shall prevail. If the Guarantor issues more than one notice to the Creditor in respect of the same matter with different contents, the notice issued later shall prevail unless otherwise expressly stated in the notice.

(1) For announcement, the date of service shall be deemed to be the date on which the Creditor publishes the announcement on its website, online banking system, telephone banking system or at business branches;

(2) If it is delivered by hand, the date of service shall be the date of receipt by the Guarantor;

(3) For deliveries made by postal mail (including express mail, ordinary mail and registered mail) to the Guarantor's mailing address recently known to the Creditor, the date of service shall be the 3rd day (in the same city) / 5th day (in other cities) after the date of mailing;

(4) For deliveries made by fax, mobile phone or text message or other electronic means of communication to the Guarantor's fax number latest known to the Creditor, mobile phone number or email address and WeChat account designated by the Guarantor, the date of service shall be the date of delivery. The aforesaid delivery means that the relevant information enters the server terminal of the service provider, rather than the relevant information being actually displayed on the customer's terminal.

6.3 The Guarantor agrees that unless the Creditor receives a written notice from the Guarantor regarding the change of the mailing address, the mailing address provided by the Guarantor in this contract shall be the address for the court to serve judicial documents and other written documents on the Guarantor. The scope of application of the above-mentioned service addresses includes, but is not limited to, the first

instance of civil litigation, jurisdictional objections and reconsideration, second instance, retrial, remand for retrial, and enforcement procedures. If the Guarantor responds to the lawsuit and submits a confirmation of service address directly to the court, while the confirmed address is inconsistent with the correspondence address recently known to the Creditor, the court has the right to use the address in the confirmation of service address.

In the process of dispute resolution under this contract, the court may serve the judgment, ruling and mediation document on the Guarantor in any of the following ways:

(1) Postal delivery (including express mail, ordinary mail, and registered mail), for which the date of service shall be the date when the Guarantor signs on the delivery receipt;

(2) Delivery by hand by dedicated persons, for which the date of service shall be the date when the Guarantor signs on the delivery receipt.

Where the court uses postal delivery (including express mail, ordinary mail, and registered mail), if the Guarantor hasn't signed on the delivery receipt, or the mailing address filled in by the Guarantor is inaccurate, or the mailing address is actually changed but the Creditor has not received the written notice of the Guarantor on the change of mailing address, any of which resulting in the return of the judgment, ruling or mediation document, the date on which the document is returned shall be deemed the date of service.

Where the court uses dedicated personal delivery service, if the Guarantor has not signed on the delivery receipt, the date of service shall be the date on which the delivery person records on the spot the situation on the delivery receipt. In addition to judgments, rulings and mediation documents, the court has the right to make any notice to the Guarantor through any of the means of communication provided under Article 6.2.

The court shall have the right to choose such means of communication as it deems appropriate and is not liable for any errors, omissions or delays in delivery by post, facsimile, telephone, telex or any other communication system. Where the court chooses multiple means of communication at the same time, whichever reaches the Guarantor in the shortest time shall prevail.

6.4 This article is an independent article of dispute resolution in the contract, of which the validity will not be affected when this contract is invalid, revoked or terminated.

▲▲Article 7 Information Disclosure and Confidentiality

7.1 For the undisclosed information and data of the Guarantor obtained and known during the signing and performance of this contract, the Creditor shall use such relevant information and data (including but not limited to collection, storage, use, processing, transmission, provision, disclosure, and more) without violating laws, regulations and regulatory requirements, shall bear the duty of confidentiality in accordance with the law, and shall not disclose such information and data to third parties, except in the following circumstances:

(1) Disclosure is required by applicable laws and regulations;

(2) Disclosure is required by judicial departments or regulatory authorities in accordance with law;

(3) The Guarantor fails to assume the guarantee liability as agreed, and the Creditor needs to disclose to and allow the Creditor's external professional adviser to use such information on the basis of confidentiality in order to realize the Creditor's rights under this contract;

(4) Conducting other reasonable acts in order to safeguard the public interest or the lawful rights and interests of the Guarantor;

(5) Disclosure is made as otherwise agreed by or authorized by the Guarantor to the lender.

Article 8 Dispute Resolution

This contract shall be governed by the laws of the People's Republic of China (excluding the laws of Hong Kong, Macau and Taiwan for the purposes of this contract). Disputes under this contract shall be filed with the court having jurisdiction over where the Creditor is located, unless otherwise agreed in the article entitled "Other Matters Agreed" herein. During the dispute period, the parties shall continue to perform the terms that are not in dispute.

Article 9 Terms of Effectiveness

This contract shall take effect on the date when all the following conditions are met: (1) the legal representative (person in charge) or authorized representative of the Guarantor signs (or seals) the contract; (2) the person in charge or the authorized representative of the Creditor signs (or seals) the contract and affixes the special stamp for contract.

Article 10 Guaranteed Main Contract

10.1. The guaranteed debtor is: Zai Lab (Shanghai) Co., Ltd.

10.2. The guarantee provided in this contract shall be subject to the following item (2):

(1) Guarantee. Guaranteed Main Contract No.: / entitled /.

(2) Maximum guarantee. The Guarantor provides the maximum-amount guarantee for all main contracts signed between the Creditor and the Debtor during the period from February 2, 2026 to February 2, 2029, and the maximum amount of claims guaranteed by the Guarantor is (currency and in words): Renminbi Three Hundred and Thirty Million.

The main contract referred to in the preceding paragraph refers to ☑all credit business contracts signed by and between the Creditor and the Debtor □ all credit business contracts signed by and between the Creditor and the Debtor for dealing with /.

Article 11 Contact Information

The contact details for the Guarantor to receive the notices as stipulated in Article 6 include:

Mailing address: Building B, 899 Halei Road, Pudong, Shanghai

Attn: Xiaopeng Feng

Zip code: 201210

Phone: [***]

Mobile phone number: [***]

WeChat account: /

Fax: /

Email address: [***]

Article 12 Other Matters Agreed

12.1 Both parties agree that the court with jurisdiction over the dispute stipulated in Article 8 herein shall be amended from "the court having jurisdiction over where the Creditor is located" to /.

12.2 The principal amount of the debts of the guaranteed Debtor, Zai Lab (Shanghai) Co., Ltd., shall not exceed Renminbi Three Hundred Million.

12.3 The Guarantor can make consultations and complaints with respect to the business under this contract via the Creditor's contact number (021) 50800840.

Article 13 Number of Copies of Contract

The original of this contract shall be executed in four duplicated copies, with each party holding two copies.

Guarantor: ZAI LAB LIMITED

Legal representative (person in charge): YING DU

Type of Certificate: Certificate of Incorporation ID: 276549

Legal address: Harbour Place 2nd Floor, 103 South Church Street, P.O. Box 472, George Town, Grand Cayman KY1-1106, Cayman Islands

Creditor: Bank of Communications Co., Ltd. Shanghai Zhangjiang Sub-Branch

Person in charge: Zhu Lei

Mailing address: 560 Songtao Road

The Guarantor has read through all the terms of the contract, and the Creditor has made a detailed clarification at the request of the Guarantor, with the Guarantor understanding the meaning of the terms of the contract, especially the articles marked with ▲▲ and its legal consequences when signing this contract.

(No text below on this page)

(Signature page)

Guarantor (signature)	Creditor (special seal for a single contract) Bank of Communications Co., Ltd. Shanghai Zhangjiang Sub-Branch (contract seal for credit business)
Legal representative (person in charge) or authorized representative	Person in charge or authorized representative
(Signature or Seal) /s/ Xiaopeng Feng	(Signature or Seal) /s/ Ke Zhou
Signing Date: February 25, 2026	Signing Date: February 25, 2026

Exhibit 10.39

No.: Z2605LN15695522

PURSUANT TO ITEM 601(b)(10)(iv) OF REGULATION S-K, THIS EXHIBIT OMITS CERTAIN INFORMATION, IDENTIFIED BY [***], THAT IS NOT MATERIAL AND THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

Working Capital Loan Contract

Bank of Communications Co., Ltd.

No.: Z2605LN15695522

Working Capital Loan Contract

Important

The Borrower is kindly requested to read the full text of this contract carefully, especially the clauses marked with ▲▲ and bolded. If you have any questions about the terms of the contract (including but not limited to clauses marked with ▲▲ and bolded) or want to further understand the specific meaning of relevant clauses, please be sure to ask the Lender to explain them before signing, and the Lender will explain the meaning and consequences of relevant clauses to you. If the Lender has not explained to you the meaning and consequences of relevant terms, or if you still have questions about any of the contents of this contract, please hold off on signing of this contract.

Whereas, the Borrower applies for a working capital loan limit from the Lender, and in order to clarify the rights and obligations of both parties, the Borrower and the Lender have reached a consensus through thorough negotiation and hereby concluded this contract.

Article 1 Definitions

“Loan limit” refers to the maximum amount of the loan balance (under the revolving limit) or the total loan amount (under the lump-sum limit) that the Lender may grant to the Borrower in accordance with this contract, which may be either a revolving limit or a lump-sum limit (which can be used only once or for multiple times) according to the contract.

“Revolving limit” means that the Borrower may apply for the use of the limit for multiple times in accordance with this contract to obtain a loan, but the balance of the loan shall not exceed the agreed limit.

“Lump-sum limit” means that the Borrower may apply for the use of the limit at one time or for multiple times in accordance with this contract to obtain a loan, but the total cumulative loan amount withdrawn shall not exceed the agreed limit.

“Loan balance” refers to the sum of the outstanding principal amount of the loan obtained by the Borrower under this contract.

“Limit balance” refers to the amount after deducting the loan balance (under the revolving limit) or the total loan amount (under the lump-sum limit) from the loan limit.

“Credit period” refers to the term for the Lender to grant the loan to the Borrower in accordance with the Borrower’s

application and this contract, which is the period when the loan is incurred rather than the loan term.

“Loan term” refers to the term of each loan specified in the Application for Use of Loan Limit of Bank of Communications (hereinafter referred to as the “Application for Use of Loan Limit”).

“Pricing benchmark” means the value benchmark agreed between the Borrower and the Lender to determine the corresponding loan rate, including but not limited to the following specific pricing benchmarks and other types of pricing benchmarks.

“Loan Prime Rate (LPR)” refers to the loan prime rate applicable to RMB loans issued by the National Interbank Funding Center on the 20th of each month (postponed accordingly in case of holidays).

“Latest permissible lower limit” refers to the minimum interest rate allowed for extension of loans as determined by laws and regulations related to interest rate and relevant rules or the loan pricing self-discipline agreement.

“Bank business days” and “business days” refer to the business days of the bank in the place where the Lender is located, excluding statutory holidays and days off (except for those when the bank is open due to holiday adjustment). If the date of performance of obligations such as the loan date, repayment date, interest payment date or maturity date falls on a

non-bank business day, it shall be postponed to the next bank business day accordingly.

“Related person” refers to the Borrower’s authorized manager, agent, legal representative, person in charge, controlling shareholder or actual controller, beneficial owner and other directly or indirectly related persons.

The terms such as related party, related party transaction, and major individual investor have the same meaning as the same terms in the Accounting Standards for Business Enterprises No. 36 - Related Party Disclosures (Cai Kuai [2006] No. 3) promulgated by the Ministry of Finance and subsequent revisions to the standards.

“ESG risks”: Environmental, social and governance risks.

“Corporate e-banking” refers to corporate e-banking channels such as corporate internet banking and corporate mobile banking systems of Bank of Communications.

