SINO BIOPHARMACEUTICAL LIMITED
中國生物製藥有限公司

(Incorporated in the Cayman Islands with limited liability)
Website: www.sinobiopharm.com
(Stock code: 1177)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2025

FINANCIAL HIGHLIGHTS

	For the six months ended 30 June		
	2025	2024	Change
	RMB'Billion	*RMB'Billion*	*%*
Revenue	**17.57**	15.87	+10.7%
Gross profit margin (%)	**82.5%**	82.1%	+0.4ppt
Selling and administrative expenses to revenue ratio (%) *(Note 1)*	**42.9%**	43.1%	-0.2ppt
Research and development costs to revenue ratio (%)	**18.1%**	16.2%	+1.9ppt
Profit attributable to owners of the parent from continuing operations			
As reported *(Note 2)*	**3.39**	1.41	+140.2%
Underlying profit *(Note 3)*	**3.09**	1.54	+101.1%
Sales of innovative products *(Note 4)*	**7.80**	6.13	+27.2%
Share of revenue	**44.4%**	38.6%	

The board of directors of the Company has declared the payment of an interim dividend of HK5 cents per share for the six months ended 30 June 2025.

Note 1: The total of selling and distribution costs and administrative expenses divided by revenue.

Note 2: Profit attributable to owners of the parent from continuing operations as reported was prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRSs"). The significant year-on-year increase in profit attributable to owners of the parent from continuing operations as reported was mainly driven by a notable growth in revenue and a significant increase in dividend income and fair value gain on investments during the period.

Note 3: Underlying profit attributable to owners of the parent is presented in this results announcement as an additional non-HKFRS financial measure to provide supplementary information for better assessment of the performance of the Group's core operations by excluding impacts of discontinued operations, certain non-cash items and the share of profits and losses of associates and joint ventures, etc. A reconciliation between the profit attributable to owners of the parent as reported and the underlying profit attributable to owners of the parent has been set out under the section headed "Non-HKFRS Measure" of this announcement. The significant year-on-year increase in underlying profit attributable to owners of the parent was mainly driven by the notable growth in revenue and in dividend income during the period.

Note 4: Sales is the gross sales amount minus the sales discount. Innovative products include innovative drugs and biosimilars.

CORPORATE PROFILE

Sino Biopharmaceutical Limited (the "Company" or "Sino Biopharm", together with its subsidiaries, the "Group") is a leading, innovative R&D-driven pharmaceutical conglomerate in China. It prides itself on a fully-integrated industrial chain, covering various R&D platforms, intelligent production operations and a formidable sales system. Its products including biopharmaceutical and chemical medicines enjoy an advantageous position in a host of therapeutic areas, such as oncology, liver/metabolic diseases, respiratory and surgery/analgesia.

The Company was listed on the Hong Kong Stock Exchange in 2000 and included in 2013 as a constituent stock of MSCI Global Standard Indices – MSCI China Index, Hang Seng Index in 2018, and Hang Seng Stock Connect Biotech 50 Index and Hang Seng China (Hong Kong-listed) 25 Index in 2020. It has been seven years in a row among the "Top 50 Global Pharmaceutical Enterprises" named by the US authoritative magazine Pharm Exec and was for three consecutive years among the "Asia's Fab 50 Companies" named by Forbes Asia.

The subsidiaries of Sino Biopharm are located in Beijing, Shanghai, Nanjing, Lianyungang and multiple manufacturing sites. Since its inception, the Company has continued to boast outstanding achievements and robust growth. Its core member companies Chia Tai Tianqing Pharmaceutical Group Co., Ltd. and Beijing Tide Pharmaceutical Co., Ltd. have been among the "Top 100 Chinese Pharmaceutical Industry Enterprises" for years.

Sino Biopharm will continue to deliver its mission of "Science for a Healthier World" and focus on developing innovative therapies for patients. It is committed to becoming a world-leading pharmaceutical company.

Principal products:

Oncology medicines:	Focus V (Anlotinib Hydrochloride Capsules), Annike (Penpulimab Injection), Yilishu (Efbemalenograstim alfa Injection), Andewei (Benmelstobart Injection), Anboni (Unecritinib Fumarate Capsules), Anluoqing (Envonalkib Citrate Capsules), Anfangning (Garsorasib Tablets), Anbeisi (Bevacizumab Injection), Delituo (Rituximab Injection), Saituo (Trastuzumab for Injection), Paletan (Pertuzumab Injection)
Liver/metabolic diseases medicines:	Tianqing Ganmei (Magnesium Isoglycyrrhizinate Injection), Runzhong (Entecavir Dispersible Tablets)
Respiratory medicines:	Tianqing Suchang (Budesonide Suspension for Inhalation), Tianyun (Colistimethate Sodium for Injection), Deruituo (Tulobuterol Patches)
Surgery/analgesia medicines:	Zepolas/Debaian (Flurbiprofen Cataplasms), Kailitong (Limaprost Tablets), Anhengji (Recombinant Human Coagulation Factor VIII for Injection), Putanning (Meloxicam Injection (II)), Anqixin (Recombinant Human Coagulation Factor VIIa N01 for Injection), Deshuping (Loxoprofen Sodium Cataplasms)

The medicines which have received Good Manufacturing Practice ("GMP") certifications issued by the National Medical Products Administration of the PRC ("NMPA") are in the following dosage forms: large volume injections, small volume injections, PVC-free soft bags for intravenous injections, capsules, tablets, powdered medicines and granulated medicines. The Group also received the GMP certification for health food in capsules from the Department of Health of Jiangsu Province.

The Group's principal subsidiaries include: Chia Tai Tianqing Pharmaceutical Group Co. Ltd. ("CT Tianqing"), Beijing Tide Pharmaceutical Co. Ltd. ("Beijing Tide"), Nanjing Chia Tai Tianqing Pharmaceutical Co., Ltd. ("NJCTT"), Jiangsu Chia Tai Fenghai Pharmaceutical Co., Ltd. ("Jiangsu CT Fenghai"), Jiangsu Chia Tai Qingjiang Pharmaceutical Co., Ltd. ("Jiangsu CT Qingjiang") and invoX Pharma Limited ("invoX"). NJCTT, Jiangsu CT Qingjiang and Jiangsu CT Fenghai have been designated "Engineering Technological Research Centre for treating tumors and cardio-cerebral phytochemistry medicines of Jiangsu Province", "Engineering Technological Research Centre for orthopedic medicines" and "Engineering Technological Research Centre for parenteral nutritious medicines" by the Science and Technology Committee of Jiangsu Province, respectively.

Named by the Ministry of Human Resources and Social Security of the PRC as a "Postdoctoral Research and Development Institute", the research center of CT Tianqing is also the only "New Hepatitis Medicine Research Center" in the country.

Beijing Tide obtained the renewed GMP certification for foreign pharmaceutical company from the Public Welfare and Health Ministry of Japan in December 2012. Japanese pharmaceutical enterprises can assign the manufacturing of aseptic pharmaceutical products (products that are under research and products already launched to the domestic market within Japan) to Beijing Tide for export to Japan.

The Company became a constituent of the MSCI Global Standard Indices' MSCI China Index with effect from the close of trading on 31 May 2013.

The Company was included in Forbes Asia's "Asia Fab 50 Companies" for three consecutive years in 2016, 2017 and 2018.

The Company was selected as a constituent stock of the Hang Seng Index with effect from 10 September 2018.

The Company was selected as a constituent stock of Hang Seng Stock Connect Biotech 50 Index on 23 March 2020.

The Company was included in American Magazine Pharm Exec's Top 50 Companies for seven consecutive years from 2019 to 2025.

The Group's website: http://www.sinobiopharm.com

Industry Overview

According to data from the China National Bureau of Statistics, China's gross domestic product ("GDP") reached RMB66.1 trillion in the first half of 2025, representing a year-on-year increase of 5.3%, with the overall economy continuing to maintain a steady upward trend. Against this backdrop, as the country continues to deepen the comprehensive reform of its medical and healthcare systems, barriers restricting innovation are being gradually removed, driving the pharmaceutical industry to accelerate its transformation and upgrading, with new quality productive forces growing rapidly. Currently, the industry is still in a critical period of transition from old to new growth drivers. In the first half of 2025, China's above-designated-size pharmaceutical manufacturing industry generated RMB1,227.5 billion in operating revenue, down 1.2% year-on-year, while total profit decreased by 2.8% year-on-year to RMB176.7 billion. However, under the dual impetus of policy support and innovation-driven development, China's pharmaceutical industry is building momentum toward recovery.

The Chinese government continues to ramp up its support for pharmaceutical innovation. In July 2024, the State Council's executive meeting reviewed and approved the "Implementation Plan for Full-Chain Support of Innovative Drug Development", which explicitly states that a variety of policy tools such as price management, medical insurance payment, commercial insurance, drug provision and utilization, investment and financing will be used to optimize the review and approval system and the assessment mechanism for medical institutions, thereby promoting breakthroughs and development in innovative drugs by providing support across the entire chain. In June 2025, the NMPA issued the "Notice Concerning Issues Related to Optimising the Review and Approval of Clinical Trials for Innovative Drugs (Consultation Draft)", which proposes that the review and approval of clinical trial applications for innovative drugs that meet the requirements will be completed within 30 working days. This aims to provide full support for key national R&D drug projects, encourage global early-stage synchronized R&D and international multicenter clinical trials, serve urgent clinical needs and industry development, and accelerate the transformation of innovation results through efficient approval mechanisms.

