

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



碧生源控股有限公司

BESUNYEN HOLDINGS COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 926)

INSIDE INFORMATION

This announcement is made by Besunyen Holdings Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) hereby informs the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary assessment, the Company expects to recognize a material fair value loss of approximately RMB16.3 million on its investment (the “**Investment**”) in ERX Pharmaceuticals Inc. (“**ERX**”, a clinical-stage biopharmaceutical company incorporated under the Laws of Delaware). Such fair value loss arises primarily due to the lack of external funding for ERX’s new drug development activities as a result of recent shifts in the U.S. capital market environment, where investor funds have notably tilted towards technology sectors such as artificial intelligence (AI), leading to subdued financing activities for traditional drug development and clinical studies. This financing difficulty has exerted pressure on ERX’s short-term valuation, leading to a significant decline in ERX’s valuation.

The Board considers that the fair value loss will not have any material adverse impact on the existing business, operation or financial conditions of the Company. The Group’s liquidity remains strong, and its overall financial and operating positions remain healthy.

ERX focuses on the discovery and clinical development of innovative drugs to treat obesity and obesity-associated metabolic diseases, which is synergetic with the Company's core business segments. As at the dates of the Investment and this announcement, each of ERX and its ultimate beneficial owner is independent from the Company and its connected persons.

ERX has recently proposed a capital increase of US\$6 million to strengthen its financial position and fund ongoing business operations. To prevent further erosion in the value of its investment due to dilution, on 12 December 2025, the Board resolved to participate in this capital increase to maintain its current approximately 3% shareholding in ERX (the "**Further Investment**"). The Further Investment does not constitute a transaction under Chapter 14 and Chapter 14A of the Listing Rules.

The Board is of the view that the Further Investment will be beneficial to the Company and the Shareholders as a whole based on the following reasons:

- (i) The Further Investment prevents dilution and the consequent immediate further erosion in the carrying value of the Company's investment. Despite facing short-term market headwinds, the Board retains confidence in ERX's long-term development considering that ERX's weight-loss drug is a leading non-GLP-1 therapy, offering solutions for patient populations who do not respond adequately to or experience adverse effects from semaglutide-based therapies, and it demonstrates significant potential for use in combination drug regimens. In addition, the drug targeting Prader-Willi Syndrome developed by ERX has obtained both Orphan-drug Designation and Fast Track Designation from the U.S. Food and Drug Administration as at the date of this announcement. As such, the Board believes that this capital increase will provide necessary resources for ERX to advance its key clinical studies, which is a critical step to restore and enhance ERX's value over the medium to long term, thereby mitigating the negative financial effect of the current fair value loss.
- (ii) Maintaining the stake preserves an important strategic partnership in the Company's core business area, ensuring continued alignment and access to shared technology, supply chains, and market opportunities, which would be conducive to the Company's strategic development and long-term growth.

The Further Investment underscores the Board's continued confidence in ERX's long-term strategy and future prospects, and its commitment to protecting and enhancing the Company's economic interests.

The Company will continue to closely monitor its investments, perform regular assessments and take any further steps as necessary to safeguard the Company's interests.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Besunyen Holdings Company Limited
Yu Hongjiang
Company Secretary

Hong Kong, 12 December 2025

As at the date of this announcement, the executive directors of the Company are Mr. Zhao Yihong (Chairman and Chief Strategy Officer), Ms. Gao Yan (Vice Chairman), Mr. Feng Bing (Chief Executive Officer) and Mr. Yu Hongjiang (Executive Vice President, Chief Operating Officer and Chief Financial Officer); and the independent non-executive directors of the Company are Mr. He Yuanping, Mr. Shi Xiangxin and Dr. Chen Yang.