Article 2 Use of Limit

2.1 When the Borrower needs to use the loan limit, it shall apply to the Lender at least 5 bank business days in advance. When making the application, the applicant should fill in and sign the Application for Use of Loan Limit in accordance with the format and requirements provided by the Lender, and use such limit after the application is reviewed and approved by the Lender.

▲▲2.2 Using the limit in each case is subject to all of the following conditions:

(1) The loan balance (under the revolving limit) or the total loan amount (under the lump-sum limit) does not exceed the limit;

(2) The applied loan amount does not exceed the limit balance;

(3) The application date and the loan date are within the credit period;

(4) The term and the maturity date of the loan comply with the provisions of this contract;

(5) The guarantee contract under this contract (if any) has entered into force and continues to be effective; where the guarantee contract is a mortgage contract and/or a pledge contract, the security interest has been created and continues to be valid;

(6) The Borrower has completed the procedures for obtaining government permits, approvals, registrations, etc., which must be completed according to law and required by the Lender at the time of applying for the loan, and such permits, approvals or registrations continue to be valid;

(7) After this contract takes effect, no material adverse change has occurred in the Borrower's operating conditions and financial condition;

(8) The Borrower's application meets the requirements of the relevant rules and regulations of the Lender;

(9) The Borrower has not violated the provisions of this contract;

(10) The payment method of the loan is in accordance with the provisions of this contract, and where the Lender is entrusted to make payment, the Lender agrees to do so;

(11) In the case of using a foreign currency loan, the Borrower has provided supporting documents proving that the loan complies with the relevant foreign exchange management policies, including but not limited to valid proof or registration documents for foreign exchange purposes;

(12) The Borrower has designated a special fund withdrawal account and signed the account management agreement as requested by the Lender.

▲▲2.3 Where the Lender agrees to grant the loan and signs the Application for Use of Loan Limit in paper form, the final loan information shall be that displayed in the bank printing column of the Application for Use of Loan Limit; where the "Application for Use of Loan Limit" is signed through the corporate e-banking system, the final loan information shall be that displayed in the "Bank of Communications Loan Receipt". The "Application for Use of Loan Limit" is used as the "Loan Voucher".

▲▲2.4 Where the currency in the "Application for Use of Loan Limit" is inconsistent with the currency for the loan limit, it shall be converted using the exchange rate at the beginning of each day announced by Bank of Communications Co., Ltd. for the purpose of determining the limit balance only; if no directly applicable exchange rate is available, it shall be converted by Bank of Communications Co., Ltd. using the exchange rate determined by the Lender in a reasonable manner.

▲▲2.5 After the Borrower becomes a shareholder of the Guarantor or the "actual controller" as defined in the Company Law, the Lender has the right to suspend or cancel the unused loan limit of the Borrower before the Guarantor provides a resolution of the shareholders' meeting (general meeting of shareholders), which is accepted by the Lender, on agreeing to provide guarantee to the Borrower.

Article 3 Interest Rate and Interest Calculation

3.1 Basic rules for determining interest rates

3.1.1 Unless otherwise provided herein, the annual interest rate (simple interest) of the loan under this contract shall be agreed in the "Application for Use of Loan Limit" after negotiation between both parties each time when using the limit; where the annual interest rate value is determined according to

the pricing benchmarks, it shall be calculated by adding (subtracting) points according to the pricing benchmarks agreed in the “Application for Use of Loan Limit” (1 basis point being 0.01 percent, and 1 percentage point being 100 basis points).

3.1.2 If it is agreed in the Application for Use of Loan Limit that the fixed interest rate shall be applied, with the specific value being recorded in the segment of fixed interest rate value, the specific interest rate of each loan shall be subject to the value recorded in the segment of fixed interest rate value in the Application for Use of Loan Limit (specifically, if the loan currency is RMB, the specific value shall be determined based on the pricing benchmark specific value (hereinafter referred to as the “pricing benchmark value”) applicable on the pricing benchmark date specified in the “Application for Use of Loan Limit”, and shall be determined according to the plus (minus) points value specified in the “Application for Use of Loan Limit”). Where a specific value is not recorded in the segment of the fixed interest rate value, the specific interest rate of each loan shall be determined on the basis of the pricing benchmark value applicable on the applicable date of the pricing benchmark agreed in the Application for Use of Loan Limit, and shall be determined according to the plus (minus) points value agreed in the Application for Use of Loan Limit.

If it is agreed in the Application for Use of Loan Limit that a floating interest rate shall be applied, the specific interest rate

of each loan shall be determined on the basis of the pricing benchmark value applicable to the applicable date of the pricing benchmark agreed in the Application for Use of Loan Limit in accordance with the plus (minus) points value, the interest rate floating rules, the interest rate floating period, the unit of the interest rate floating period and the floating start date of a specific date (if necessary) agreed in the Application for Use of Loan Limit.

3.1.3 If the currency is RMB, the daily interest rate = monthly interest rate / 30, monthly interest rate = annual interest rate / 12; If the currency is HKD, GBP, AUD or CAD, the daily interest rate = annual interest rate/365; If the currency is USD, EUR and JPY, the daily interest rate = annual interest rate / 360.

▲▲3.2 Lending Rate

Where it is agreed in the Application for Use of Loan Limit that a fixed interest rate is applicable and a specific value is recorded in the segment of fixed interest rate value, the interest rate applied at the time of extending the loan shall be such fixed value. Where it is agreed that a fixed interest rate shall be applied in the Application for Use of Loan Limit but the specific value is not recorded in the segment of fixed interest rate value, and where it is agreed in the Application for Use of Loan Limit that a floating interest rate shall be applied, the loan interest rate applied at the time of extending each loan shall be determined on the basis

of the applicable pricing benchmark value of the "Applicable Date of Pricing Benchmark" agreed in the corresponding Application for Use of Loan Limited according to the plus (minus) points value agreed in the Application for Use of Loan Limit. The "Applicable Date of Pricing Basis" shall be T day, and the rules for determining the value of the Pricing Benchmark applicable on T Day shall be implemented in accordance with Article 3.5.1 herein.

At the time of each loan disbursement, after the Borrower submits the Application for Use of Loan Limit, in the event of adjustment to the laws, regulations relating to interest rate and relevant rules, the loan pricing self-discipline agreement, or the loan prime rate (LPR), etc., and the loan interest rate as determined in accordance with the preceding paragraph is lower than the latest permissible lower limit applicable on the loan disbursement date, except that Article 17.1 provides that the latest permissible lower limit does not apply to the loans under this contract, the Lender will, in the bank printing column of the Application for Use of Loan Limit or in the final loan disbursement information printed on the Bank of Communications Loan Disbursement Receipt, directly set the loan disbursement interest rate according to interest rate value of the latest

permissible lower limit applicable on the loan disbursement date and shall actually implement that rate.

3.3 Adjustment of interest rates

3.3.1 Where it is specified in the "Application for Use of Loan Limit" that a fixed interest rate is applied, the loan will be executed at the recorded interest rate throughout the loan term.

▲▲3.3.2 Where it is specified in "Application for Use of Loan Limit" that a floating interest rate is applied, for such loan, the loan interest rate adjustment date shall be determined in accordance with the interest rate floating rules, interest rate floating period, unit of interest rate floating period, and floating start date for a specific date (if necessary) stipulated in the "Application for Use of Loan Limit" and relevant provisions hereunder, and the adjusted interest rate shall be applied from the date of adjusting the loan interest rate.

3.3.2.1 During the loan period, the period of adjustment of the loan interest rate shall be calculated from the "loan entry date" or "floating start date for a specific date" according to the "floating since the date of loan entry" or "floating since a specific date" selected in the "interest rate floating rules". Fill in the number of periods of interest rate floating in the empty column of interest rate floating period, and the unit of interest rate floating period can be selected daily or monthly. If the number of interest rate floating

periods is set to “1” and the unit of floating period is “daily”, every day starting from the “loan entry date” or “floating start date for a specific date” will be the loan interest rate adjustment date. If the number of interest rate floating periods is set to “3” and the unit of floating period is “daily”, the loan interest rate will be adjusted on the day after 3 days starting from the “loan entry date” or “floating start date for a specific date”. If the number of interest rate floating periods is set to “1” and the unit of floating period is “monthly”, the loan interest rate adjustment date will be the day of each full month starting from the “loan entry date” or “floating start date for a specific date”. If the number of floating interest rate periods is set to “3” and the floating period unit is “monthly”, the loan interest rate will be adjusted on the day of every 3 months starting from the “loan entry date” or “floating start date for a specific date”, and so on.

3.3.2.2 The loan interest rate on the loan interest rate adjustment date shall be determined on the basis of the pricing benchmark value applicable on the loan interest rate adjustment date, and unless otherwise agreed in this contract or both parties agree to adjust the plus (minus) point values through negotiation, the interest rate plus (minus) points shall be implemented according to the interest rate plus (minus) points of the loan agreed in the

“Application for Use of Loan Limit”. The “loan interest rate adjustment Date” shall be the T day, and the rules for determining the value of the pricing benchmark applicable on the T day shall be implemented in accordance with Article 3.5.1 of this contract.

In the event of adjustment to the laws and regulations relating to interest rate and relevant rules, the loan pricing self-discipline agreement, or the loan prime rate (LPR), etc., where the loan interest rate on the loan interest rate adjustment date as determined according to the aforementioned rule is lower than the latest permissible lower limit applicable on the loan interest rate adjustment date, except that Article 17.1 provides that the latest permissible lower limit does not apply to the loans under this contract, during the period from such adjustment date to the next interest rate adjustment date, the interest rate value of the latest permissible lower limit applicable on that interest rate adjustment date shall be implemented.

▲▲3.3.3 If the pricing benchmark applicable to the corresponding loan is cancelled, stopped to be published, or the Lender no longer uses the corresponding pricing benchmark for some reason, both parties shall negotiate and adjust the interest rate of the loan separately, but the adjusted interest rate shall not be lower than the applicable interest rate at that time; where both parties fail to agree on

the adjusted interest rate more than 1 month after the date of cancellation or end of publication of the pricing benchmark, the Lender has the right to declare that the loan is due early.

▲▲3.3.4 Both parties, after reaching an agreement, may adjust the value of the plus (minus) points of the corresponding loan interest rate on each loan interest rate adjustment date.

3.4 The penalty rate of overdue loans shall be increased by 30% according to the interest rate agreed herein, and the penalty rate of misappropriated loans shall be increased by 50% according to the interest rate agreed herein. If an adjustment of the loan pricing benchmark occurs for a floating rate loan, the Lender has the right to adjust the penalty rate applicable to each loan accordingly, and apply the new penalty rate from the date of loan interest rate adjustment agreed in the corresponding Application for Use of Loan Limit.

3.5 Calculation of Interest

3.5.1 Depending on different applicable pricing benchmarks, the pricing benchmark value applicable to the T day (i.e., the “pricing benchmark application Date”, “loan interest rate adjustment date” and “repricing date”) agreed in articles 3.2, 3.3.2.2 and 9.3.3.2 of this contract shall be as follows:

If the Loan Prime Rate (LPR) is applied as the pricing benchmark, the applicable pricing benchmark value on T day is the Loan Prime Rate (LPR) value most recently published before T date.

If the pricing benchmark value displayed on the page of the corresponding financial telecommunication terminal is greater than or equal to 0, the pricing benchmark value used to determine the loan interest rate under this contract shall be determined according to the actual pricing benchmark value displayed on the page of the corresponding financial telecommunication terminal; If the pricing benchmark value displayed on the page of the corresponding financial telecommunication terminal is less than 0, the pricing benchmark value used to determine the loan interest rate under this contract shall be 0.