Since 2021, total medical insurance fund expenditures have exceeded RMB12 trillion, with an average annual growth rate of 9.1%. The medical insurance fund not only provides a solid foundation for ensuring public access to healthcare, but also strongly supports the development of the pharmaceutical industry, advancements in pharmaceutical technology, and the transformation and upgrading of the industry. In January 2025, the National Healthcare Security Administration (NHSA) announced that it would release the first edition of the Category C National Reimbursement Drug List ("NRDL") within a year, while also introducing incentives to facilitate the inclusion of Category C drugs in the scope of affordable commercial health insurance coverage, effectively connecting it with the basic medical insurance directory. In July, the NHSA further announced the "2025 National Basic Medical Insurance, Maternity Insurance, and Work-Related Injury Insurance Drug Catalog and Commercial Health Insurance Innovative Drug Catalog Adjustment Work Plan", which explicitly outlines the concurrent advancement of adjustments to the basic medical insurance directory and the formulation of the commercial health insurance innovative drug catalog. The first-ever formulated commercial health insurance innovative drug catalog will serve as a supplement to the basic medical insurance directory,

covering innovative drugs that exceed the scope of "basic" insurance but are highly innovative, have significant clinical value, and offer considerable benefits to patients. This move will not only improve access to innovative drugs and open up pricing space for them, but also effectively boost the industry's innovation momentum and lay a solid foundation for the sustainable development of industry innovation.

With the continued empowerment of policies, the competitiveness of China's innovative drugs is constantly improving, reshaping the global pharmaceutical industry landscape. In recent years, Chinese pharmaceutical companies have attracted overseas multinational pharmaceutical companies (MNCs) to acquire Chinese innovative assets due to their lower costs, higher efficiency, as well as the production of innovative outcomes that are comparable to or even superior to those of their overseas counterparts. Statistics show that in the first half of 2025, the number of global pharmaceutical transactions reached 456; with total upfront payments amounting to US$11.8 billion and total transaction value reaching US$130.4 billion, representing significant growth in both volume and value. Among these, transactions involving China accounted for nearly 50% of the total value and more than 30% of the number of transactions, indicating that Chinese innovative drugs have become a key force in the global innovation landscape.

In addition to product transactions, mergers and acquisitions are important avenues for large pharmaceutical companies to accelerate their development. In the first half of 2025, there were 69 M&A transactions in the global pharmaceutical industry, with a total value of more than US$55 billion. In July, the Group announced its full acquisition of LaNova Medicines Limited ("LaNova Medicines") for a net consideration of US$500 million. LaNova Medicines is a world-leading innovative drug research and development company focusing on tumor immunity and the tumor microenvironment, aligning closely with the Group's innovation and internationalization strategies. The acquisition will significantly enhance the Group's core competitiveness and international influence in the field of oncology innovation, and the Group will make full use of its platform strengths in clinical, production, and commercialization to accelerate the transformation of LaNova Medicines' innovative assets. Through the in-depth synergy and integration of both parties' advantageous resources, the potential value of LaNova Medicines will be fully realized, while the Group's innovation capabilities will be comprehensively strengthened, effectively advancing the Group's strategic goal of becoming a world-class innovative pharmaceutical enterprise.

Business Review and R&D

During the reporting period, the Group had a total of two innovative products approved for marketing by the NMPA, namely Putanning (Meloxicam Injection (II)) and Anqixin (Recombinant Human Coagulation Factor VIIa N01 for Injection). In the first half of 2025, the Group's sales of innovative products reached RMB7.8 billion, a year-on-year increase of 27.2%. In addition to innovative products, the Group had 5 generic drugs approved for marketing by the NMPA. The overall revenue of generic drugs achieved positive growth in the first half of 2025.

The Group has always placed the utmost importance on R&D, continuously improving its R&D capabilities and speed. It considers R&D the foundation for its sustainable development and has continuously increased its investment in R&D. For the six months ended 30 June 2025, R&D costs amounted to approximately RMB3,187.56 million, representing approximately 18.1% of the Group's revenue. Including total capitalised R&D expenditure, approximately 95.7% was recognised in the statement of profit or loss.

ONCOLOGY

– Focus V (Anlotinib Hydrochloride Capsules) is a new type of small molecule multi-target tyrosine kinase inhibitor. It has been approved for nine indications: first-line small cell lung cancer, third-line non-small cell lung cancer, third-line small cell lung cancer, first-line renal cell carcinoma; first-line soft tissue sarcoma, second-line or later endometrial cancer, soft tissue sarcoma, medullary thyroid carcinoma, and differentiated thyroid cancer. Three other indications are currently in the marketing application stage: first-line hepatocellular carcinoma, first-line squamous non-small cell lung cancer, and consolidation therapy after chemoradiotherapy for non-small cell lung cancer. In addition, Anlotinib has a number of new indications currently in Phase III clinical studies, including first-line non-squamous non-small cell lung cancer and first-line pancreatic cancer, with plans to gradually submit marketing applications within the next two years. At the 2025 American Society of Clinical Oncology (ASCO) Annual Meeting, the Group announced the results of two Phase III clinical trials of Anlotinib combined with Benmelstobart (a head-to-head trial against pembrolizumab for first-line treatment of PD-L1 positive advanced non-small cell lung cancer, and another head-to-head trial against tislelizumab plus chemotherapy for first-line treatment of advanced squamous non-small cell lung cancer), both of which yielded positive results, confirming the superiority of Anlotinib combination therapy.

– From 2023 to 2024, the Group obtained approval for and launched a total of five national category 1 innovative oncology drugs, namely, Yilishu (Efbemalenograstim alfa Injection), Andewei (Benmelstobart Injection), Anboni (Unecritinib Fumarate Capsules), Anluoqing (Envonalkib Citrate Capsules), and Anfangning (Garsorasib Tablets). It also obtained approval for and launched 4 oncology biosimilars, including Anbeisi (Bevacizumab Injection), Delituo (Rituximab Injection), Saituo (Trastuzumab for Injection), and Paletan (Pertuzumab Injection). The sales volume of these products accelerated rapidly in the first half of 2025, and they have become important contributors to the Group's revenue growth.

– Regarding the R&D pipeline, as at the end of the reporting period, the Group had a total of 37 innovative oncology drug candidates in the clinical development stage or beyond. Of these, 2 were at the marketing application stage, 11 were in Phase III clinical trials or registrational clinical trials, 7 were in Phase II clinical trials, and 17 were in Phase I clinical trials. In addition, the Group had 13 biosimilars or generic oncology drug candidates in the clinical development stage or beyond, including 8 at the marketing application stage, 2 in pivotal clinical trials, 1 in Phase I clinical trials, and 2 in bioequivalence ("BE") trials. The Group expects to have 6 innovative drugs and 10 biosimilars or generic drugs in the oncology field approved for marketing within the next three years (2025-2027).

– TQB3616 (CDK2/4/6 inhibitor) submitted a marketing application to the Center for Drug Evaluation (CDE) in July 2024 for use in combination with fulvestrant in the treatment of HR-positive, HER2-negative (HR+/HER2–) locally advanced or metastatic breast cancer previously treated with endocrine therapy. In July 2025, TQB3616 submitted a new indication marketing application to the CDE for the treatment of first-line HR-positive, HER2-negative locally advanced or metastatic breast cancer in combination with fulvestrant. In addition, the Group is also actively advancing the Phase III clinical study of TQB3616 for the postoperative adjuvant treatment of HR-positive, HER2-negative breast cancer. TQB3616 is a novel CDK2/4/6 inhibitor. Research results show that compared with abemaciclib, the inhibitory effect of TQB3616 on CDK2 and CDK4 is further enhanced, and its enhanced inhibitory activity may help overcome the current drug resistance problem of CDK4/6 inhibitor. Based on the excellent efficacy and safety of TQB3616 and its coverage of multi-line patients in first-line, second-line and adjuvant treatment of breast cancer, the Group is confident that TQB3616 will become another blockbuster product in the field of oncology.

– TQ05105 (JAK/ROCK inhibitor) submitted a marketing application to the CDE in July 2024 for the treatment of moderate and high-risk myelofibrosis. It is the fastest developing JAK/ROCK inhibitor in the world. In addition, TQ05105 has initiated Phase III clinical trials in China for the treatment of chronic graft-versus-host disease and has been approved for Phase II clinical trials in the United States. At the annual meeting of the American Society of Hematology (ASH) in 2024, the Group announced the results of three studies on TQ05105 in the form of oral presentations, including a Phase Ib clinical study in patients with myelofibrosis who were refractory or relapsed or intolerant to ruxolitinib, a Phase Ib/IIa clinical study in patients with glucocorticoid-refractory or -dependent chronic graft-versus-host disease, and a Phase I clinical study in patients with hemophagocytic lymphohistiocytosis. The Group is accelerating the advancement of several clinical trials of TQ05105 to fully realize its clinical value.

– LM-302 (Claudin 18.2 ADC) is an antibody-drug conjugate (ADC) targeting Claudin 18.2. It has the potential to be the first of its kind in the world and is currently undergoing Phase III clinical trials in China. LM-302 has been included in the CDE's Breakthrough Therapy Designation (BTD) process for the treatment of Claudin 18.2-positive locally advanced or metastatic gastric/gastroesophageal junction (G/GEJ) adenocarcinoma in patients who have received second-line and higher systemic treatment. It has also been granted the Investigational New Drug (IND) approval and Orphan Drug Designation (pancreatic cancer, gastric cancer and gastroesophageal junction cancer) from the United States Food and Drug Administration ("FDA"). LM-302 has demonstrated clinical efficacy in patients with gastric cancer, pancreatic cancer and biliary tract cancer. It is also effective in patients with low expression of Claudin 18.2 and low expression of PD-L1, with a better balance of efficacy and safety compared with similar products.

