Value Partners Group Limited
(Incorporated in the Cayman Islands with limited liability)
43rd Floor, The Center, 99 Queen's Road Central, HK
T: (852) 2880 9263 **F:** (852) 2564 8487 **E:** vpg@vp.com.hk

【For immediate release】

Value Partners Group, Insilico Medicine, Pudong Development Group and Pudong Construction to jointly establish an AI drug discovery company-initiated CVC Fund

(Hong Kong, 18 August 2026) – Value Partners Group Limited (together with its subsidiaries, "Value Partners" or "the Group", Hong Kong Stock Code: 806) is pleased to announce that Value Partners Private Equity Investment (Shen Zhen) Limited ("VP Shenzhen"), the Group's licensed onshore private fund manager in Mainland China, Insilico Medicine (3696.HK), Shanghai Pudong Development (Group) Co., Ltd. ("Pudong Development Group") and Shanghai Pudong Construction Co., Ltd. ("Pudong Construction") plan to jointly establish a RMB-denominated industry cooperation fund focused on "AI + Life Sciences". VP Shenzhen will serve as the fund's general partner and fund manager in its capacity as an onshore licensed private fund manager. The parties plan to integrate industrial capital and focus on collaborative industrial investments across the "AI + Life Sciences" ecosystem.

As a lead investor in Insilico Medicine's Series E financing, Value Partners Group has gained deep insight into Insilico Medicine's technology roadmap and industry strategy. The three parties have established a strong foundation for collaboration: in March 2025, Value Partners Group, Pudong Venture Capital and Pudong Development Group jointly led Insilico Medicine's USD123 million Series E financing, marking the first technology innovation project jointly led by capital from both Pudong and Hong Kong; in December 2025, Insilico Medicine was listed on the Main Board of The Stock Exchange of Hong Kong, raising HKD2.277 billion and becoming the first Biotech Company to list under Rule 8.05 of the Main Board Listing Rules; and in March 2026, Insilico Medicine was included in Southbound Stock Connect.

Chuen Yan LEUNG, PhD, Partner, Private Investments, Value Partners Group, said, "Artificial intelligence is transforming the way scientific discoveries are made. The opportunities unlocked by AI for Science (AI4S) extend far beyond the boundaries of any single industry, and life sciences stands out as one of the fields with the highest data density, the most complete validation cycles, and the clearest path to commercialization. To truly capture this opportunity, technical judgment from the front lines of industry is especially critical. We are delighted to join hands with a global leader in AI drug discovery to directly embed industry-driven technical insights into investment decision-making. For more than three decades, Value Partners has been deeply rooted in Hong Kong, serving as a bridge between international capital and innovation across Greater China. This collaboration represents a natural extension of that role. Shanghai Pudong is a national leader in both life sciences and artificial intelligence, while Pudong Development Group and Pudong Construction have been deeply engaged in Pudong for many years. They bring not only well-established industrial platforms and operating capabilities, but also a deep understanding of the regional industrial ecosystem and the patience required to support companies through long-term growth, all of which are essential foundations for translating cutting-edge technologies into tangible industrial outcomes. We look forward to working alongside our two partners to jointly build the 'AI + Life Sciences' industry ecosystem."

Alex Zhavoronkov, PhD, Founder, Co-Chief Executive Officer and Chief Business Officer of Insilico Medicine, said, "Since its founding, Insilico Medicine has built a global operating network and accumulated exploratory experience and practical achievements across multiple AI-enabled life sciences verticals, including small-molecule drugs, biologics, longevity technology, chemistry, braincomputer interfaces (BCI), agriculture, energy and sustainability. Each of these fields holds enormous growth potential and could give rise to the next multi-billion-dollar industry opportunity within AI4S. With the launch of this fund as a starting point, we are initiating a series of incubation and acceleration mechanisms. We are pleased that the fund has received the support and participation of top-tier investment institutions such as Pudong Development Group and Value Partners Group. Going forward, we look forward to integrating capital, industry insights and industrial resources to reduce early-stage innovation risk, accelerate the commercialization of frontier breakthroughs, and build a globalized innovation ecosystem connecting cutting-edge technology with real-world industrial needs."