3.5.2. Normal interest = the interest rate agreed herein × the amount of loan × number of days occupied.

The number of days occupied is calculated from the date of making the loan (inclusive) to the maturity date (exclusive), which is subject to extension if the maturity date is a non-business day, with the extension period being included in the days occupied. The interest during extension shall still be calculated according to this contract.

3.5.3. The penalty interest for overdue loans and misappropriated loans shall be calculated according to the

amount overdue or misappropriated and the actual number of days (from the date of becoming overdue or being misappropriated (inclusive) to the date of repaying principal and interest (exclusive)).

3.5.4 In the event there are many decimal places after the decimal point for the calculated interest/penalty interest, , the Lender will round it to two decimal places.

▲▲3.6 Where the Borrower repays the loan in advance or the Lender recovers the loan in advance according to the provisions of this contract, the corresponding interest rate level is not subject to change and the interest rate agreed herein shall still be implemented.

▲▲3.7 When a loan under this contract is subject to the interest rate of the latest permissible lower limit, the Lender will notify the Borrower to implement the interest rate value of the latest permissible lower limit through one or more methods such as corporate internet banking, corporate mobile banking, phone call, text message, etc. If the Borrower does not agree to continue to use the loan at the interest rate of the latest permissible lower limit, it may repay the corresponding loan(s) in advance.

Article 4 Payment of Loan

4.1. If the loan disbursement account designated by the Borrower is a specialized loan disbursement account opened with the Lender, the disbursement and payment of the loan

should be processed via such account. The account is only used for granting loan funds and making external payment, with the voucher of “Settlement Business Application” issued only, and it cannot be used to process checks, bills of exchange, bank acceptance bills and other transactions as well as other settlements. When the Borrower makes the payment and transfers the loan funds on its own, the procedure must be completed at the counter of the account opening branch. Interest on deposits in this account is credited to the Borrower’s repayment account.

4.2 When drawing down the loan in accordance with this contract, the Borrower shall specify the payment method (entrusting the Lender to pay or the Borrower paying on its own), and only one payment method can be used for each drawdown.

4.3 Entrusting the Lender to pay means that the Lender directly disburses the loan funds through the Borrower’s account to the borrower’s counterparty for the purposes agreed herein after the Lender disburses the loan in accordance with the Borrower’s Power of Attorney for Entrusted Payment.

Where the amount of a single payment exceeds the self-payment limit or meets one of the conditions agreed under Article 19.3, the entrusted loan payment method shall be adopted.

When entrusting the Lender to pay, the Borrower shall submit to the Lender an application for the use of the limit, the corresponding power of attorney for entrusted payment, and other documents required by the Lender (including but not limited to transaction documents such as business contracts, invoices and receipt documents), specifying the amount of the loan, the recipient and amount of payment, and the amount of the loan shall be equal to the total amount to be paid.

▲▲If the payment to be made by the Borrower does not conform to the terms in this contract or the corresponding business contract(s), or is otherwise defective, the Lender has the right to refuse to pay and return the power of attorney for entrusted payment submitted by the Borrower.

▲▲ Where the Lender agrees to pay on behalf of the borrower, if the payment cannot be made or the payment is returned due to incorrect information provided by the Borrower, the Borrower shall resubmit the relevant documents and data containing the correct information within the time limit specified by the Lender, and the Lender shall not be liable for the resulting delay or payment failure.

4.4 The Borrower’s paying on its own means that after the Lender disburses the loan funds to the Borrower’s account in accordance with this contract, the Borrower shall pay the

Borrower's counterparty(ies) that meets the purpose agreed herein.

If the Borrower pays on its own, it shall submit to the Lender an application for the use of the limit, instructions for the use of funds and other documents required by the Lender. The Borrower shall report the loan fund payment status to the Lender on a timely basis. The Lender has the right to verify whether the loan payment is aligned with the agreed purpose through account analysis, voucher inspection, on-site investigation and other methods, and the Borrower shall cooperate with the Lender on such verification.

Article 5 Repayment of Loan

5.1 The Borrower shall repay the loan principal and interest in full and on time according to the repayment date and amount recorded in this contract and the corresponding Application for Use of Loan Limit.

▲▲5.2 The Borrower shall not repay the Loan in advance without the written consent of the Lender (where the Lender shall not refuse or delay in giving such consent without justifiable reasons).

▲▲5.3 The repayment arrangement for the principal and interest agreed by the Borrower and the Lender in the Application for Use of Loan Limit represents the true expressions of intention reached by both parties on a

voluntary basis after negotiation. Under the repayment arrangement made by both parties, whether the principal is repaid before the interest does not affect the Borrower's repayment obligation to the interest payable, and the Borrower shall not raise a defense against the repayment of the interest payable. Under either repayment arrangement, the Borrower shall be liable for the repayment of the principal and interest payable in full.

▲▲5.4 Provided that the Borrower's repayment (including the Borrower's proactive repayment and the Lender's deduction of money in accordance with this contract) cannot cover all the Borrower's debts in full:

(1) The payment shall be first used to settle the unpaid portion when due. Under the premise of not violating the mandatory provisions of the laws, regulations, rules and regulations and relevant regulatory requirements applicable to the Lender, if the principal and interest are overdue for less than 90 days, the balance after the repayment of fees shall be first used to offset the outstanding interest, penalty interest and compound interest when due, and then used to offset the outstanding principal when due; If the principal or interest is overdue for more than 90 days, the balance after offsetting shall be first used to offset the outstanding principal when due, and then used to offset the outstanding interest, penalty interest or compound interest when due;

(2) If the Borrower is subject to multiple debts (including the debts of the Borrower to the Lender under other contracts), the Lender shall have the right to determine at its sole discretion the order of repayment of each debt of the Borrower, provided that such order of repayment is not a violation against the mandatory provisions of the laws, regulations, rules and regulations and relevant regulatory requirements applicable to the Lender. The Lender shall notify the Borrower of the result of the debt repayment. This article applies unless otherwise agreed by both parties on the matters in this paragraph.

Article 6 Representations and Warranties of the Borrower

6.1 The Borrower is legally established and validly existing, with all necessary rights and the ability to fulfill the obligations of this contract and assume civil liability in its own name.

6.2 The signing and performance of this Contract represent true intention of the Borrower, which are subject to all necessary consents, approvals and authorizations, with no legal defects.

6.3 The Borrower operates legally and compliantly, has the ability to maintain “going concern” status, has a legitimate source of repayment, without any major ESG risks or major bad

credit history. The Borrower's senior management is free of any bad record.

6.4 All documents, statements, materials and information provided by the Borrower to the Lender in the course of signing and performing this contract are true, accurate, complete and valid, without hiding any information from the Lender that may affect the Lender's financial position and ability to repay, and the Borrower's financial position has not undergone any material adverse changes since the date of the latest financial statements. The borrowing matters comply with the requirements of laws and regulations.

▲▲6.5 The Borrower is not on the sanctions list issued by the United Nations and relevant countries, organizations and institutions, and is not an individual or an enterprise included on the list of risks related to terrorism, money laundering and counter-sanctions issued by Chinese government departments or competent authorities; and it is not located in a country or region that has been sanctioned by the United Nations and relevant countries, organizations or institutions.

▲▲6.6 The Borrower warrants to comply with the national anti-money laundering laws, regulations and relevant policy requirements, not to engage in assisting others with money laundering, terrorist financing, tax evasion, bank debt evasion, cash arbitrage,

telecommunications fraud, illegal fundraising and other illegal activities, actively cooperate with the lender on various anti-money laundering works such as customer identification, transaction record keeping, customer identity and transaction background due diligence, large-amount and suspicious transaction reporting, and provide relevant supporting documents as required by the Lender.

6.7 Based on the ESG risks facing the industry where the Borrower is operating, if it falls in Class A or Class B customer category, the Borrower makes the following undertaking:

(1) The Borrower's internal management documents related to ESG risks comply with the requirements of laws and regulations and are effectively implemented;

(2) the Borrower is not involved in any major litigation cases related to ESG risks;

(3) The Borrower's conduct and performance related to ESG risks are compliant in material respects.

Article 7 Rights and Obligations of the Lender

7.1 The Lender shall have the right to recover the principal and interest of the loan (including compound interest, penalty interest on overdue and misappropriated loans, and the like) in accordance with this contract, collect the fees payable by the Borrower, have the right to withdraw the loan in advance at its own discretion according to the Borrower's fund withdrawal

status, and exercise other rights stipulated by law or agreed in this contract.

▲▲7.2 During the performance of this contract, the Lender only conducts a surface review of the information provided by the Borrower. The Lender shall not be liable for the failure of its completing the entrusted payment in a timely manner due to the untrue, inaccurate or incomplete documents provided by the Borrower or due to the Borrower's violation of this contract.

▲▲7.3 The Lender shall grant the loan and handle the payment in accordance with this contract. The Lender shall not be liable for the failure of its granting the loan or making the payment on time due to any of the following reasons, but will notify the Borrower in a timely manner: the loan account designated by the Borrower is frozen, the account of the payment recipient is frozen, force majeure, communication or network failure, the Lender's system failure, etc. This article applies unless otherwise agreed in this contract.

▲▲7.4 According to the regulatory requirements that the Lender needs to observe, the Lender will conduct a dynamic assessment of the Borrower's risk level related to money laundering, terrorist financing, tax evasion, and others, and has the right to take one or all of the measures stipulated in Article 9.2 when it believes that the Borrower

and its related businesses are suspected of a high risk related to money laundering, terrorist financing and tax evasion.

▲▲7.5 The Lender shall have the right to participate in the Borrower's activities such as large-amount financing, asset sales, merger, spinoff, shareholding reform, bankruptcy liquidation and others in accordance with laws and regulations, in order to safeguard the Lender's creditor's rights.

Article 8 Obligations of the Borrower

8.1 The Borrower shall repay the principal of the loan and pay interest according to the time, amount, currency and interest rate agreed in this contract and the corresponding Application for Use of Loan Limit.

The Borrower's designated fund withdrawal account is used to collect corresponding sales revenue or planned repayment funds. If the corresponding sales revenue is settled in a non-cash manner, the Borrower should ensure that the funds are promptly transferred to the fund withdrawal account upon receipt of the payment The Borrower shall provide the fund's inflow and outflow of the account as required by the Lender.

8.2 The Borrower shall use the loan limit for the purposes agreed in this contract and for the purposes determined in the corresponding Application for Use of Loan Limit, and shall not do the following: appropriating the loan for other purposes, re-

lending the loan, using the loan as dividends to pay the Borrower's shareholders and investment in financial assets, fixed assets, equity, etc.; using as other items such as bonuses and dividends paid by the Borrower, using to pay fines, using in areas and for purposes which are prohibited by China from production and operation, such as inflating fiscal revenues, adding hidden debts of local governments or incompliantly injecting into the real estate market.

The Borrower shall use the loan funds in accordance with the agreed method, and shall not evade the lender's entrusted payment by dividing the loan into parts; Where the Borrower pays on its own, the Borrower shall use the loan within a reasonable time according to the requirements of the Lender's regulator, and the loan funds shall be paid according to the provisions of this contract.

▲▲8.3 The Borrower shall bear the settlement fees (if any) for the payment of the loan funds (including the payment entrusted to the Lender and the payment made by the Borrower on its own), and the specific fee amount shall be determined in accordance with the laws, regulations, rules, regulatory provisions and the then effective List of Service Fees of Bank of Communications published by the Lender.

If the payment of loan funds is not cross-border payment and the loan account is a dedicated loan

disbursement account, when paying the loan funds (including entrusting the Lender to pay and the Borrower paying on its own), the payment of funds may be handled through the payment system of the People's Bank of China or the intra-city exchange system in case that the collection account is not a Bank of Communications account. If the loan account is not a dedicated loan disbursement account and the loan funds are paid (including entrusting the Lender to pay and the Borrower paying on its own) to a non-Bank of Communications account in other cities, the payment shall be handled through the payment system of the People's Bank of China.