– LM-108 (CCR8 monoclonal antibody) is an ADCC-enhanced CCR8 humanized monoclonal antibody. It is currently undergoing registrational clinical trial in China, combining with PD-1 monoclonal antibody for the treatment of patients with unresectable or metastatic advanced MSI-H/dMMR malignant solid tumors who have previously failed anti-PD-1/PD-L1 therapy. Its development progress ranks first among the same targets projects in the world. In February 2025, LM-108 has been included in the Breakthrough Therapy Designation (BTD) process by the CDE for the treatment of advanced solid tumors with microsatellite instability high (MSI-H) or deficient mismatch repair (dMMR) that have progressed following treatment with immune checkpoint inhibitors. In June 2025, LM-108 was once again included in the CDE's BTD process for the treatment of CCR8-positive advanced G/GEJ adenocarcinoma in patients who have failed first-line standard therapy. LM-108 is currently the only CCR8 investigational drug that has received two Breakthrough Therapy Designation recognitions. LM-108 is a promising tumor immunotherapy that can specifically eliminate tumor-infiltrating regulatory T cells (Treg) and enhance the immune killing effect on tumor cells without affecting peripheral Treg. As shown by the data from early explorations and clinical studies, LM-108 demonstrates good safety and efficacy in the treatment of gastric cancer, pancreatic cancer, lung cancer, breast cancer and other solid tumors, and is expected to provide better treatment options for patients with advanced tumors.

– M701 (CD3/EpCAM bispecific antibody) is the first independently developed CD3/EpCAM bispecific antibody to enter clinical trials in China. It is currently undergoing Phase III clinical trials in China and is intended to be developed for the treatment of malignant pleural effusion and malignant ascites caused by tumors. M701 targets both the tumor cell target EpCAM and the immune T cell activation target CD3, and bridges tumor cells and immune T cells through dual-target binding, thereby inducing T cells to kill tumor cells. Malignant pleural effusion and ascites is a common complication for cancer patients at the middle or advanced stages, but there is currently a lack of effective standard treatment options in clinical practice, and puncture drainage combined with local pleural or peritoneal infusion of drugs is still the primary treatment. Compared with the current primary clinical treatments, M701 has better safety and efficacy, and is expected to become the first standard treatment for malignant pleural effusion and ascites in China.

– TQB2868 (PD-1/TGF-β bifunctional fusion protein) is the world's fastest-growing PD-1/TGF-β bifunctional fusion protein. It is currently undergoing Phase III clinical trials in China for use in combination with Anlotinib and chemotherapy as a first-line treatment for metastatic pancreatic ductal adenocarcinoma. TQB2868 can block the PD-1/PD-L1 pathway and neutralize TGF-β in the tumor microenvironment. It has the dual effects of immune checkpoint suppression and tumor microenvironment remodeling. At the 2025 ASCO Annual Meeting, the Group announced preliminary data from the Phase II clinical study of TQB2868 combined with Anlotinib and chemotherapy as a first-line treatment for metastatic pancreatic ductal adenocarcinoma: the objective response rate (ORR) was 63.9% and the disease control rate (DCR) was 100%. The median progression-free survival (PFS) has not yet been reached, and the six-month PFS rate has reached 86%; The median overall survival (OS) has not yet been reached, but is expected to exceed one year. At present, no PD-1/TGF-β bifunctional fusion protein has been approved for marketing globally, and the TQB2868 combination is expected to become the first first-line treatment for immune checkpoint inhibitors in pancreatic cancer.

– TQB2102 (HER2 bispecific ADC) is a bispecific antibody-drug conjugate (ADC) targeting two non-overlapping HER2 epitopes, ECD2 and ECD4. It is currently undergoing Phase III clinical trials in China. Its intended indications for development include HER2-low expression breast cancer, HER2-positive breast cancer, HER2-negative breast cancer, HER2 gene mutation/overexpression non-small cell lung cancer (NSCLC), and HER2-positive biliary tract cancer. In July 2025, the CDE included TQB2102 in the BTD process for the neoadjuvant treatment of patients with early-stage or locally advanced HER2-positive breast cancer. At the 2025 ASCO Annual Meeting, the Group announced the results of three early-phase studies of TQB2102, revealing significant benefits in multiple advanced malignancies and a good safety profile. The incidence of interstitial lung disease (ILD) was much lower than with similar drugs, achieving an optimized balance of efficacy and safety.

– TQB2922 (EGFR/cMet bispecific antibody) is a bispecific antibody targeting EGFR and c-Met, currently in Phase II clinical trials in China. Its intended indications for development include advanced malignancies such as colorectal cancer and non-small cell lung cancer. TQB2922 inhibits tumor growth and progression by binding to EGFR and c-Met on the tumor cell surface, blocking the activation of their signaling pathways. It also degrades cell surface receptors through antibody-dependent cellular phagocytosis and kills tumor cells via antibody-dependent cellular cytotoxicity mediated by natural killer cells and macrophages. The c-Met arm of TQB2922 consists of two tandem-linked nanobodies that bind to different c-Met epitopes. This design enhances cMet affinity to balance the affinity of the EGFR arm and avoid serious adverse reactions caused by high EGFR affinity.

– TQB6411 (EGFR/cMet ADC) is a bispecific antibody-drug conjugate targeting EGFR and c-Met, currently in Phase I clinical trials in China for the treatment of advanced malignancies. TQB6411 is constructed by conjugating a humanized EGFR/c-Met IgG1 bispecific antibody with a topoisomerase I inhibitor payload (DDDxd) via a linker. By simultaneously targeting EGFR and c-Met and synergistically inhibiting their signaling pathways, it is expected to overcome the resistance mechanisms associated with tyrosine kinase inhibitors (TKIs).

LIVER/METABOLIC DISEASES

– Tianqing Ganmei (Magnesium Isoglycyrrhizinate Injection) is the fourth-generation of glycyrrhizic acid preparation that has been approved for three indications: chronic viral hepatitis, acute drug-induced liver injury, and improvement of liver dysfunction. Magnesium isoglycyrrhizinate is the world's first 99.9% purified alpha-glycyrrhizic acid. It has the advantages of strong liver targeting, excellent anti-inflammatory effects, and good safety. It has been recommended by the "Chinese Guideline for Diagnosis and Management of Drug-Induced Liver Injury (2023 Version)", the "Guideline for the Diagnosis and Treatment of Primary Liver Cancer (2024 Edition)", and other authoritative guidelines. It also has many studies presented at the annual meeting of the Asian Pacific Association for the Study of the Liver (APASL), the European Association for the Study of the Liver (EASL), and other internationally renowned academic conferences. The Group made efforts to strengthen the academic promotion, expanding doctor coverage and gaining recognition from experts through academic conferences at all levels, while vigorously exploring new patients to expand into new markets, and actively promoting retrospective research to provide more academic evidence for its clinical use.

– Regarding the R&D pipeline, as at the end of the reporting period, the Group had a total of 7 innovative liver/metabolic diseases drug candidates in the clinical development stage or beyond, of which 1 was in Phase III clinical trials and 6 were in Phase II clinical trials. In addition, the Group had 6 biosimilars or generic liver/metabolic disease drug candidates in the clinical development stage or beyond, including 4 at the marketing application stage, 1 in pivotal clinical trials, and one in Phase I clinical trials. The Group expects 1 innovative drug and 5 biosimilars or generic drugs in the field of liver/metabolic diseases to be approved for marketing within the next three years (2025-2027).

– Lanifibranor (pan-PPAR agonist) is an orally available small molecule drug that is currently undergoing Phase III clinical trials worldwide for the treatment of metabolic dysfunction-associated steatohepatitis (MASH), and enrollment of the patients in the global main cohort has been completed. In a randomized, double-blind, placebo-controlled Phase IIb study in patients with MASH stage F1 to F3, Lanifibranor demonstrated excellent efficacy and good safety. The study met the primary endpoint and key secondary endpoint, and the results have been published in the authoritative international journal "New England Journal of Medicine" (NEJM). Lanifibranor regulates anti-fibrosis and anti-inflammatory pathways in vivo by activating three subtypes, PPAR α, PPAR β/δ and PPAR γ. Compared with single/dual subtype agonists, Lanifibranor targets all three subtypes, and its moderate and balanced pan-PPAR binding properties make the drug well tolerated. In July 2023, Lanifibranor was included in the CDE's BTD process. Lanifibranor is China's first MASH oral drug to enter Phase III clinical trials and is expected to fill the gap in China's MASH market.

– TQA2225 (recombinant human FGF21-Fc fusion protein) is a fully human long-acting FGF21 fusion protein for the treatment of MASH. Phase II clinical trials are currently underway in China and all subjects have been enrolled. Compared with other similar targeted drugs, TQA2225 adopts pure natural human FGF21 as the active form, which reduces potential immunogenicity and has a good safety profile. Clinical studies have shown that FGF21 signal transduction can reverse many features of the pathogenesis of MASH and has the potential to reverse fibrosis, reduce liver fat, and improve blood sugar control. TQA2225 is the fastest-developing product among drugs with the same target in China, and is expected to become the first FGF21 fusion protein to be marketed in China.

RESPIRATORY

– Tianqing Suchang (Budesonide Suspension for Inhalation) is China's first budesonide nebulized generic drug approved for marketing, breaking the long-term monopoly of branded drugs in the domestic market, and offering an effective, safe and economical high-end product for patients with chronic airway inflammation in China. The product has been included in the national volume-based procurement. The Group has taken a series of proactive management measures in a timely manner, including strengthening downstream channels, expanding market coverage and conducting secondary development in markets outside the scope of the volume-based procurement.

– Regarding the R&D pipeline, as at the end of the reporting period, the Group had a total of 13 innovative respiratory drug candidates in the clinical development stage or beyond, of which 3 were in Phase III clinical trials, 4 were in Phase II clinical trials, and 6 were in Phase I clinical trials. In addition, the Group has 12 biosimilars or generic respiratory drug candidates in the clinical development stage or beyond, including 8 at the marketing application stage, 2 in pivotal clinical trials, 1 in Phase I clinical trials, and 1 in BE trials. The Group expects 4 innovative drugs and 10 biosimilars or generic respiratory drugs to be approved for marketing in the next three years (2025-2027).