Li Junlan, Party Committee Secretary and Chairperson of Pudong Development Group, said, "On 18 August last year, Insilico Medicine's automated laboratory officially moved into Pudong Deloitte Park, setting a strong example of Pudong-Hong Kong technology cooperation. One year later, the parties plan to jointly establish an 'AI + Life Sciences' themed CVC fund, marking another important milestone in Pudong Development Group's deepening of its 'fund + base + industrial platform' strategy and its push for a virtuous cycle of 'technology-industry-finance.' It also marks a new stage in the cooperation, moving from industrial implementation toward capital and ecosystem collaboration. Insilico Medicine is one of the benchmark companies in the global AI-driven pharmaceutical sector. As the first technology-innovation headquarters enterprise to move into the Pudong Development Group project, its role as an anchor enterprise and its industry-driving effect are irreplaceable. Through this collaboration, we hope to fully leverage Pudong Development Group's comprehensive strengths in industrial platforms, computing infrastructure and park operations, use capital as a link to connect the full set of elements of 'technology + capital + platform,' build an integrated ecosystem that combines investment with business attraction, and contribute Pudong Development Group's strength to building a globally influential 'AI + Life Sciences' industrial cluster in Pudong."

This collaboration marks another important step in Value Partners' commitment to advancing technological innovation through capital and deepening its presence in the AI-biotech sector. Fully leveraging its asset management expertise, the Group will work closely with partners including Insilico Medicine and Pudong Development Group to fulfill the mission of identifying long-term value opportunities and contribute to the intelligent transformation of the healthcare industry in China and globally.

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About Value Partners Group Limited

Value Partners, one of Asia's leading independent asset management firms, seeks to offer world-class investment services and products. Since its establishment in 1993, the Company has been a dedicated, specialist value investor in Greater China and Asia. In November 2007, Value Partners Group became the first asset management firm to be listed on the Main Board of the Hong Kong Stock Exchange (Stock code: 806 HK). In addition to its Hong Kong headquarters, the firm operates in Shanghai, Shenzhen, and Singapore. Value Partners' investment strategies cover equities, fixed income, multi-asset, alternatives, real estate and quantitative investment solutions, for institutional and individual clients in Asia Pacific, Europe and the United States. For more information, please visit www.valuepartners-group.com.

About Insilico Medicine

Insilico Medicine is a pioneering global biotechnology company dedicated to integrating artificial intelligence and automation technologies to accelerate drug discovery, drive innovation in the life sciences, and extend health longevity to people on the planet. The Company was listed on the Main Board of the Hong Kong Stock Exchange on December 30, 2025, under the stock code 03696.HK.

By integrating AI and automation technologies and deep in-house drug discovery capabilities, Insilico Medicine is delivering innovative drug solutions for unmet needs including fibrosis, oncology, immunology, pain, and obesity and metabolic disorders. Additionally, Insilico Medicine extends the reach of Pharma.AI across diverse industries, such as advanced materials, agriculture, nutritional products and veterinary medicine. For more information, please visit www.insilico.com.

About Pudong Development Group

Shanghai Pudong Development (Group) Co., Ltd. ("Pudong Development Group") was established in 1997 as a wholly state-owned limited liability company approved by the Shanghai Municipal People's Government, with registered capital of RMB3.99 billion and total assets exceeding RMB200 billion. Pudong Development Group has built a "3+2" business structure centered on three core businesses—full-industry-chain engineering construction services, urban operation and maintenance, and real estate development and operation—supported by two emerging businesses: the green low-carbon industry and information technology infrastructure services (computing power). The group comprises 11 operating entities, including one non-bank financial institution and one listed company. In terms of industrial capital deployment, listed companies under Pudong Development Group have participated in establishing four industrial funds, with total subscribed capital of RMB1.6 billion, focused on strategic emerging fields such as artificial intelligence, biopharmaceuticals and integrated circuits. In park operations, Pudong Development Group focuses on three core tracks—biopharmaceuticals, digital-intelligent economy, and digital energy—leveraging key industrial platforms such as Pufa Shangcheng, TOP Xinlian, and Deloitte Park to continuously cultivate specialized industrial ecosystems in biopharmaceuticals, "law + technology" and other sectors, and to bring together high-quality upstream and downstream resources along the industry chain. At the same time, through an innovative "landlord + shareholder + application scenario" model, Pudong Development Group works with various industrial partners to provide innovative enterprises with multidimensional support in space, capital and the commercialization of research outcomes.

Media Contact
Value Partners Group Limited
April Au
aprilau@vp.com.hk
+852 2143 0441

CDR

Samantha Wang / Winnie Wong
Samantha.Wang@cdrconsultancy.com / Winnie.Wong@cdrconsultancy.com
+852 3103 0113 / +852 3103 0134

* CVC fund (Corporate Venture Capital) refers to venture capital investment established or funded by corporations, often leading industry players. Such funds are commonly referred to as "industrial investment".