If cross-border payment is used, payment of loan funds may be processed through the Society for Worldwide Interbank Financial Telecommunication (SWIFT) system or other systems.

▲▲8.4 The Borrower shall cooperate with the Lender on supervising and inspecting the loan payment management, post-loan management, loan use and Borrower's business situation, and provide financial statements, records and documents regarding the use of loan funds, related parties and related party transaction information, ESG risk reports, and other data and information reasonably required by the Lender for post-loan risk management needs in a timely manner, while ensuring

the authenticity, completeness and accuracy of the documents, data and information provided.

▲▲8.5 The Borrower shall notify the Lender in writing 7 working days in advance if any of the following events occurs hereto, and shall not take action unless obtaining the written consent of the Lender:

(1)Merger, spinoff, equity transfer.

(2)Foreign investment, external guarantee or substantial increase in debt financing exceeds the level stipulated in Article 20.1 herein.

▲▲8.6 Before the Borrower repays the principal and interest of the loan and other debts under this contract in full, the Borrower shall notify the Lender in writing within 7 working days from the date on which any of the following events occurs and submit relevant proofs and certificates in accordance with laws, rules, regulatory provisions and the requirements of the Lender:

(1) The Borrower amends the articles of association, changes the company's name, legal representative (person in charge), domicile, mailing address or business scope, or makes a decision that has a significant impact on finance and personnel status;

(2) the Borrower or Guarantor intends to file for bankruptcy or may file or has been filed for bankruptcy by creditors;

(3) The Borrower is involved in major litigation, arbitration or administrative measures, or property preservation or other compulsory measures have been taken against its main assets or collateral under this contract, or the safety and intactness of the main assets or collateral under this contract has been or may be affected or the value is reduced or may be reduced;

(4) the Borrower provides guarantee to a third party/third parties other than a related party, and as a result, posing material adverse impact on its economic condition, financial condition or its ability to perform its obligations under this contract;

(5) the Borrower signs a contract that has a significant impact on its operation and financial condition;

(6) The Borrower pays off the unmatured debts in advance or pays off other due debts in priority, adds pledges to other existing debts, etc., or makes any arrangements with similar effects or signs relevant documents;

(7) The Borrower faces suspension of production, suspension of business, dissolution, suspension of business for rectification, deregistration or revocation of business license;

(8) The Borrower, the Borrower's major investors, the Borrower's legal representative (responsible person), directors or key management personnel are missing,

involved in violations of laws and regulations, or in violation of applicable exchange rules, or face abnormal changes;

(9) The Borrower suffers a distress in its operation, deteriorating financial condition, or faces other events that have a material adverse impact on the Borrower's operation, financial condition or solvency or economic condition;

(10) A related party transaction occurs and the transaction amount reaches or exceeds 10% of the Borrower's most recent audited net assets;

(11) The Borrower becomes or may become a shareholder of the Guarantor or an "actual controller" as defined in the Company Law before repaying all debts under this contract;

(12) The Borrower has a major liability accident due to violation of laws, regulations, regulatory provisions, national policies or industry standards;

(13) The Borrower has a safety or environmental protection-related accident;

(14) A change takes place in the controlling or controlled relationship between the guarantor and the Borrower;

(15) The Borrower faces a major change in equity;

(16) The audit opinions issued by the Borrower's external auditor on its financial statements are not standard unqualified opinions;

(17) The Borrower is investigated, punished or taken other similar measures by the competent authorities due to its serious violations of laws, regulations and/or regulatory requirements;

(18) The Borrower is included in the sanctions list issued by the United Nations and relevant countries, organizations and institutions, as well as the risk list related to terrorism, money laundering and counter-sanctions issued by the Chinese governmental agencies or competent authorities; or the country or region where the Borrower is located is included in the list of countries and regions sanctioned by the United Nations and relevant countries, organizations and institutions;

(19) Other major adverse events occur that affect the Borrower's ability to repay debts.

(20) Based on the ESG risks facing the industry where the borrower operates, if the Borrower falls into Class A or Class B customer category, any of the following events occurs to the Borrower:

① Obtaining permits, reviews and approvals related to ESG risks in the process of production commencement, construction, operation and shutdown;

② The regulator or its recognized institution making assessment and inspection of the Borrower's ESG risk;

③Status of supporting construction and operation of environmental facilities;

④Conditions of pollutant emissions and whether it is compliant;

⑤Safety and health of employees;

⑥ Significant complaints and protests in neighboring communities against the Borrower;

⑦Significant environmental and social claims;

⑧Other material circumstances that the Lender believe relevant to ESG risks.

▲▲8.7 In the event of a change in the guarantee under this contract that has a material adverse impact on the Lender's creditor's rights, the Borrower shall provide other guarantees approved by the Lender in a timely manner as required by the Lender.

"Change" used in this paragraph includes, but is not limited to: the Guarantor's merger, spinoff, suspension of production, suspension of business, dissolution, suspension of business for rectification, being deregistered, revocation of business license, filing for or being filed for bankruptcy; a material change occurs to the Guarantor's business or financial condition; the Guarantor is involved in major litigation, arbitration, administrative measures, or property preservation or other compulsory measures have been taken against its major assets; the safety and intactness of the

collateral is or may be compromised; the value of the collateral is reduced or may be reduced, or compulsory measures such as seizure are taken; the Guarantor or its legal representative (person in charge) or key management personnel are involved in violations of laws and regulations or in violations of the applicable rules of the exchange; the Guarantor is missing or deceased (declared dead) if it is an individual; the Guarantor has defaulted under the guarantee contract; disputes occur between the Guarantor and the Borrower; the Guarantor requests to terminate the guarantee contract; the guarantee contract has not taken effect, is invalid or revoked; the security interest is not created or invalid; or other events that affect the security of the Lender's creditor's rights.

▲▲8.8 The Borrower makes the following undertaking: from the date of signing this contract till the paying off of all loan principal and interest and related expenses under this contract, the Borrower's financial indicators, ratings by external agencies and business qualifications/licenses will always comply with the provisions hereunder (if any), and if annual review is required for the business qualifications/licenses, the review shall be passed in a timely manner.

8.9 The Borrower warrants that the Borrower and its employees and agents will not provide, grant, solicit or accept

any form of material benefits (including but not limited to cash, physical cards, travel, etc.) or other non-material benefits to or from the Lender or the Lender's employees in any form; not to use the funds or services provided by the Lender in any form, directly or indirectly, for activities related to corruption or bribery; If it is aware of any violation of this article, the Borrower shall provide the Lender with clues and relevant information in a timely, truthful, complete and accurate manner, and cooperate with the Lender on relevant matters in accordance with the Lender's requirements.

8.10 Depending on the ESG risks facing the industry where the Borrower operates, the Borrower shall assume the following obligations if it falls into Class A or Class B customer category:

(1) Establishing and improving the internal management system for ESG risks, and specifying the responsibilities, obligations and penalties of the relevant people in charge of the Borrower;

(2) Setting up emergency response mechanisms and measures for ESG risk emergencies;

(3) Establishing a dedicated department and/or designating dedicated personnel to be responsible for ESG risk matters;

(4) Cooperating with the Lender or its approved third party on the assessment and inspection of the Borrower's ESG risk;

(5) Responding appropriately or taking other necessary actions when the public or other stakeholders strongly question the Borrower's performance in ESG risk control;

(6) Supervising the Borrower's crucial related parties to strengthen management to prevent the ESG risks of related parties from affecting the Borrower;

(7) Fulfilling other obligations that the Lender deems relevant to ESG risk control.

▲▲Article 9 Adjustment of Limit, Early Loan Maturity and Risk Repricing

9.1 The occurrence of any of the following events is deemed "early maturity event" in this contract:

(1) The Borrower fails to repay the loan principal or pay interest in accordance with any of the "Application for Use of Loan Limit" under this contract;

(2) The representations and warranties made by the Borrower under this contract are untrue;

(3) Any of the notifiable matters listed in Article 8.6 has actually occurred and has caused or may cause a material adverse impact on the security of the Lender's creditor's rights or causes a significant increase in the Lender's risk;

(4) The Lender's granting the loan in accordance with this contract constitutes a violation of laws and regulations due to changes in laws, regulations and regulatory policies;

(5) The Borrower has defaulted or the debt may be or has been declared to be matured early when performing other contracts with the Lender or performing contracts with a third-party financial institution;

(6) The Borrower's unusual use of loan funds or circumvention of entrusted payment;

(7) The Borrower's misappropriation of loan funds;

(8) The loan account designated by the Borrower is frozen or deducted by the competent authority;

(9) Depending on the ESG risks facing the industry where the Borrower operates, any of the following events occur to the Borrower if it falls into the Class A or Class B customer category:

①The Borrower is penalized by the relevant government department for inadequate ESG risk management;

② The Borrower is strongly questioned by the public and/or the media due to inadequate ESG risk management, which has been verified to be true;

③The Borrower does not fulfill its obligations with the Lender in relation to ESG risk management as agreed in other contracts;

(10) The Borrower seriously violates other provisions of this contract.

9.2 In case of any "early maturity event", the Lender shall have right to take one, more or all of the following measures at its discretion:

(1) Lower, suspend or cancel the limit under this contract;

(2) Cease or terminate the disbursement of loans that have not been drawn down by the Borrower;

(3) Cease or terminate the payment of loans that have already been drawn down but not yet used by the Borrower;

(4) Request the Borrower to negotiate with the Lender within an agreed time limit to supplement the terms of loan disbursement and payment;

(5) Request the Borrower to change the payment method according to the Lender's requirements;

(6) Conduct risk repricing for loan in accordance with Article 9.3;

(7) Unilaterally announce early maturity of all the principal of the loan that has been disbursed under the contract, and request the Borrower to immediately repay all the principal of the loan due and settle the interest;

(8) Downgrade the Borrower's loan risk rating in accordance with regulatory requirements;

(9) Hold the Borrower legally responsible.

9.3 According to the Borrower's business situation at the time of entering into this contract, both parties have determined

the interest rate and adjustment agreed in this contract after negotiation. The Borrower agrees that, in case of any “early maturity event”, the Lender shall have the right to reprice the risks of the loan in accordance with the provisions hereof.

9.3.1 Risk repricing includes negotiated repricing and direct increase of loan interest rate, and the risk repricing method adopted in this contract shall be agreed by both parties in Article 21.

9.3.2 “Negotiated repricing” means that the Lender has the right to require the Borrower to negotiate with the Lender to increase the loan interest rate within a limited time limit, and t both parties shall determine the “repricing date” and the specific agreement on the relevant interest rates by means of a supplementary agreement.

9.3.3 “Direct increase of loan interest rate” means that the Lender has the right to directly increase the loan interest rate in accordance with this Article and Article 21.

9.3.3.1 The increased loan interest rate shall be applied to each loan outstanding by the Borrower as of the “repricing date” from the “repricing date” notified by the Lender to the Borrower in writing.

9.3.3.2 If the loan currency is RMB, USD, EUR, HKD, JPY or GBP, the interest rate of each loan after the increase shall be determined according to the plus (minus) points agreed in Article 21.2.1 on the basis of the pricing benchmark value

applicable on the “repricing date”. The “repricing date” being the T day, the rules for determining the pricing benchmark value applicable on the T day shall be implemented in accordance with Article 3.5.1 hereof.