– TQC3721 (PDE3/4 inhibitor) is a dual PDE3/4 inhibitor currently undergoing Phase III clinical trials in China for the treatment of moderate to severe chronic obstructive pulmonary disease. PDE3 mainly acts on bronchial smooth muscle. PDE4 is mainly expressed in various inflammatory cells. TQC3721 can reduce off-target effects through dual-target inhibition and combines bronchiectasis and anti-inflammatory activities in one compound. At present, no drug with the same target has been approved for marketing in China. TQC3721 is the fastest-developing domestic PDE3/4 dual inhibitor in China and the second in the world. Compared with currently marketed PDE3/4 products, the Phase III clinical study for TQC3721 will additionally include patients with dual bronchodilators as background treatment, thereby covering a wider population of COPD patients. In addition, the Group is developing a variety of dosage forms of TQC3721: a suspension for inhalation is in Phase III clinical trials, and an inhaled dry powder formulation is in Phase I clinical trials. The different dosage forms are expected to further enhance patient compliance.

– TQC2731 (TSLP monoclonal antibody) is a humanized monoclonal antibody targeting TSLP, currently undergoing Phase III clinical trials in China. Its intended indications for development include severe asthma, chronic rhinosinusitis with nasal polyps and chronic obstructive pulmonary disease. It is the most rapidly developed domestically produced TSLP monoclonal antibody. Studies have shown that TSLP monoclonal antibody is not only effective in the treatment of eosinophilic asthma, but also shows significant efficacy in people with low eosinophilic phenotypes, so it can cover a wider range of patients with severe asthma. Currently, no TSLP monoclonal antibody has been approved for marketing in China. The Group will vigorously promote the clinical development of TQC2731 to address the unmet clinical needs.

– TDI01 (ROCK2 inhibitor) is a novel targeted and highly selective ROCK2 inhibitor currently in Phase III clinical development, and its intended indications for development include graft-versus-host disease and idiopathic pulmonary fibrosis. By highly selective inhibition of the ROCK2 signaling pathway, TDI01 can inhibit the progression of fibrosis, has anti-inflammatory and immunomodulatory effects, and has good therapeutic potential in the fields of pulmonary fibrosis and liver fibrosis. The Group believes that TDI01 has the potential to become a blockbuster drug and will vigorously promote its clinical development and continue to explore its applications in other fibrosis and related fields.

– TCR1672 (P2X3R antagonist) is a second-generation highly selective P2X3 receptor antagonist. It is currently undergoing Phase Ib/II clinical trials in China for the treatment of refractory chronic cough. In 2021, TCR1672 received IND approval from the U.S. FDA. Preclinical studies have shown that, compared with the first-generation P2X3 receptor antagonist, TCR1672 is more effective in vivo and in vitro, has better selectivity for P2X3 and P2X2/3, and is expected to have less clinical taste interference. Currently, there are no drugs targeting P2X3 on the market in China, and TCR1672 is expected to become one of the first three P2X3 receptor antagonists approved in China.

– TQH2722 (IL-4R α monoclonal antibody) is a humanized monoclonal antibody that targets IL4R α. It is currently undergoing Phase III clinical trials in China. The intended indications for development include atopic dermatitis, chronic rhinosinusitis with or without nasal polyps and seasonal allergic rhinitis. TQH2722 can lead to double blockade of IL-4 and IL-13 signals, inhibiting type 2 inflammatory pathways, thereby achieving control on type 2 inflammatory diseases, such as atopic dermatitis, asthma, and chronic sinusitis.

SURGERY/ANALGESIA

– Zepolas/Debaian (Flurbiprofen Cataplasms) is the first domestically produced cataplasms approved for marketing in China, ranking first in the market share of topical analgesia for many years. It is recommended by many guidelines, including the "Expert Consensus on Diagnosis and Treatment of Chronic Musculoskeletal Pain" and "Chinese Guidelines for the Treatment of Chronic Pain Disorders with Non-Opioid Analgesics". The Group focuses on the development of high-potential areas, further expanding its market coverage and gradually increasing its production capacity to meet the booming market demand, driving the sustained rapid sales growth of Zepolas/Debaian. The second-generation flurbiprofen patch developed by the Group is expected to be approved for marketing within one year. By upgrading the dosage form, the second-generation product can significantly improve the transdermal absorption of the drug and enhance the adhesiveness of the plaster, thereby improving patient compliance.

– Putanning (Meloxicam Injection (II)) was approved by the NMPA and the FDA in May 2025 for postoperative pain management in adults. It is China's first once-daily long-acting non-steroidal anti-inflammatory drug (NSAIDs) injection solution. Two Phase III clinical studies demonstrated that Putanning maintains significant analgesic effects during the late stages of the drug effect (18-24 hours) and can effectively alleviate pain between doses, especially nighttime pain during postoperative hospitalization. Compared with the "proportion of reduction in morphine consumption compared to placebo during clinical trials" stated in the product instructions/labels of similar NSAIDs, Putanning has the highest rate of reduction in morphine consumption, and has the potential to become the most potent NSAIDs for pain relief. At the same time, compared with currently commonly clinically-used NSAIDs injections, Putanning can be used safely in special populations, such as patients with mild renal impairment and the elderly. Leveraging the Group's strong commercialization capabilities and Putanning's outstanding product strengths, Putanning is expected to become another blockbuster product in the Group's analgesic field.

– Regarding the R&D pipeline, as at the end of the reporting period, the Group had a total of 6 innovative surgical/analgesic drug candidates in the clinical development stage or beyond, of which 1 was at the marketing application stage, 1 was in Phase III clinical trials, 2 were in Phase II clinical trials, and 2 were in Phase I clinical trials. In addition, the Group had 6 biosimilars or generic surgical/analgesic drug candidates in the clinical development stage or beyond, including 4 at the marketing application stage and 2 in pivotal clinical trials. The Group expects 3 innovative drugs and 6 biosimilars or generic drugs in the surgery/analgesic field to be approved for marketing in the next three years (2025-2027).

– PL-5 (Antimicrobial Peptide) submitted a marketing application to the CDE in December 2024. It is the first innovative antimicrobial peptide applied for marketing in China. PL-5 is used as a topical broad-spectrum anti-infective drug, intended to treat superficial secondary wound infection caused by staphylococcus aureus, staphylococcus epidermidis, pseudomonas aeruginosa, staphylococcus haemolyticus, acinetobacter baumannii, etc., including burn wound infection and physical injury wound infection. PL-5 is the first newly designed non-antibiotic antibacterial drug. It has a broad antibacterial spectrum, is less susceptible to resistance, and is highly effective in sterilization. It has good efficacy against local open wound infections, especially against drug-resistant strains. It has a good safety profile, with no entry to the blood circulatory system.

– TRD205 (AT2R inhibitor) is a highly selective inhibitor targeting AT2R with the potential to be the first of its kind globally. TRD205 is currently undergoing Phase II clinical trials in China and has obtained IND approval from the U.S. FDA, with intended indications for development including chronic postoperative neuralgia and peripheral neuropathic pain. TRD205 accurately inhibits AT2R and blocks the pain sensitization signaling pathway, showing breakthrough potential in the areas of peripheral neuropathic pain and postoperative pain. Preclinical and early clinical data show that TRD205 can significantly reduce pain scores and has excellent safety (adverse reaction rate <15%), which is expected to solve the pain points of limited efficacy and high risk of addiction of traditional analgesics. With its original mechanism and multi-indication layout, TRD205 may become the first innovative therapy to rewrite the paradigm of neuralgia treatment and seize the leading opportunity in the over US$10 billion pain treatment market.

– TRD303 (Ropivacaine sustained-release solution) is an innovative preparation that acts on sodium ion channels. It is currently undergoing Phase II clinical trials in China for postoperative long-acting analgesia (abdominal surgery, hip replacement surgery, etc.) during the perioperative period. TRD303 is administered topically by applying the drug to the wound site. After the wound is sutured, the drug can be slowly released. TRD303 has the characteristics of long-acting sustained release. After the drug comes into contact with body fluids, the drug will undergo a phase change to form a drug reservoir. This mechanism can not only effectively increase the concentration of the drug, but also achieve a sustained and slow release of the drug within 72 hours. The results of preclinical studies have shown TRD303 maintains its efficacy for a longer period and has a better safety profile than the short-acting postoperative analgesics currently used in clinical practice. In addition, TRD303's innovative topical drug delivery method can reduce the technical requirements for invasive drug delivery, reduce the irritation caused by invasive drug delivery, and avoid the risk of systemic toxicity caused by accidental injection into the blood vessel.

Financial Review

During the period, the Group recorded revenue of approximately RMB17,574.78 million, an increase of approximately 10.7% over the same period last year. Profit attributable to owners of the parent from continuing operations as reported was approximately RMB3,388.59 million, an increase of approximately 140.2% over the same period last year. Basic earnings per share based on profit attributable to owners of the parent from continuing operations as reported were approximately RMB18.82 cents, an increase of approximately 145.7% over the same period last year. The year-on-year increase in profit attributable to owners of the parent from continuing operations as reported was mainly driven by a notable growth in revenue and a significant increase in dividend income and fair value gain on investments during the period. Excluding the profit attributable to owners of the parent from the discontinued operations, the share of profits and losses of associates and joint ventures (net of related tax and non-controlling interests), fair value changes and the impairment of one-off adjustments of certain assets and liabilities (net of related tax and non-controlling interests), fair value losses/(gains) of current equity investments, net (net of related tax and non-controlling interests), share-based payment (net of related tax and non-controlling interests), effective interest expenses and exchange loss/(gain) of the convertible bond debt component, etc., underlying profit attributable to owners of the parent (non-HKFRS measure) was approximately RMB3,087.65 million, a significant increase of approximately 101.1% over the same period last year. The Group's liquidity remains strong. With cash and bank balances classified under current assets of approximately RMB11,104.40 million, bank deposit classified under non-current assets of approximately RMB10,098 million, and the wealth management products of approximately RMB9,285.98 million in aggregate, the Group's total fund reserve was approximately RMB30,488.38 million at the period end.