9.3.4 After the Lender conducts risk repricing in accordance with the foregoing article, the new interest rate shall be implemented from the “repricing date”. On the basis of this interest rate, the floating adjustment stipulated in Article 3 hereof still applies; where both parties agree to change the relevant agreement through negotiation, the agreement after the change shall apply. If the loan is overdue (including the Borrower’s failure to repay on time or the Lender’s announcing early maturity) or misappropriated, the penalty interest rate for overdue and misappropriation shall be determined on the basis of the new interest rate (including the interest rate after floating adjustment agreed in this contract), and the interest rate for calculating compound interest shall also be adjusted accordingly.

9.3.5 Conducting risk repricing shall not be deemed or construed as a waiver of the Lender’s other rights under laws and regulations and as agreed in this contract. The Lender shall have the right to take other measures to protect its creditor’s rights in accordance with laws and regulations and provisions in this contract, including but not limited to the measures stipulated in Article 9.2.

9.4 In the occurrence of deterioration in the Borrower's credit status such as any "acceleration event", the Lender has the right to automatically cancel all unused quota under this contract without prior notice.

▲▲Article 10 Breach of Contract

10.1 If the Borrower fails to repay the principal and interest of the loan in full and on time or fails to use the loan for the purpose agreed herein, the Lender shall charge interest at the penalty interest rate of the overdue loan or the penalty interest rate on the misappropriated loan, and shall collect compound interest on the outstanding interest payable in accordance with applicable laws and regulations; where the penalty interest rate is adjusted according to the contract, the interest rate for calculating compound interest shall also be adjusted accordingly.

10.2 If the Borrower fails to repay the principal and interest of the Loan in full and on time, the Borrower shall bear the collection fees, litigation fees (or arbitration fees), preservation fees, announcement fees, enforcement fees, and reasonable attorney fees, travel expenses and other expenses paid by the Lender for the realization of the creditor's rights, unless otherwise provided in the effective judgment or arbitration award.

▲▲Article 11 Deduction and Transfer Agreement

11.1 The Borrower authorizes the Lender the right to deduct money from any account opened by the Borrower at any branch of Bank of Communications Co., Ltd. for repayment when there is the loan principal, interest, penalty interest, compound interest or other fees due and payable.

11.2 After the deduction and transfer of money, the Lender shall notify the Borrower of the account number, contract number, Application for Use of Loan Limit, the amount to be deducted and the balance of debt.

11.3 If the deducted money is insufficient to pay off all the debts of the Borrower, the debts to be repaid shall be determined in accordance with this contract.

11.4 Where the deducted and transferred amount is denominated in a currency different from that of the debts to be repaid, it shall be converted into the amount of the debts at the exchange rate announced by Bank of Communications Co., Ltd. at the time of deduction. Where going through the procedures of foreign exchange settlement and sale or foreign exchange is needed, the Borrower is obliged to assist the Lender in handling the procedures according to the requirements of the Lender, and shall bear the exchange rate risk.

▲▲Article 12 Notices

12.1 The contact information (including mailing address, contact phone number, fax number, etc.) filled in by

the Borrower in this contract is true and valid. In the event of a change in any contact information, the Borrower shall immediately mail/send the change in writing to the correspondence address provided by the Lender in this contract. Such changes will become effective upon receipt of the notice of the changes by the Lender.

12.2 Unless otherwise expressly provided in this contract, the Lender shall have the right to make any notice to the Borrower in any of the following means: the Lender has the right to choose the method of notification deemed as appropriate and is not liable for any errors, omissions or delays in transmission by mail, fax, telephone or any other communication system. Where the Lender chooses multiple notification methods at the same time, the one that reaches the borrower in the shortest time shall prevail. If the Lender issues more than one notice to the Borrower in respect of the same matter with different contents, the notice issued later shall prevail unless otherwise expressly stated in the notice.

(1) For announcements, the date of service shall be deemed to be the date on which the Lender publishes the announcement on its website, online banking system, telephone banking system or business branches;

(2) If it is delivered by hand, the date of service shall be the date of receipt by the Borrower;

(3) If the mail (including EMS, ordinary mail, and registered mail) is delivered to the most recent valid correspondence address provided by the Borrower, the date of service shall be the 3rd day (in the same city) / 5th day (in other cities) after the date of mailing;

(4) For deliveries made by fax, mobile phone, text or other electronic communication methods to the fax number, mobile phone number or email address and WeChat account provided by the Borrower, the date of service shall be the date of delivery. The aforesaid delivery means that the relevant information enters the server terminal of the service provider, rather than the relevant information being actually displayed on the customer's terminal.

12.3 The Borrower agrees that, unless the Lender receives a written notice from the Borrower regarding the change of the mailing address or the Borrower submits a confirmation of service address directly to the Court, the correspondence address provided by the Borrower in this contract shall be the address for the court to serve judicial documents and other written documents on the Borrower. The scope of application of the above-mentioned service addresses includes, but is not limited to, the first instance of civil litigation, jurisdictional objections and reconsideration, second instance, retrial, remand for retrial, and enforcement procedures.

In the process of dispute resolution under this contract, the court has the right to serve judicial documents and other written documents on the Borrower through any of the means of communication specified in Article 12.2. The Court shall have the power to choose such means of communication deemed appropriate and shall not be liable for any errors, omissions or delays in transmission by post, facsimile, telephone, telex or any other communication system. Where the court chooses multiple communication methods at the same time, whichever reaches the borrower in the shortest time shall prevail.

12.4 This article is an independent article of dispute resolution in the contract, of which the invalidity will not be affected when this contract is invalid, revoked or terminated.

▲▲Article 13 Information Disclosure and Confidentiality

13.1 For the undisclosed information and data of the Borrower obtained and known during the signing and performance of this contract, the Lender shall use such relevant information and data (including but not limited to collection, storage, use, processing, transmission, provision, disclosure, etc.) without violating laws, regulations and regulatory requirements, and shall bear the duty of confidentiality in accordance with the laws, and shall not

disclose such information and data to third parties, except in the following circumstances:

(1) Disclosure is required by applicable laws and regulations;

(2) Disclosure is required by judicial departments or regulatory authorities in accordance with law;

(3) The Borrower fails to repay the principal and/or interest of the loan in full and on time, and the Lender shall disclose to and allow the Lender's external professional advisers to use on a confidential basis in order to realize the creditor's rights under this contract;

(4) Conducting other reasonable acts in order to safeguard the public interest or the legitimate rights and interests of the Borrower;

(5) Disclosure is made as otherwise agreed by or authorized by the Borrower to the Lender.

13.2 The Borrower confirms that it has signed the appropriate power of attorney for the Lender to process the Borrower's credit information as required by the Lender. The lender shall inquire about, use and store the Borrower's credit information within the scope specified in the power of attorney.

Article 14 Governing Law and Dispute Resolution

This contract shall be governed by the laws of the People's Republic of China (excluding the laws of Hong Kong, Macau and Taiwan for the purposes of this contract). Disputes under this contract shall be brought to the court of competent jurisdiction in the place where the Lender is located, unless otherwise agreed in this contract. During the dispute period, the parties shall continue to perform the terms that are not in dispute.

Article 15 The Structure, Signing Arrangement, Effectiveness and Loan Attributes of the Contract

▲▲15.1 The Application for Use of Loan Limit and other relevant documents and materials filled in and signed by the Borrower in accordance with the format and requirements provided by the Lender under this contract are an integral part of this contract.

15.2 The Application for Use of Loan Limit supplements this contract. Unless otherwise agreed in the Application for Use of Loan Limit, the rights and obligations and related matters between the Borrower and the Lender shall still be implemented in accordance with the provisions hereof.

15.3 This contract and/or the "Application for Use of Loan Limit" and other relevant documents and materials that constitute a part of this contract can be signed in paper form or in the corporate e-banking system. If the Borrower opts to sign

this contract and/or the Application for Use of Loan Limit and other relevant documents through corporate e-banking system, the Borrower shall open the corporate e-banking account as required by the Lender, submit an application for activating the corporate e-banking signing function, sign the relevant documents for activating the corporate e-banking signing function as required by the Lender, and designate an authorized person who has the authority to use the corporate e-banking signing function on behalf of the Borrower.

15.4 This contract shall come into force upon the signing by both parties. Where this contract is signed in paper form, signing refers to the legal representative (person in charge) or authorized representative of the Borrower signing (or sealing) the contract and affixing with the official seal, as well as the legal representative (person in charge) or authorized representative of the Lender signing (or sealing) the contract and affixing with the special seal of the contract; Where this contract is signed through corporate e-banking system, signing means that the Borrower fills in and confirms the relevant information in accordance with the prompts on the corporate e-banking interface and submits it with an electronic certificate, and the Lender completes the review and confirms the contract submitted by the Borrower, and signs the contract electronically with a digital certificate.

15.5 If the Lender's special seal is the special seal used for the offshore credit business contract (or other special seal of the contract marked as "offshore"), the loan under this contract is an offshore business loan.

▲▲15.6 The Lender shall not be liable for any losses or any disruption, hindrance or delay in the services suffered by the Borrower (including but not limited to the Borrower's inability to log in to corporate e-banking system or the temporary failure of the Borrower to handle relevant business after logging in) due to force majeure and/or changes in national policies, IT system failures, communication system failures, power system failures and other reasons beyond the Lender's control , unless otherwise agreed by both parties in the supplementary agreement. The foregoing agreement does not exempt the Lender from the liability that should be borne by the Lender due to its fault in accordance with the law.

Article 16 Details of the Limit

16.1 Currency of loan limit: RMB; amount in words: three hundred million yuan; It can be used in ☑ the currency of the limit □ the currency of the quota and other currencies accepted by the Lender; This limit is a ☑ revolving limit □ lump-sum limit (which can be used multiple times), □ lump-sum limit (which can be used once only).

16.2 Purpose of loan limit: turnover for operation and repayment of loans from other banks.

16.3 The credit period starts from February 2, 2026 to February 2, 2029.

Article 17 Interest Rate Agreement

17.1 The latest permissible lower limit shall apply to the loans under this contract.

17.2 If the loan currency is that other than RMB, USD, EUR, HKD, JPY and GBP, the types of pricing benchmarks, the rules for calculating the daily interest rate, the rules for determining the applicable pricing benchmark value on the date of application of the pricing benchmark and the date of adjustment of the loan interest rate for the corresponding loan shall be as follows:

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Article 18 Account Agreement

18.1 The Borrower designates the following account as the loan account, which □ is ☑ is not a special loan origination account opened by the Borrower with the Lender. If otherwise agreed in the corresponding Application for Use of Loan Limit, the agreement in the Application for Use of Loan Limit shall prevail.

Account Name: Zai Lab (Shanghai) Co., Ltd.

Account Number: 310066865013009208424

Bank: Bank of Communications Co., Ltd. Shanghai Zhangjiang Sub-Branch

18.2 The Borrower designates that:

(1) The account for paying off the loan is:

Account Name: Zai Lab (Shanghai) Co., Ltd.

Account Number: 310066865013009208424

Bank: Bank of Communications Co., Ltd. Shanghai Zhangjiang Sub-Branch

(2) The account for fund collection is:

Account Name: Zai Lab (Shanghai) Co., Ltd.

Account Number: 310066865013009208424

Bank: Bank of Communications Co., Ltd. Shanghai Zhangjiang Sub-Branch

Article 19 Specific Agreements on Loan Disbursement, Payment and Repayment

19.1 The term of each loan drawn down under this contract shall not exceed 12 ☑ months □ days and the maturity date of all loans shall be no later than August 2, 2029.

19.2 The limit for the Borrower paying the loan on its own under this contract is: □ RMB □ / (foreign currency)

/ 0,000 yuan or equivalent in other currencies.