Discontinued operations

Upon the resolutions by the board of directors (the "Board") of the Company to adopt a plan to dispose the equity interest in CP Pharmaceutical Qingdao Co., Ltd. ("CP Qingdao") in December 2023 (the "Target Company"), in accordance with Hong Kong Financial Reporting Standard 5, the Target Company has been reclassified as discontinued operations and CP Qingdao's underlying assets and liabilities have been reclassified as "Assets of a disposal group held for sale" and "Liabilities directly associated with the assets classified as held for sale" as at 31 December 2023. The disposal of CP Qingdao was completed in March 2024. The Target Company's profit earned in previous period was included in discontinued operations.

Further details of the disposal have been disclosed in Note 7 to the financial statements in this announcement.

Continuing operations

The major therapeutic areas of the Group include oncology, liver/metabolic diseases, respiratory and surgery/analgesia. Drugs are categorized into innovative products and generic drugs. Among them, innovative products, encompassing both innovative drugs and biosimilars, are the primary driver of the Group's performance growth.

Innovative products

For the six months ended 30 June 2025, the sales of innovative products amounted to approximately RMB7,798.57 million, representing approximately 44.4% of the Group's revenue, an increase of approximately 27.2% over the same period last year.

Oncology medicines

For the six months ended 30 June 2025, the sales of oncology medicines amounted to approximately RMB6,694.23 million, representing approximately 38.1% of the Group's revenue, an increase of approximately 24.9% over the same period last year.

Surgery/analgesia medicines

For the six months ended 30 June 2025, the sales of surgery/analgesia medicines amounted to approximately RMB3,105.06 million, representing approximately 17.7% of the Group's revenue, an increase of approximately 20.2% over the same period last year.

NON-HKFRS MEASURE

For the purpose of assessing the performance of the Group, the Company has also presented the underlying profit attributable to owners of the parent as an additional financial measure, which is not required by, or presented in accordance with the Hong Kong Financial Reporting Standards ("HKFRSs"). The Group believes that this non-HKFRS financial measure better reflects the underlying operational performance of the Group by eliminating certain non-operating (i.e. non-recurring gains and losses that are not related to continuing operations, such as discontinued operations, significant asset impairment, share-based payments, etc.) and non-recurring (i.e. gains and losses from non-core businesses (businesses other than the Group's independently developed and commercialized innovative and generic drugs), including investments in associates and joint ventures (such as SINOVAC LS's vaccine business), and changes in the fair value of financial assets (financial investments), etc.) items which the Group does not consider indicative of the Group's fundamental operating performance. However, the presentation of this non-HKFRS financial measure is not intended to be a substitute for, or superior to, the financial information prepared and presented in accordance with HKFRSs. Underlying profit attributable to owners of the parent for the period significantly increased by approximately 101.1% over the same period last year.

Additional information is provided below to reconcile the profit attributable to owners of the parent as reported and the underlying profit attributable to owners of the parent:

	For the six months ended 30 June		
	2025	2024	Change
	RMB'000	*RMB'000*	*%*
	(Unaudited)	(Unaudited)	
Profit attributable to owners of the parent as reported	**3,388,591**	3,017,162	+12.3%
Adjusted for:			
Profit attributable to owners of the parent from discontinued operations	**–**	(1,606,350)	
Share of profits and losses of associates and joint ventures (net of related tax and non-controlling interests)	**3,500**	86,502	
Fair value changes and the impairment of one-off adjustments of certain assets and liabilities (net of related tax and non-controlling interests)	**(332,902)**	49,816	
Fair value losses/(gains) of current equity investments, net (net of related tax and non-controlling interests)	**4,849**	(11,441)	
Share-based payment (net of related tax and non-controlling interests)	**23,501**	–	
Convertible bond debt component of:			
– Effective interest expenses	**46**	177	
– Exchange loss/(gain)	**65**	(538)	
Underlying profit attributable to owners of the parent	**3,087,650**	1,535,328	+101.1%
Basic earnings per share			
Underlying profit attributable to owners of the parent used in the basic earnings per share calculation	**3,087,650**	1,535,328	+101.1%
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation (Shares)	**18,003,635,574**	18,408,301,709	
Basic earnings per share, based on underlying profit attributable to owners of the parent (RMB cents)	**17.15**	8.34	+105.6%

The Company provides the reconciliation of the following non-HKFRS financial measures adjusting items to further illustrate the relationship between these adjusting items and the HKFRS financial data. These adjustments aim to better reflect the ongoing performance of the Group's core business and provide investors with more comparable financial metrics.

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
1. Share of profits and losses of associates and joint ventures (net of related tax and non-controlling interests)		
Share of losses of associates and joint ventures	**(4,823)**	(93,056)
Related tax	**(1,955)**	6,554
Non-controlling interests	**3,278**	–
Adjusted amount	**(3,500)**	(86,502)

For the six months period ended 30 June 2024, the loss from associates primarily related to vaccine businesses (e.g., SINOVAC LS), whose (loss)/profit volatility was not directly related to the R&D of the Group's core innovative drugs.

2. Share-based payments (net of related tax and non-controlling interests)		
Share-based payments	**(58,628)**	–
Related tax	**18,939**	–
Non-controlling interests	**16,188**	–
Adjusted amount	**(23,501)**	–
3. Fair value changes and the impairment of one-off adjustments of certain assets and liabilities (net of related tax and non-controlling interests)		
Fair value changes of financial assets at fair value through profit or loss (non-current), net	**541,479**	(49,816)
Impairment loss on other receivables	**(211,273)**	–
Gain on deemed partial disposal of an associate	**352**	–
Related tax	**2,344**	–
Adjusted amount	**332,902**	(49,816)

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
4. Fair value (losses)/gains of current equity investments, net (net of related tax and non-controlling interests)		
Fair value changes of equity investments designated at fair value through profit or loss, net	**(16,112)**	11,441
Related tax	**3,448**	–
Non-controlling interests	**7,815**	–
Adjusted amount	**(4,849)**	11,441

Financial assets at fair value through profit or loss represent financial investments in listed companies, with valuation changes reflecting market factors rather than the sales and R&D of the Group's pharmaceutical products.

SIGNIFICANT INVESTMENT

As at 30 June 2025, the Group's major investment is the 15.03% equity interests in Sinovac Life Sciences Co., Ltd. ("SINOVAC LS"), a company which is engaged in the R&D, production and sales of human vaccines. The 15.03% equity interest in SINOVAC LS held by the Group was accounted for as "non-current equity investment designated at fair value through other comprehensive income" in the financial statements of the Group as at 30 June 2025. The investment cost was approximately US$515 million (equivalent to approximately RMB3,387.77 million). The fair value of the investment in SINOVAC LS was approximately RMB9,021 million as at 30 June 2025 (31 December 2024: RMB9,579 million), which accounted for approximately 12.0% of total assets of the Group (31 December 2024: 14.6%). Dividend of approximately RMB1,352.70 million (net of tax) was received from SINOVAC LS and was recognised in the statement of profit or loss during the first half year of 2025 (2024: RMB676.35 million (net of tax) was received and was not recognised in profit or loss). SINOVAC LS is dedicated to developing innovative vaccines and related biopharmaceutical products and continues to strengthen its R&D and commercialization capabilities in biological medicine technology. The investment in SINOVAC LS has been a great success and the Group may continuously receive potential dividends in the future.

EQUITY INVESTMENTS/FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS AND EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

As at 30 June 2025, the Group had: 1) non-current equity investments designated at fair value through other comprehensive income (including certain listed and unlisted equity investments such as SINOVAC LS) of approximately RMB10,198.27 million (31 December 2024: approximately RMB10,911.53 million); and 2) current equity investments designated at fair value through profit or loss (including certain listed equity investments) of approximately RMB41.99 million (31 December 2024: approximately RMB76.86 million).

In addition, as at 30 June 2025, the Group had the non-current financial assets at fair value through profit or loss of approximately RMB5,040.19 million (31 December 2024: RMB4,439.11 million) and the current financial assets at fair value through profit or loss, including certain wealth management products of approximately RMB8,676.91 million (31 December 2024: approximately RMB4,950.83 million), which included the wealth management products of Bank of Jiangsu (approximately RMB1,350.02 million), Huaxia Bank (approximately RMB1,270 million), CSC Financial (approximately RMB1,240 million), Industrial Bank (approximately RMB847.60 million), Huatai Securities (approximately RMB686.21 million), China Galaxy Securities (approximately RMB600 million), Bosera Funds (approximately RMB517.41 million) and other banks. The wealth management products mainly consisted of principal-guaranteed products with floating return and relatively lower risk of default. All principal and interests will be paid together on the maturity date. The Board of the Company believes that the investment in wealth management products can strengthen the financial position of the Group and bring the fruitful contribution to the profit of the Group. As at 30 June 2025, the above mentioned wealth management products (approximately RMB8,676.91 million) together with the wealth management products classified in other receivables of approximately RMB609.07 million (31 December 2024: approximately RMB220.64 million) including the wealth management products of CSC Financial (approximately RMB394.10 million) and CITIC Securities (approximately RMB214.97 million), amounted to approximately RMB9,285.98 million in total, representing approximately 12.4% of the total assets of the Group.