19.3 The Lender shall be entrusted to pay if one of the following conditions is met:

/

19.4 If the Borrower pays on its own, the Borrower shall report the payment of the loan funds to the Lender within / days after the loan is disbursed.

Article 20 Financial Restriction, Ratings from External Agencies and Business Qualifications/Licenses

20.1 The Borrower's foreign investment is capped at RMB 1 Billion; the limit of external guarantee is RMB 1 Billion; the debt financing increase limit is RMB 1.5 Billion.

20.2 Contractual provisions on the financial indicators of the Borrower:

(1) /

(2) /

(3) /

20.3 Specific provisions on the rating of external agencies:

(1) /

(2) /

20.4 Specific provisions on the Borrower's business qualifications/licenses:

(1) /

(2) /

▲▲Article 21 Specific Provisions on Risk Repricing

21.1 The contract adopts the risk repricing method (1) below: (1) negotiated repricing; (2) direct increase of the loan interest rate.

21.2 Where the "direct increase of loan interest rate" method is adopted:

21.2.1 If the loan currency is RMB, USD, EUR, HKD, JPY or GBP, the value of the increased interest rate plus (minus) points is: □ without plus (minus) points □ plus percentage points □ minus / percentage points. Where a separate agreement in this regard is reached for a certain loan, the increased value of the interest rate plus (minus) points of the loan shall be that recorded in the applicable Application for Use of Loan Limit.

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Article 22 Contact Information

The contact information for the Borrower to receive the notice under Article 12 includes:

Mailing address: Building B, 899 Halei Road, Pudong, Shanghai

Attn: Xiaopeng Feng

Zip code: 201210

Phone number: [***]

Mobile phone number: [***]

Fax: [***]

Email address: [***]

Article 23 Number of Copies of the Contract

If this contract is signed in paper form, the original of this contract shall be executed in triplicate, and the contracting parties and the Guarantor (if any) shall each hold one copy.

Article 24 Other Matters Agreed

24.1 Depending on the ESG risks facing the industry where the Borrower operates, the Borrower ☑ is □ is not a Class A or Class B customer.

24.2 This contract is guaranteed by the "Guarantee Contract" entered into by and between Bank of Communications Co., Ltd. Shanghai Zhangjiang Sub-Branch and ZAI LAB LIMITED with No. C260204GR3102202.

24.3 The payment method of the loan under this contract is determined in the "Application for Use of Loan Limit" signed by the Lender.

24.4 The interest rate for the loan disbursement under this contract is the most recent one-year LPR announced before the loan disbursement date minus 50 basis points, and the interest rate floating rule is floating by quarter.

24.5 The Borrower can make consultations and complaints with respect to the business under this contract via the Lender's contact number (021) 50800840.

Borrower: Zai Lab (Shanghai) Co., Ltd.

Legal representative (person in charge): Xiaopeng Feng

Legal address: 1-3F & 5-8F, Building B, 899 Halei Road, China (Shanghai) Pilot Free Trade Zone

Lender: Bank of Communications Co., Ltd. Shanghai Zhangjiang Sub-Branch

Person in charge: Zhu Lei

Mailing address: 560 Songtao Road

The Borrower has read through all the terms of the contract, especially the clauses marked with ▲▲ and bolded, and the Borrower has requested the Lender to explain the clauses in doubt, and the signing of this contract by the Borrower indicates that the Lender has explained the meaning and consequences of the relevant clauses at the Borrower's request, the Borrower has understood the meaning of relevant clauses as well as the responsibilities, consequences, etc. it should bear after acceptance of the relevant agreements, and that the Borrower has agreed to all the terms of the contract and is willing to perform its responsibilities in accordance with the contract.

(This page is the signing page of the “Working Capital Loan Contract”, with no text below)

Borrower (official seal)	Lender (contract seal)
Zai Lab (Shanghai) Co., Ltd. (official seal)	Bank of Communications Co., Ltd. Shanghai Zhangjiang Sub-Branch (contract seal for credit business)
Legal representative (person in charge) or authorized representative (signature or seal)	Legal representative (person in charge) or authorized representative (signature or seal)
Xiaopeng Feng (name chop)	/s/ Ke Zhou
Signing Date: February 25, 2026	Signing Date: February 25, 2026

Zai Lab Limited

(A company incorporated in the Cayman Islands with limited liability)

(the "Company")

INSIDER TRADING POLICY

(Adopted by the Board of Directors on December 2, 2024)

1. PURPOSE

To promote compliance by the Company and its employees, directors, consultants, contractors, temporary staff, and any others specially designated by the Chief Legal Officer (Covered Persons) as well as their Family Members and Controlled Entities with insider trading laws in the United States, insider dealing laws in Hong Kong, and rules and regulations of the Nasdaq Stock Market (the "Nasdaq"), The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"), and of any other securities exchange on which Zai Lab Limited is listed governing insider dealing or Transactions in Company Securities (applicable laws, rules, regulations, and listing standards, collectively). This Insider Trading Policy (the "Policy") is designed to:

A. Avoid actual or potential conflicts of interest and the appearance of conflicts of interest arising from Transactions in Company Securities or Tipping,

B. Avoid Transactions in Company Securities while in possession of Material Non-Public Information that may violate or appear to violate the insider trading or insider dealing laws and requirements described above, and

C. Avoid unauthorized disclosure or Tipping of Material Non-Public Information to others.

The Chief Legal Officer may approve exceptions to the requirements in this Policy, consistent with applicable laws, rules, regulations, and listing standards. See Section 3 for definitions of certain capitalized terms.

2. SCOPE

2.1. Under this Policy, all Covered Persons:

A. Are prohibited from trading or dealing in Company Securities when they possess Material Non-Public Information concerning the Company or its securities and during specified blackout periods, other than as permitted pursuant to a Trading Plan as set forth in Section 7;

B. Are prohibited from the unauthorized disclosure or Tipping of Material Non-Public Information to others; and

C. Should avoid actual or potential conflicts of interest, or the appearance of conflicts of interest, arising from their Transactions in Company Securities.

2.2. For Covered Persons listed in Schedule I, Transactions in Company Securities must occur pursuant to a Trading Plan as set forth in Section 7. For Covered Persons that are members of the Board of Directors of the Company ("Company Directors), Transactions in Company Securities must occur pursuant to a Trading Plan as set forth in Section 7 or in accordance with the pre-clearance requirements in Section 8. All other Covered Persons who are employees (including officers) of the Company ("Inside Covered Persons") must follow the pre-clearance requirements in Section 8 before trading or dealing in Company Securities.

2.3. If a Covered Person's employment or relationship is terminated at a time when they have Material Non-Public Information, the restrictions and requirements in this Policy will generally continue to apply until one (1) full trading day has elapsed after such information has been publicly disclosed, until the information is no longer material, or for ninety (90) days, whichever comes first. For purposes of this Policy, a "trading day" shall mean any day on which Nasdaq is open for trading. For more information on post-employment transactions, refer to Section 9.

2.4. The Policy applies to all Transactions in Company Securities by Covered Persons and the Company. The same restrictions that apply to Covered Persons under this Policy also apply to their Family Members and Controlled Entities. Covered Persons are responsible for any actions of their Family Members and Controlled Entities and so are encouraged to review this Policy with them.

3. DEFINITIONS

3.1. Company Securities: The Company's American Depositary Shares and ordinary shares as well as options to purchase such shares and any other type of securities that the Company may issue, such as listed or unlisted preferred stock, debt issued by the Company including debentures and bonds, warrants, exchange-traded options, unlisted securities convertible or exchangeable into listed securities, or other derivative securities based on the value of Company securities.

3.2. Covered Persons: All Company Directors, officers, employees, consultants, contractors, temporary staff, and any person specially designated by the Chief Legal Officer.

3.3. Family Members: All family members of a Covered Person, including any spouse, minor children, other family members or anyone else living in the Covered Person's household as well as family members who do not live in the Covered Person's household but whose Transactions in Company Securities are directed by the Covered Person or subject to the Covered Person's influence or control (such as the Covered Person's parents or children who consult with the Covered Person before trading).

3.4. Controlled Entities: Entities that any Covered Person controls or significantly influences, such as any entity for which the Covered Person exercises 30 percent or more of the voting power at general meetings or controls the majority of the board of directors. Such entities may include, but are not limited to, corporations, partnerships, limited liability companies, investment managers, trusts of which the Covered Person is a beneficiary or a trustee, or discretionary trusts of which the Covered Person is a founder and can influence how the trustee exercises his discretion.

3.5. Conflict of Interest: A situation in which a conflict arises between a Covered Person's personal interests (financial or otherwise) and the Company's interests.

3.6. Material Non-Public Information: Information about the Company or its securities that is both material and non-public. For purposes of this Policy, the definition of Material Non-Public Information includes "inside information" as defined under the listing rules of the Hong Kong Stock Exchange.

A. Material Information: Although there is no bright line definition of "material" under United States and Hong Kong securities laws, information about a company or its securities should be considered material if:

- There is a substantial likelihood that a reasonable investor would consider the information important in deciding whether to buy, hold, or sell the security;

- There is a substantial likelihood that a reasonable investor would have considered the information to have significantly altered the total mix of information made available; or

- The information is reasonably certain to have a substantial effect on the market price of a security.

If you are considering a Transaction in Company Securities (and are aware of non-public information about the Company or its securities), consider whether such information may affect your decision to buy or sell. If it would, it may have the same effect on other investors and should, therefore, be considered to be "material" information. Examples of information that may be considered material include (but are not limited to):

- Financial results (including the types of financial information disclosed in our annual, interim, or quarterly reports);
- Financial forecasts, guidance, and projections;
- Information on the Company's financial results or forecasts, guidance, or projections that departs from market expectations;
- Acquisitions or disposals of a significant amount of assets;
- Regulatory communications, determinations, significant approvals and other regulatory actions;
- Strategic plans;
- Clinical trial results;
- Marketing plans;

- Significant product and research developments;
- Significant changes or developments in supplies or inventory, including significant product defects, recalls, or product returns;
- Information that impacts regulatory timelines and milestones for Company products or lead candidates (e.g., manufacturing delays or quality problems);
- New major contracts, orders, suppliers, customers, or finance sources, or the loss thereof;
- Significant cybersecurity incidents;
- Important personnel changes, including changes in Company Directors, executive officers, or senior management;
- Collaborations, potential mergers, acquisitions, sale of Company assets, joint ventures, or tender offers;
- Company restructuring, or impending bankruptcy or the existence of severe liquidity problems;
- Major litigation or settlement thereof;
- Significant borrowings or financings;
- Stock splits;
- A change in auditors or notification that the auditor's reports may no longer be relied upon;
- Company repurchases of Company stock or dividends, including any change or proposed change in the Company's policies or plans relating thereto;
- Dealings between the Company and a Company Director or a Company Director's Family Members or Controlled Entities; and
- Defaults on borrowings or bankruptcies.

B. Non-Public Information:

- Information should be considered "non-public" if it has not been disseminated in a manner making it generally available to investors and the securities market. The Company may make information public by disclosing the information in a report filed with the U.S. Securities and Exchange Commission ("SEC"), in an announcement filed with The Hong Kong Stock Exchange, or through a recognized channel of distribution such as the Company's website or a major wire service. The circulation of rumors, even if accurate and reported in the media, does not constitute effective public dissemination.

- In addition, even after a public announcement, a reasonable period of time must elapse in order for the market to react to the information. As a result, Covered Persons must allow at least one (1) full trading day following public disclosure as a reasonable waiting period before such information is deemed to be public. For example, if the Company announces material information in a press release at 6:00 p.m. on Friday, and Nasdaq is open for trading on Monday, such information will be deemed to be public on Tuesday.

3.7. Transaction: Any trading or dealing in Company Securities. This includes:

A. Any sale, purchase, transfer, gift, or exchange of or subscription for Company Securities;

B. Any acquisition or disposal of the right to sell, purchase, transfer, exchange, or subscribe for Company Securities; or

C. Any agreement to do any of those things described in Section 3.7.A or Section 3.7.B, either for yourself or as agent for another person.

For Company Directors, including their Family Members and Controlled Entities, this includes any acquisition, disposal or transfer of, or offer to acquire, dispose of or transfer, or creation of a pledge, charge or any other security interest in Company Securities, and the grant, acceptance, acquisition, disposal, transfer, exercise or discharge of any option (whether call, put or both) or other right or obligation, present or future, conditional or unconditional, to acquire, dispose of or transfer Company Securities, or any interest in Company Securities, in each case whether or not for consideration or in accordance with an agreement.

The transactions Covered Persons are permitted to engage in without restriction as specified in Section 5 are excluded from this definition.

3.8. Tip or Tipping: The unauthorized disclosure, directly or indirectly, of Material Non-Public Information . This includes recommending buying or selling Company Securities while you are aware of Material Non-Public Information.

4. PROHIBITED TRANSACTIONS AND DISCLOSURES

4.1. Covered Persons are prohibited from the following under this Policy:

A. Entering into Transactions involving Company Securities while aware of Material Non-Public Information, other than as permitted pursuant to a Trading Plan as set forth in Section 7;

B. Entering into a Transaction involving Company Securities during a Blackout Period (as discussed in Section 6), other than as permitted pursuant to a Trading Plan as set forth in Section 7; and

C. Tipping of any Material Non-Public Information.

4.2. It is against this Policy to engage in trading or dealing activities that, by their nature, are aggressive or speculative or may give rise to an appearance of impropriety or a conflict of interest, including:

A. Short sales (i.e., the sale of a Company Security that the seller does not own or that is completed by the delivery of borrowed stock);

B. Purchases or pledges of a Company Security on margin or as collateral to secure a loan or other obligation (with the exception of using a margin account to purchase Company Securities in connection with the exercise of a Company-granted stock option);

C. Transactions in derivatives of Company Securities such as put or call options;

D. Hedging transactions, which can be accomplished through many financial instruments or mechanisms, including prepaid variable forwards, equity swaps, exchange funds, and/or collars;

E. Executing transactions pursuant to standing, "limit orders", "good until cancelled orders," or similar market orders, regardless of when the order was placed.

- Exceptions. Such orders may be placed on Company Securities pursuant to Trading Plans as set forth in Section 7. In addition, if a person subject to this Policy determines that they must use a standing order or limit order other than pursuant to a Trading Plan, that person must contact the Chief Legal Officer for clearance to place the order; or

F. Trades in the securities of another company about which company or securities any Covered Person has learned material non-public information through their business with the Company, including any of the Company's suppliers, development partners, commercial partners, or competitors.

5. PERMITTED TRANSACTIONS

5.1. Covered Persons who are not Company Directors may engage in the following transactions under this Policy, subject to the exceptions specified below:

A. Stock Option Exercises. Exercises of stock options awarded pursuant to a Company equity incentive plan or a transaction in which a person elects to have the Company withhold shares subject to an option exercise to satisfy tax withholding requirements.

- Exceptions. The restrictions in this Policy apply to market sales of shares acquired pursuant to the exercise of such stock options, including the sale of shares as part of a broker-assisted cashless exercise of an option or any other market sale for the purpose of generating the cash needed to pay the exercise price of or taxes associated with an option, other than as permitted pursuant to a Trading Plan as set forth in Section 7.

B. Restricted Stock and Similar Awards. Vesting of restricted stock, the settlement of restricted stock units or similar awards, or a transaction in which the Company sells shares on behalf of an employee or withholds shares to satisfy tax withholding requirements upon the vesting of any restricted stock or the vesting or settlement of any restricted stock unit.

- Exceptions. Other than as described in the preceding paragraph, the restrictions in this Policy apply to market sales of restricted stock or other Company Securities received upon the settlement of any restricted stock unit or similar award.

C. Employee Stock Purchase Plan. Periodic purchases that an employee has elected to make under a Company employee stock purchase plan.

- Exceptions. The restrictions in this Policy apply to an initial decision to participate in the employee stock purchase plan, a decision to increase or decrease the level of contribution in a subsequent purchase period, and any sales of shares purchased under such plans.

D. 401(k) Plan. Purchases of Company Securities in the Company's 401(k) plans as a result of periodic contributions made pursuant to a payroll deduction.

- Exceptions. The restrictions in this Policy apply to initial elections to participate in a Company stock fund, increases or decreases in the level of participation in a Company stock fund, and transfers in or out of a Company stock fund (including in connection with a plan loan).

E. Transactions with the Company. Purchases of Company Securities from the Company or sales of Company Securities to the Company.

- Exceptions. The restrictions in this Policy apply to transactions between the Company and a related party or connected person. If you are in doubt as to whether the transaction would constitute a related party or connected transaction under applicable laws or regulations, please consult with the Legal Department in advance.

F. Mutual Funds. Transactions in mutual funds that are invested in Company Securities.

5.2. Company Directors, including their Family Members and Controlled Entities, may engage in the following transactions under this Policy without restriction:

A. Buying or selling shares or interests in any publicly-traded mutual funds including investing in one or more investment funds under the Hong Kong Mandatory Provident Fund Scheme, other provident funds, open-ended mutual funds and, in certain cases, exchange-traded funds which may invest into Company Securities, provided that in each case (i) the funds are professionally managed by a third-party investment manager and (ii) Company Directors, their Family Members, or their Controlled Entities have no discretion over or ability to influence the investment decisions of the fund manager in respect of the securities constituting the funds;

B. Taking up entitlements (or allowing them to lapse) under a rights or bonus issue, or capitalization or other offer made by the Company to holders of its securities, including an offer of shares in lieu of a cash dividend (although disposals or transfers to another person or applications for excess entitlements would be subject to the restrictions in this Policy);

C. Undertakings to accept or acceptance of a general offer for Company Securities made to the shareholders of the Company other than those who are acting in concert with the offeror;

D. The exercise of share options or warrants or acceptance of an offer for shares pursuant to an agreement entered into with the Company before a period during which dealing is prohibited under this Policy at the pre-determined price fixed at the time of grant of the share option or warrant or acceptance of an offer for shares; and

E. Dealing where the beneficial ownership of Company Securities is transferred from another party by operation of law (e.g., upon death).

6. TRADING WINDOWS AND BLACKOUT PERIODS

6.1. Covered Persons may enter into Transactions involving Company Securities (i) when they are not in possession of Material Non-Public Information and during an open Trading Window (i.e., not during a Blackout Period) or (ii) pursuant to a Trading Plan as set forth in Section 7.

6.2. Trading Windows. For all Covered Persons, the Trading Window opens each quarter at the start of each trading day that is at least one (1) full trading day following the public announcement of earnings for the immediately preceding quarter. For Company Directors and Covered Persons listed in Schedule I, as well as their Family Members and Controlled Entities, the Trading Window closes on the fourteenth (14th) calendar day before the end of each fiscal quarter (or on the last trading day if such date falls on a non-trading day). For all other Covered Persons, the Trading Window closes on the last day of the fiscal quarter (or on the last trading day if such date falls on a non-trading day). Company employees and Company Directors receive emails from the Legal Department regarding open trading windows.

6.3. Blackout Periods.

A. General Blackout Periods. Any period between open Trading Windows is a Blackout Period.

B. Event-Specific Blackout Periods. The Company also may identify blackout periods based on material events or developments involving the Company. The Chief Legal Officer will notify Covered Persons of any additional blackout periods during which they are prohibited from entering into Transactions involving Company Securities. Covered Persons subject to such a Blackout Period, as well as their Family Members and Controlled Entities, may not trade even if there is an open Trading Window and may not disclose to others that such a Blackout Period has been designated. The Chief Legal Officer will notify the Covered Persons when such a blackout period has ended.

C. Pension Fund Blackout Periods for Company Directors and Executive Officers. If the Company is required to impose a "pension fund blackout period" under U.S. Regulation BTR, each director and executive officer shall not, directly or indirectly, sell, purchase, or otherwise transfer during such blackout period any Company Securities acquired in connection with his or her service as a director or officer of the Company, except as permitted by Regulation BTR.

7. 10B5-1 TRADING PLANS

7.1. General. Transactions in Company Securities may be made pursuant to a written plan that was adopted in good faith at a time when the Covered Person was not aware of Material Non-Public Information and that complies with applicable requirements of Rule 10b5-1 under the U.S. Securities Exchange Act of 1934, as amended (such plan, a "Trading Plan").

7.2. Trading Plan Required for Covered Persons in Schedule I. If you are a Covered Person listed in Schedule I, all of your Transactions in Company Securities must occur *exclusively* under a Trading Plan, unless otherwise approved in advance by the Chief Legal Officer. Such individuals are subject to additional requirements because they are more likely to possess Material Non-Public Information.

7.3. Entry into a Trading Plan. You may only enter into or modify a Trading Plan when the Trading Window is open (see Section 6) and you are not in possession of Material Non-Public Information. The initiation of any Trading Plan, and any modification to such Trading Plan, must be submitted to and pre-cleared (i.e., approved in advance) by the Chief Legal Officer. Such pre-clearance is good for five (5) business days after receipt as long as the person requesting pre-clearance does not acquire Material Non-Public Information during the five-day period. If you are a Company Director, you are subject to the additional requirements set forth in Section 7.4(D).

7.4. Trading Plan Requirements, Limitations, and Prohibitions. The initiation of, and any modification to, any Trading Plan will be deemed to be a Transaction in Company Securities, and such initiation or modification is subject to all requirements, limitations, and prohibitions relating to Transactions in Company Securities, including the following:

A. Cashless Exercise. Any Trading Plan that requires the relevant broker to execute a cashless exercise must attach executed, but otherwise, undated exercise forms that leave the number of shares to be exercised blank. Once the relevant option(s) is exercised and disposed of in accordance with the Trading Plan, the relevant broker will notify the Company in writing. Then, the administrator of the Company's equity plans will complete the previously executed form by including the date and number of shares exercised. The relevant Covered Person will not be involved with this part of the exercise.

B. Revocation. Under certain circumstances, the Company may direct certain individuals to revoke their Trading Plans. Such circumstances include the announcement of a merger or the occurrence of an event that would cause the transaction either to violate the law or to have an adverse effect on the Company. The Trading Plan must authorize the Chief Legal Officer or the administrator of the Company's equity plans to notify the relevant individual's broker in such circumstances. The Chief Legal Officer shall review and approve all revocations before such take effect.

C. No Subsequent Influence. The Covered Person agrees not to exercise any subsequent influence over how, when, or whether to effect Transactions in Company Securities pursuant to the Trading Plan and not to communicate Material Non-Public Information to the Plan Administrator.

D. Additional Requirements for Company Directors.

(i) Blackout Periods. Unless a waiver has been granted by the Hong Kong Stock Exchange, Trading Plans for Company Directors may not trade or deal in Company Securities during the following blackout periods: (1) the period of sixty (60) days immediately preceding the publication date of annual results or, if shorter, the period from the end of the relevant fiscal year up to and including the publication date of results and (2) the period of thirty (30) days immediately preceding the publication date of quarterly or half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period to and including the publication date of results. Any such Trading Plan should also explicitly acknowledge the Company's right to prohibit Transactions in Company Securities during additional blackout periods and when the Company Director is aware of Material Non-Public Information.