Each of the transactions of acquisition or disposal of wealth management products as abovementioned was entered into with third party who was not a connected person (as defined in the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited ("Stock Exchange")) of the Company, and did not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules as all the applicable percentage ratios were less than 5%, calculated either on a standalone basis or by aggregation of the transactions with the same counterparty pursuant to the Rule 14.22 of the Listing Rules.

For the six months ended 30 June 2025, the Group recorded a loss (net) of the current equity investments designated at fair value through profit or loss of approximately RMB16.11 million.

The Board considers that the investment in equity investments and financial assets can diversify the investment portfolio of the Group and achieve a better return to the Group in the future.

INVESTOR RELATIONS

The Group is committed to maintaining high standards of corporate governance to ensure its long-term sustainable development. It also values communication with shareholders and investors. During the reporting period, the Group actively reached out to a wide range of investors in various regions through different channels to maintain close and good relationships and ensure adequate two-way communication with investors. In addition to ensuring that investors had a thorough understanding of its latest business developments and strategies, the Group was also able to gather valuable views and feedback from the investment community through its interaction with investors to help raise corporate governance standards.

The Group has continued to proactively disclose the latest information on its business development to investors. On 20 March 2025, the Group held its 2024 Annual Results Announcement Conference in Shanghai to provide investors with an in-depth explanation of its annual results and latest business updates. On 17 July 2025, the Group held the Full Acquisition of LaNova Medicines Briefing in Hong Kong to provide investors with an in-depth explanation of the reasons for and benefits of the acquisition, as well as a detailed introduction to LaNova Medicines' innovative R&D technology platform and blockbuster innovation pipeline. The two events were attended by nearly one thousand analysts, fund managers and other investors, and the response was enthusiastic. In addition, the Group also issued results press releases to the media in a timely manner to keep retail investors informed of its latest business status and prospects through media channels. In addition to results press releases, the Group also released information through the media on topics such as the Company's share repurchases, purchases of shares under its restricted share award scheme and purchases of shares by CT Tianqing under its share incentive scheme, in the hope of strengthening the confidence of shareholders and the market by maintaining a high level of transparency.

In addition, during the period, the Group participated in numerous investment summits and roadshows hosted by major investment banks and securities companies, including Goldman Sachs, Morgan Stanley, Citi, UBS, Bank of America, J.P. Morgan, CICC, CITIC, CSC Financial, HTSC, Haitong and China Industrial Securities, to help investors understand its business development and competitive advantages. During the reporting period, the Group participated in more than 400 investor communication meetings in various formats, including one-on-one meetings, group meetings and conference calls.

The Group publishes its annual reports, interim reports, disclosures and circulars in a timely manner both on its corporate website and on the website of the Hong Kong Exchanges and Clearing Limited. The Group also voluntarily issues announcements to inform shareholders and investors of its latest business endeavors in order to maintain a high level of corporate transparency and to increase market interest in the Company.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's liquidity remains strong. During the period, the Group's primary sources of funds were cash derived from operating activities, issuance of panda bonds, and bank borrowings. As at 30 June 2025, the Group's cash and bank balances classified under current assets were approximately RMB11,104.40 million (31 December 2024: approximately RMB9,569.58 million). Bank deposit classified under non-current assets were approximately RMB10,098.00 million (31 December 2024: approximately RMB9,365.81 million).

CAPITAL STRUCTURE

As at 30 June 2025, the Group had short term loans of approximately RMB8,852.19 million (31 December 2024: approximately RMB7,585.83 million) and had long term loans of approximately RMB2,999.44 million (31 December 2024: approximately RMB1,996.75 million). Besides, debt component of the convertible bonds amounted to nil as at 30 June 2025 (31 December 2024: approximately RMB16.24 million). In addition, total lease liabilities (classified under current and non-current liabilities) amounted to approximately RMB104.28 million as at 30 June 2025 (31 December 2024: RMB111.73 million). As at 30 June 2025, the Group's total available credit facilities amounted to approximately RMB43.3 billion (31 December 2024: approximately RMB39.4 billion) of which RMB31.8 billion were unused (31 December 2024: RMB30.0 billion).

CHARGE ON ASSETS

As at 30 June 2025, the Group had charge on assets of approximately RMB449.95 million (31 December 2024: approximately RMB459.39 million).

CONTINGENT LIABILITIES

As at 30 June 2025, the Group and the Company had no material contingent liabilities (31 December 2024: Nil).

ASSETS AND GEARING RATIO

As at 30 June 2025, the total assets of the Group amounted to approximately RMB74,894.41 million (31 December 2024: approximately RMB65,408.07 million) whereas the total liabilities amounted to approximately RMB29,116.69 million (31 December 2024: approximately RMB22,634 million). The gearing ratio (total liabilities over total assets) was approximately 38.9% (31 December 2024: approximately 34.6%). The Group was in a net cash position (including wealth management products) of approximately RMB18,532.47 million (31 December 2024: approximately RMB14,396.31 million), being the aggregate of cash and bank balances classified under current assets, bank deposit classified under non-current assets and wealth management products less the aggregate of short term loans, long terms loans, debt component of the convertible bonds and total lease liabilities.

EMPLOYEE AND REMUNERATION POLICIES

The Group had 23,056 employees as at 30 June 2025 and remunerates its employees based on their performance, experience and the prevailing market rates. Other employee benefits include mandatory provident fund, insurance and medical coverage, subsidized training programmes as well as employee share incentive schemes. Total staff cost (including Directors' remuneration and equity settled share-based payments) in selling and distribution costs and administrative expenses during the period under review was approximately RMB2,424.90 million (2024: approximately RMB2,514.70 million).

The Company adopted a share option scheme on 15 June 2023 (the "2023 Share Option Scheme") and a share award scheme on 5 January 2018 (the "2018 Share Award Scheme"). The Company resolved and approved the implementation of a share incentive scheme by CT Tianqing, a subsidiary, on 7 May 2024 ("2024 CT Tianqing Share Incentive Scheme"). The schemes will provide incentive to retain and encourage the selected participants for the continual operation and development of the Group. For the six months ended 30 June 2025, no option in respect of the shares of the Company ("Shares") had been granted under the 2023 Share Option Scheme, nor any incentive share granted under the 2024 CT Tianqing Share Incentive Scheme, while 61,200 restricted shares were granted under the 2018 Share Award Scheme; and as at the period end, 536,305,243 Shares were held on trust by a trustee under the 2018 Share Award Scheme and 338,690,000 shares were held on trust by a trustee under the 2024 CT Tianqing Share Incentive Scheme.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

Most of the assets and liabilities of the Group were denominated in Renminbi, US dollars, Euro, Japanese Yen and HK dollars. The Group has hedged part of the RMB risk in net investments in foreign operations by borrowing RMB loans and will continue to closely monitor the net foreign exchange exposure to reduce the impact of foreign exchange fluctuations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG")

Sino Biopharm consistently places high-quality ESG management at the heart of its strategic implementation, while earnestly fulfilling its corporate mission of "Enhancing Life Quality, Upholding Life Dignity" and continuously bringing health benefits for patients and the general public through pharmaceutical innovation and responsible practices. The Group pursues a long-term vision of achieving sustainable symbiosis among the enterprise, its employees, the society and the environment. Leveraging its regulated ESG governance system as its own concrete foundation for development, the Group continues to generate comprehensive values for all stakeholders, including shareholders, patients, employees, suppliers, and the community.

In the first half of the year, operations of the Group's ESG governance system maintained efficient, with the Board and ESG committees at the level of the Group and its members convening four meetings collectively, thus allowing the orderly formulation of the overall working plans for the year, while providing effective oversight on key initiatives, thus laying a basic protection for high-quality ESG management. During the reporting period, the Group's ESG efforts focused on five major areas, namely the assessment of financial quantification of ESG risks, optimization and improvement of ESG information disclosures, the publication of carbon neutrality roadmap, the establishment of a diverse, equal and inclusive culture, the alignment with internationalized standards in relation to responsible supply chains, and the expansion of public welfare initiatives in the society – all of which have been substantially launched.

In terms of the financial quantification of ESG risks, the Group pioneered the "double materiality assessment" across all business operations, thereby incorporating additional financial materialities into the previous impact-based materiality assessment, and identifying key ESG issues with more substantial influence more accurately, which provide a scientific basis for the Group to formulate its next phase of ESG development planning to a larger extent.

In terms of the optimisation of ESG information management, on the basis of following the compliance requirements of the Stock Exchange and publishing a high-quality ESG report for FY2024, Sino Biopharm has applied upgraded standards for its assurance. For the first time, the Group engaged an international professional third-party institution to conduct an independent third-party assurance of the ESG report in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) – Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, and successfully passed the assurance review.

At the level of the environmental management, the Group met its "Five-Year Emission Reduction Target (2021–2025)" as scheduled, achieving an overall reduction in carbon emission intensity of more than 20% as compared to the baseline year. Going further, the Group took the lead in releasing the "Carbon Neutrality Goals and Pathway Planning of Sino Biopharmaceutical Limited", demonstrating its commitment as a leading enterprise in the Chinese pharmaceutical industry. On this basis, the Group has launched the formulation of its action framework of carbon neutrality and the implementation plan for the first phase in 2025, thereby providing a systematic guidance for practically advancing its carbon-neutrality transformation. As the standards for advocating the philosophy of carbon neutrality among all staff, the Group officially introduced the "Internal Mechanism of Carbon Credits", by which the employees were encouraged to proactively adopt low-carbon practices at their works, travelling, and lifestyles through an incentive mechanism of carbon credits.

In terms of talent development, the Group initiated a dedicated program for concept and culture construction featuring "Diversity, Equity, and Inclusion (DEI)" with an aim to continuously enhance the sense of satisfaction, well-being, and cohesion by fostering an excellent culture development in the workplace as well as offering competitive employee benefits packages. In the first half of the year, the Group successfully hosted the second "ESG DAY of Sino Biopharm", featuring such systematic approaches as DEI-themed forums and case-sharing sessions to promote the philosophies of diversity and inclusivity. The inaugural event attracted nearly 600 participants, encompassing core teams from all business divisions of the Group.