(ii) Pre-Clearance. The initiation or modification of a Trading Plan for a Company Director must be approved in advance by the Legal Department. The Legal Department will coordinate any additional pre-approval required by applicable laws, rules, regulations, and listing standards. If a Company Director acquires Material Non-Public Information after receiving pre-clearance and prior to entry into or modification of a Trading Plan, such pre-clearance will cease to be valid.

E. Plan Administrators. All Trading Plans must be arranged through the Company's selected vendors as follows:

(i) U.S.-Based Employees. Any Trading Plan entered into by a U.S.-based employee must be conducted through Fidelity.

(ii) Non-U.S.-Based Employees. Any Trading Plan entered into by a non-U.S.-based employee must be conducted through Computershare Hong Kong.

Any exceptions or modifications to any of these Trading Plan requirements must be approved in advance by the Chief Legal Officer.

7.5. Responsibility of Covered Person. Compliance of the Trading Plan, including the Transactions executed pursuant to the Trading Plan, with the terms of Rule 10b5-1 and this Policy are the sole responsibility of the person initiating the Trading Plan, not the Company or the Chief Legal Officer.

8. PRE-CLEARANCE REQUIREMENTS FOR TRANSACTIONS IN COMPANY SECURITIES NOT MADE PURSUANT TO TRADING PLANS

8.1. Transactions Requiring Pre-Clearance. Transactions in Company Securities by Inside Covered Persons, Company Directors, and their Family Members and Controlled Entities (other than pursuant to Trading Plans as set forth in Section 7) must be pre-cleared by the Legal Department as set forth below, even if these trades occur during open Trading Windows.

8.2. The Pre-Clearance Process for Inside Covered Persons, Family Members, and Controlled Entities. Prior to initiating a transaction in Company Securities, Inside Covered Persons outside of the U.S. must submit a pre-clearance request using the Company's pre-clearance trading application widget, and Inside Covered Persons in the U.S. must submit a pre-clearance request to the Legal Department. As part of the pre-clearance process, the individual requesting pre-clearance must confirm that he or she is not in possession of Material Non-Public Information. Pre-clearance does not relieve anyone of his or her responsibility under the laws and regulations governing insider trading and insider dealing in the United States and Hong Kong as well as related rules and requirements by The Hong Kong Stock Exchange and any other securities exchange on which the Company is listed. If your pre-clearance request is denied, you must keep the fact of such denial and the reasons therefor confidential. This pre-clearance process also applies to the Family Members and Controlled Entities of Inside Covered Persons and Company Directors (other than as set forth in Section 8.3).

8.3. Additional Requirements for Company Directors. Prior to initiating a Transaction in Company Securities, other than pursuant to a Trading Plan that meets the requirements set forth in Section 7, a Company Director must notify in writing the Chief Legal Officer. The Chief Legal Officer will coordinate any pre-approval required by applicable laws, rules, regulations, and listing standards. Such Transactions may not occur during the blackout periods set forth in Section 7.4(D)(i).

8.4. Pre-Clearance Period. If pre-clearance to trade is granted, such pre-clearance will be valid for five (5) business days after receipt, as long as the person requesting pre-clearance does not acquire Material Non-Public Information during the five-day period. If the Transaction does not occur within five (5) business days, pre-clearance must be obtained again before entering into the Transaction.

8.5. It is the ***sole*** responsibility of Covered Persons to comply with all applicable legal requirements and the pre-clearance trading procedures established by both the Company and the administrators of the Company's equity plans.

9. POST-EMPLOYMENT TRANSACTIONS

9.1. If any Covered Person is aware of Material Non-Public Information when such Covered Person's employment, service as a director, or service relationship with the Company terminates, the Covered Person may not purchase or sell Company Securities or disclose such Material Non-Public Information until after one (1) full trading day has elapsed after that information has been made public by the Company or it is no longer material. The terminated Covered Person shall also remain subject to the Trading Window and Blackout Periods set forth in this Policy and may not purchase or sell Company Securities until the appropriate time, as determined by the Chief Legal Officer.

9.2. Unless the facts and circumstances require otherwise, it will ordinarily be presumed that a terminated Covered Person does not possess any Material Non-Public Information ninety (90) days following termination.

9.3. If a terminated Covered Person has any questions regarding their possible possession of Material Non-Public Information or the existence of a Trading Window or Blackout Period, the Covered Person should promptly contact the Legal Department.

10. REQUIRED REPORTING FOR SECTION 16 OFFICERS AND DIRECTORS

10.1. Company Directors and Covered Persons that are subject to Section 16 of the U.S. Securities Exchange Act of 1934, as amended (the "Section 16 Officers") must report all Transactions in Company Securities, including those executed in connection with Trading Plans, to the Legal Department promptly so that the Company can assist with the preparation and filing of forms required by the SEC.

10.2. Company Directors must also report all Transactions in Company Securities promptly, and in any event no later than the next business day after execution, so that the Company can make the relevant disclosure of interests filings as required by the laws and regulations of the Hong Kong Stock Exchange.

11. COVERED PERSON RESPONSIBILITY, CONSEQUENCES OF NON-COMPLIANCE, QUESTIONS, AND OVERSIGHT

11.1. Your Responsibility To Comply with Laws and This Policy.

A. Every Covered Person is responsible for taking reasonable steps to prevent violations by the Covered Person or their Family Members or Controlled Entities of: (i) this Policy, (ii) the Company's Code of Business Conduct and Ethics, (iii) insider trading and insider dealing laws and regulations applicable in the relevant jurisdictions and securities exchanges, and (iv) any other applicable Company policies, laws, and regulations.

B. Any Covered Person who violates this Policy or any laws or regulations governing insider trading, insider dealing, or Tipping in the United States, Hong Kong, the Hong Kong Stock Exchange, or another securities exchange on which the Company's securities are listed, or knows of any such violation by any other Covered Person, must report the violation immediately to the Chief Legal Officer.

C. The consequences of insider trading or Tipping in violation of U.S. securities laws or insider dealing in violation of Hong Kong securities laws and requirements can be severe. Insider trading and insider dealing violations are pursued vigorously by the enforcement authorities. Punishment for insider trading or insider dealing violations could include significant fines and imprisonment. A person who Tips Material Non-Public Information to another person who then trades on the basis of such information is subject to the same penalties as the person who traded, even if the "tipper" did not trade or profit from the other person's trade. There is also potential liability on companies and other "controlling persons" if they fail to take reasonable steps to prevent insider trading or insider dealing by Covered Persons.

D. If the Company determines that any Covered Person has violated this Policy, related standards, procedures or controls, or applicable laws, rules, regulations, or listing standards, appropriate disciplinary measures will be taken, up to and including immediate termination of employment, to the extent permitted by applicable laws and consistent with the Company's Accountability Model. The Company may also terminate consultants, contractors, and other non-employees for violation of this Policy.

E. Subject to applicable laws, the Company reserves the right to take whatever disciplinary or other measure(s) it determines in its sole discretion to be appropriate in any particular situation, including disclosure of any wrongdoing to governmental authorities.

11.2. Questions about this Policy. Please direct all questions regarding this Policy to the Legal Department.

11.3. Oversight.

A. The Chief Legal Officer is responsible for overseeing this Policy and determining whether the appropriate training, communication, implementation, auditing, and monitoring of this Policy is conducted.

B. The Chief Legal Officer may designate one or more persons to assist with the oversight of this Policy or with any activities conducted in accordance with this Policy.

11.4. Acknowledgement. Upon first receiving a copy of this Policy, each Covered Person must acknowledge, in writing, to the Chief Legal Officer that he or she has received such Policy and agrees to comply with its terms.

EFFECTIVE DATE: December 2, 2024

This Policy replaces and supersedes the Insider Trading Policy dated October 18, 2023.

Schedule I

Scheduled Employees – Subject to Rule 10b5-1 Trading Plan Requirement

- All executive officers of the Company (including all “named executive officers” as determined and disclosed in the Company’s most recently filed proxy statement and any officer who reports directly to the Company’s CEO and Section 16 Officers)
- All Executive Vice Presidents (EVPs) of the Company
- All Senior Vice Presidents (SVPs) of the Company
- All members of the Company’s Disclosure Committee
- All members of the Legal Department
- All members of the Business Development Department
- All members of the Investor Relations Department
- All members of the Finance Department (excluding Procurement and Internal Audit), Director Level and above
- Any additional employees identified by the Chief Legal Officer

Exhibit 21.1

Subsidiaries of Registrant

Name	Chinese Name (where applicable)	Jurisdiction of Incorporation or Organization
Zai Lab (Hong Kong) Limited	再创医药(香港)有限公司	Hong Kong
Zai Lab (Shanghai) Co., Ltd.	再鼎医药（上海）有限公司	Shanghai
Zai Lab International Trading (Shanghai) Co., Ltd.	再鼎国际贸易（上海）有限公司	Shanghai
Zai Lab (Suzhou) Co., Ltd.	再鼎医药（苏州）有限公司	Suzhou
Zai Lab Trading (Suzhou) Co., Ltd.	再鼎医药贸易（苏州）有限公司	Suzhou
Zai Biopharmaceutical (Suzhou) Co., Ltd	再创生物医药（苏州）有限公司	Suzhou
Zai Lab (Zhejiang) Co., Ltd.	再鼎医药科技（浙江）有限公司	Jiaxing
Zai Lab (AUST) Pty. Ltd.	N/A	Australia
Zai Lab (US) LLC	N/A	Delaware
ZLIP Holding Limited	N/A	Cayman
ZL Capital Limited	N/A	BVI
ZL China Holding Two Limited	N/A	Hong Kong
Zai Auto Immune Limited	N/A	Cayman
Zai Auto Immune (Hong Kong) Limited	N/A	Hong Kong
Zai Anti Infectives Limited	N/A	Cayman
Zai Anti Infectives (Hong Kong) Limited	N/A	Hong Kong
Zai Lab (Taiwan) Limited	再鼎台湾医药有限公司	Taiwan

* All subsidiaries are wholly owned, directly or indirectly, by Zai Lab Limited.

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (No. 333-221616, No. 333-239223, No. 333-258630, No. 333-264800, No. 333-268054 and No. 333-280304) on Form S-8 and (No. 333-278843) on Form S-3 of our reports dated February 26, 2026, with respect to the consolidated financial statements of Zai Lab Limited and subsidiaries and the effectiveness of internal control over financial reporting.

/s/ KPMG LLP

Short Hills, New Jersey
February 26, 2026

Exhibit 31.1

Certification by the Principal Executive Officer
Pursuant to Exchange Act Rule 13a-14(a),
As Adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Samantha (Ying) Du, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2025 of Zai Lab Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 26, 2026

/s/ Samantha (Ying) Du

Samantha (Ying) Du
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

Certification by the Principal Financial Officer
Pursuant to Exchange Act Rule 13a-14(a),
As Adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Yajing Chen, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2025 of Zai Lab Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 26, 2026

/s/ Yajing Chen

Yajing Chen
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

Certification by the Principal Executive Officer
Pursuant to 18 U.S.C. Section 1350,
As Adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report on Form 10-K for the year ended December 31, 2025 of Zai Lab Limited (the "Company"), as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Samantha (Ying) Du, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 26, 2026

/s/ Samantha (Ying) Du

Samantha (Ying) Du
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

Certification by the Principal Financial Officer
Pursuant to 18 U.S.C. Section 1350,
As Adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report on Form 10-K for the year ended December 31, 2025 of Zai Lab Limited (the "Company"), as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Yajing Chen, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 26, 2026

/s/ Yajing Chen

Yajing Chen
Chief Financial Officer
(Principal Financial and Accounting Officer)