In the field of responsible supply chains, the Group fully aligned with international standards on sustainable supply chain management – the Pharmaceutical Supply Chain Initiative (PSCI) Principles for Responsible Supply Chain Management. By comprehensively enhancing its sustainable supply chain management systems and requirements, the Group incorporated upgraded ESG requirements and risk management clauses into the cooperation agreements entered into with all critical Tier-1 and Tier-2 partners, representing a coverage rate of 100%.

In the area of public welfare in society, the Group concentrates on inclusive healthcare, charitable donations, rural revitalization, and other related fields, integrating and leveraging professional resources and strengths to promote community development and fulfill corporate responsibilities. The patient care project jointly initiated by the core member company, CT Tianqing, has held over 100 public welfare science popularization activities, benefiting more than 100,000 patients.

In the first half of the year, the Group successively won multiple prestigious domestic and international awards and honors, including but not limited to its debut listing in the S&P Global Sustainability Yearbook (Worldwide), and its third consecutive listing in the S&P Global Sustainability Yearbook (China Edition). The Group was also listed in the FTSE4Good Index Series for the second consecutive year, made its first appearance on the list of 2024–2025 Forbes China Sustainable Development Industrial Enterprises, and was listed for three years in a row in the "100 ESG Pioneers among China's Listed Companies", jointly released by CCTV Financial Program Centre, the State-owned Assets Supervision and Administration Commission of the State Council, the China Federation of Industry and Commerce and other authorities. Additionally, the Group was recognized in the "China ESG Listed Companies Technology Innovation Pioneer 30" for the first time. These accolades highlighted the Group's achievements in sustainable development and the widespread recognition it has garnered from domestic and global professional organizations.

In the second half of the year, under the leadership of the Board, the Group will continue to enhance its ESG governance standards through the following initiatives: 1) advancing the implementation of its carbon neutrality goals and action plans, plus the establishment of an assessment mechanism on climate risks; 2) deepening the partnerships with suppliers for sustainable development in order to build an ecosystem of responsible supply chains; 3) optimising the system of employee development with increased investment in diversity and inclusivity; 4) expanding the coverage of drug accessibility programs to amplify the creation of social values; 5) leveraging the "ESG DAY of Sino Biopharm" as the core vehicle to promote embedded ESG concept and culture across the organization, thus achieving full integration of ESG management with the Group's strategies and operations.

PROSPECTS

China's pharmaceutical industry is currently embracing historic growth opportunities. With the national strategy of innovation-driven development as the guidance, the country's biopharmaceutical innovation capabilities have witnessed significant enhancement, such that the R&D of innovative drugs has evolved from the positioning of the "passive mover" towards the "paralleled player," or even the "market leader" on the global stage. Chinese innovative drugs not only gains strong momentum for growth in the domestic market, but also steadily makes their presence internationally, thus being widely recognised and becoming an indispensable impetus in the innovative pharmaceutical industry worldwide. As the industry leader, the Group remains deeply committed to four core therapeutic areas – oncology, liver/metabolic diseases, respiratory, and surgery/analgesia. The Group aims to be a leading global pharmaceutical company through delivering innovative therapies for patients.

1. Accelerating Internationalized Deployment

While being firmly rooted in the Chinese market, the Group is expanding its strategic horizon to embrace global opportunities, and leveraging internationalization to accelerate its innovation and development. With a portfolio of globally competitive innovative assets, the Group expects out-licensing to become another source of recurring revenue starting from this year. This will serve as a novel driver for the growth of the Group's performance and unlock the Group's second growth curve with the revenue from internationalization. Looking ahead, the Group will expedite the rollouts of more innovative drugs in global markets, thus enabling the results from innovation in China to benefit patients worldwide and address unmet global clinical needs.

2. In-depth Synergy with National Strategies

The Group is deeply embedded into the ecosystem of pharmaceutical innovation in China and actively responds to national strategic directives. On one hand, the Group focus on the nation's needs in the prevention and control of major diseases, while making deployments in cutting-edge targets, upgrading the capacities of technical platforms, and concentrating on tackling challenges from the first-in-class (FIC) and best-in-class (BIC) innovative drugs of global competitiveness; on the other hand, the Group proactively participate in the reform initiatives of medical insurance payment and explore diversified payment solutions for innovative drugs. In 2025, four of the Group's innovative drugs were submitted for inclusion in the National Basic Medical Insurance Catalogue, and one was submitted for inclusion in the National Commercial Health Insurance Innovative Drug List, all of which have successfully passed preliminary reviews. Looking forward, the Group will continue to promote the inclusion of more innovative drugs in both the National Basic Medical Insurance Catalogue and the National Commercial Health Insurance Innovative Drug List, thereby enhancing the accessibility of those innovative drugs for patients.

3. Strategic Acquisitions and Collaborations

The Group is vigorously promoting its global strategic collaboration deployments through diversified approaches of collaborations such as business development (BD), strategic acquisitions, etc. These efforts have rapidly enriched the Group's pipeline of innovative assets and reinforced its core technology platforms. In July 2025, the Group announced the full acquisition of LaNova Medicines – an enterprise with the world leading antibody discovery and ADC technology platforms, including the Tumor Microenvironment Specific Antibody Development Platform (LM-TME™), the Targeted Antibody Discovery Platform (LM-Abs™), the New Generation ADC Platform (LM-ADC™), and the T-cell Engager Platform (LM-TCE™). This acquisition will further strengthen the Group's innovation and R&D capabilities, accelerating the growth of the Group's innovation-driven business. In addition, the excellent and efficient R&D team of LaNova Medicines will join the Group, thus further enhancing the Group's talent pool for innovation and R&D, ensuring the sustained delivery of high-quality innovation outcomes, and supporting the long-term development of the Group's innovation ecosystem.

Looking ahead, the Group will continue to expand its diversified collaboration footprints domestically and internationally. In addition to strategic acquisitions, the Group will continuously promote product in-licensing and technology platform partnerships and proactively coordinate global resources for innovation, including top tier scientists, leading pharmaceutical companies, benchmark scientific research institutions, and core hospitals. Through building a multi-layered collaboration network and integrating global resources for innovation, the Group can accelerate its innovative development and commercialization of its innovative assets.

4. A Harvesting Period of Intensive Innovation Results

Empowered by years of sustained investment in innovation and R&D and efficient clinical development capabilities, the Group has currently entered a harvesting period of intensive innovation results. Over the next three years (2025–2027), the Group expected nearly 20 innovative products to obtain approval for marketing. Over half of these are blockbuster drugs with peak sales potential exceeding RMB2 billion. Notable examples include TQB3616 (CDK2/4/6 inhibitor) and TQB2102 (HER2 bispecific ADC), both positioned as potential BIC therapies for breast cancer. Other highlights include TQC3721 (PDE3/4 inhibitor), potentially being the first novel cornerstone drug for COPD obtaining approval for marketing in China, and Lanifibranor (pan-PPAR agonist), potentially being the first marketed oral drug for MASH, among others. It is expected that, by the end of 2027, the Group will have more than 35 marketed innovative products, with the sales of innovative products as a percentage of 60%, and innovative products will serve as the core driver for the revenue growth of the Group.

Looking ahead, the Group will remain focused on innovation, while enhancing R&D efficiency and quality across its four major therapeutic areas. The Group will also accelerate its progress of internationalization, thereby striving for rapid business expansion alongside steady performance improvement.

APPRECIATION

On behalf of the Board, I would like to express my gratitude to our shareholders for their trust, support and understanding, as well as to all our staff for their dedication and diligence.

RESULTS

The Board of the Company announces the unaudited interim condensed consolidated results of the Group for the six months ended 30 June 2025 together with the comparative figures for 2024 as follows:

Interim Condensed Consolidated Statement of Profit or Loss

		For the six months ended 30 June	
		2025	2024
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
CONTINUING OPERATIONS			
REVENUE	*3*	**17,574,778**	15,874,403
Cost of sales		**(3,081,084)**	(2,844,780)
Gross profit		**14,493,694**	13,029,623
Other income	*3*	**1,686,771**	275,232
Other gains/(losses), net	*3*	**626,158**	(108,027)
Selling and distribution costs		**(6,449,904)**	(5,796,755)
Administrative expenses		**(1,093,529)**	(1,051,187)
Other expenses		**(3,541,776)**	(2,711,923)
Including: Research and development costs		***(3,187,558)***	*(2,578,342)*
Finance income		***373,576***	*223,848*
Finance costs	*4*	***(123,204)***	*(153,739)*
Net finance income		**250,372**	70,109
Share of profits and losses of associates and joint ventures		**(4,823)**	(93,056)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	*5*	**5,966,963**	3,614,016
Income tax expense	*6*	**(981,324)**	(614,093)
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS		**4,985,639**	2,999,923
DISCONTINUED OPERATIONS			
Profit for the period from discontinued operations	*7*	**–**	1,606,765
PROFIT FOR THE PERIOD		**4,985,639**	4,606,688
Profit attributable to:			
Owners of the parent		**3,388,591**	3,017,162
Non-controlling interests		**1,597,048**	1,589,526
		4,985,639	4,606,688
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*9*		
Basic			
– For profit for the period		**RMB18.82 cents**	RMB16.39 cents
– For profit for the period from continuing operations		**RMB18.82 cents**	RMB7.66 cents
Diluted			
– For profit for the period		**RMB18.80 cents**	RMB16.39 cents
– For profit for the period from continuing operations		**RMB18.80 cents**	RMB7.66 cents

Details of the interim dividend declared for the period are disclosed in note 8 to the financial statements of this announcement.

Interim Condensed Consolidated Statement of Comprehensive Income

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
PROFIT FOR THE PERIOD	**4,985,639**	4,606,688
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Net (loss)/gain on hedge of net investment	**(120,561)**	123,891
Exchange differences on translation of foreign operations	**(483,522)**	146,715
Less: Reclassification adjustments upon deemed partial disposal of an associate	**105**	–
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**(603,978)**	270,606
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	**(280,856)**	(11,309)
Income tax effect	**–**	–
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	**(280,856)**	(11,309)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**(884,834)**	259,297
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**4,100,805**	4,865,985
Attributable to:		
Owners of the parent	**2,503,699**	3,275,666
Non-controlling interests	**1,597,106**	1,590,319
	4,100,805	4,865,985

Interim Condensed Consolidated Statement of Financial Position

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**8,493,098**	8,691,382
Investment properties		**248,619**	269,030
Right-of-use assets		**1,560,717**	1,596,774
Goodwill		**911,711**	915,689
Intangible assets		**2,207,744**	2,145,277
Investments in associates and joint ventures		**1,590,863**	1,620,085
Equity investments designated at fair value through other comprehensive income		**10,198,273**	10,911,529
Financial assets at fair value through profit or loss		**5,040,192**	4,439,113
Bank deposits		**10,098,000**	9,365,805
Deferred tax assets		**483,700**	516,288
Prepayments and other asset		**241,171**	251,766
Total non-current assets		**41,074,088**	40,722,738
CURRENT ASSETS			
Inventories		**2,103,865**	2,373,145
Trade and bills receivables	*10*	**8,154,080**	4,967,560
Prepayments, other receivables and other assets		**3,447,206**	2,451,744
Amounts due from related companies		**291,863**	295,610
Equity investments designated at fair value through profit or loss		**41,989**	76,859
Financial assets at fair value through profit or loss		**8,676,913**	4,950,829
Cash and bank balances	*11*	**11,104,402**	9,569,584
Total current assets		**33,820,318**	24,685,331
CURRENT LIABILITIES			
Trade and bills payables	*12*	**2,820,277**	1,497,461
Tax payable		**383,893**	318,198
Other payables and accruals		**12,765,430**	10,028,415
Interest-bearing bank borrowings		**8,852,190**	7,585,825
Amounts due to related companies		**–**	73,295
Lease liabilities		**20,261**	28,333
Contingent consideration		**8,559**	8,720
Convertible bonds – debt component		**–**	16,243
Total current liabilities		**24,850,610**	19,556,490
NET CURRENT ASSETS		**8,969,708**	5,128,841
TOTAL ASSETS LESS CURRENT LIABILITIES		**50,043,796**	45,851,579

	Notes	30 June 2025 *RMB'000* (Unaudited)	31 December 2024 *RMB'000* (Audited)
TOTAL ASSETS LESS CURRENT LIABILITIES		**50,043,796**	45,851,579
NON-CURRENT LIABILITIES			
Deferred government grants		**628,941**	557,916
Interest-bearing bank borrowings		**2,999,442**	1,996,752
Lease liabilities		**84,018**	83,393
Contingent consideration		**195,953**	201,895
Deferred tax liabilities		**357,727**	237,553
Total non-current liabilities		**4,266,081**	3,077,509
Net assets		**45,777,715**	42,774,070
EQUITY			
Equity attributable to owners of the parent			
Share capital	*13*	**413,680**	414,384
Treasury shares		**(2,997,406)**	(2,974,787)
Reserves		**35,957,300**	34,521,192
		33,373,574	31,960,789
Non-controlling interests		**12,404,141**	10,813,281
Total equity		**45,777,715**	42,774,070

Notes:

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with HKAS 34 Interim Financial Reporting. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

1.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following revised Hong Kong Financial Reporting Standards ("HKFRSs") for the first time for the current period's financial information.

Amendments to HKAS 21 *Lack of Exchangeability*

The revised standard has had no significant financial effect on these financial statements.

2. OPERATING SEGMENT INFORMATION

Management considers the business from a product/service perspective. The three reportable segments are as follows:

(a) the modernised Chinese medicines and chemical medicines segment comprises the manufacture, sale and distribution of modernised Chinese medicine products and western medicine products and related services;

(b) the investment segment is engaged in long term and short term investments; and

(c) the "others" segment comprises, principally related healthcare and hospital business.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax of the Group.

Segment assets exclude deferred tax assets and the investments in associates and joint ventures as these assets are managed on a group basis.

Segment liabilities exclude tax payable and deferred tax liabilities as these liabilities are managed on a group basis.

The segment results for the six months ended 30 June 2025 (Unaudited)

	Modernised Chinese medicines and chemical medicines *RMB'000*	Investment *RMB'000*	Others *RMB'000*	Total *RMB'000*
Segment revenue				
Sales to external customers	**17,391,652**	**–**	**183,126**	**17,574,778**
Gross profit	**14,456,057**	**–**	**37,637**	**14,493,694**
Segment results	**3,568,783**	**2,360,921**	**17,004**	**5,946,708**
Reconciliation:				
Interest and unallocated gains				**373,576**
Share of profits and losses of associates and joint ventures				**(4,823)**
Unallocated expenses				**(348,498)**
Profit before tax from continuing operations				**5,966,963**
Income tax expense				**(981,324)**
Profit for the period from continuing operations				**4,985,639**
Other segment information				
Depreciation and amortisation	**538,164**	**17,514**	**20,014**	**575,692**
Capital expenditure	**436,523**	**2,186**	**5,158**	**443,867**
Other non-cash expenses	**276,028**	**17,950**	**(144)**	**293,834**
As at 30 June 2025 (Unaudited)				
Assets and liabilities				
Segment assets	**49,310,275**	**21,986,556**	**1,523,012**	**72,819,843**
Reconciliation:				
Investments in associates and joint ventures				**1,590,863**
Other unallocated assets				**483,700**
Total assets				**74,894,406**
Segment liabilities	**19,885,305**	**7,777,656**	**712,110**	**28,375,071**
Reconciliation:				
Other unallocated liabilities				**741,620**
Total liabilities				**29,116,691**

The segment results for the six months ended 30 June 2024 (Unaudited)

	Modernised Chinese medicines and chemical medicines *RMB'000*	Investment *RMB'000*	Others *RMB'000*	Total *RMB'000*
Segment revenue				
Sales to external customers	15,649,885	–	224,518	15,874,403
Gross profit	12,980,820	–	48,803	13,029,623
Segment results	3,933,880	(158,376)	49,979	3,825,483
Reconciliation:				
Interest and unallocated gains				223,848
Share of profits and losses of associates and joint ventures				(93,056)
Unallocated expenses				(342,259)
Profit before tax from continuing operations				3,614,016
Income tax expense				(614,093)
Profit for the period from continuing operations				2,999,923
Other segment information				
Depreciation and amortisation	472,187	23,683	14,361	510,231
Capital expenditure	592,933	5,557	69,183	667,673
Other non-cash expenses	20,307	73	125	20,505
As at 31 December 2024 (Audited)				
Assets and liabilities				
Segment assets	42,986,766	18,707,754	1,577,176	63,271,696
Reconciliation:				
Investments in associates and joint ventures				1,620,085
Other unallocated assets				516,288
Total assets				65,408,069
Segment liabilities	15,783,484	5,534,440	760,324	22,078,248
Reconciliation:				
Other unallocated liabilities				555,751
Total liabilities				22,633,999

Geographical information

(a) Revenue from external customers

No further geographical segment information is presented as over 90% of the Group's revenue is derived from customers based in Mainland China.

(b) Non-current assets

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Hong Kong	**3,038,693**	3,567,607
Mainland China	**11,159,181**	11,533,245
Other countries/regions	**1,056,049**	389,151
	15,253,923	15,490,003

The non-current assets information of continuing operations above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Information about a major customer

No information about a major customer is presented as no single customer contributes to over 10% of the Group's revenue for the six months ended 30 June 2025 and 2024.

3. REVENUE, OTHER INCOME AND OTHER GAINS/(LOSSES), NET

Revenue, which is the Group's revenue, represents the net invoiced value of goods or services sold, after allowances for returns and trade discounts.

An analysis of revenue, other income and other gains/(losses), net is as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Sale of industrial products	**17,248,391**	15,631,808
Revenue from other sources	**326,387**	242,595
	17,574,778	15,874,403

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Other income		
Dividend income	**1,503,660**	167
Government grants	**26,732**	42,140
Sale of scrap materials	**1,272**	428
Investment income	**102,034**	83,944
Gross rental income	**3,028**	4,334
Additional value-added tax credit	**10,627**	16,597
Others	**39,418**	127,622
	1,686,771	275,232

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Other gains/(losses), net		
Gain on disposal of items of property, plant and equipment	**1,019**	1,846
Gain on deemed partial disposal of an associate	**352**	–
Fair value (losses)/gains, net		
Equity investments designated at fair value through profit or loss	**(16,112)**	11,441
Financial assets at fair value through profit or loss	**9,917**	(1,136)
Financial assets at fair value through profit or loss (non-current)	**541,479**	(49,816)
Exchange gains/(losses), net	**89,503**	(70,362)
	626,158	(108,027)

4. FINANCE COSTS

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Interest on bank borrowings	**121,160**	149,912
Interest on convertible bonds	**46**	177
Interest on lease liabilities	**1,998**	3,650
	123,204	153,739

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cost of inventories sold	**3,081,084**	2,844,780
Depreciation of property, plant and equipment	**431,830**	416,952
Depreciation of investment properties	**13,947**	12,004
Depreciation of right-of-use assets	**45,795**	29,035
Amortization of intangible assets	**84,120**	52,240
Research and development costs	**3,187,558**	2,578,342
Gain on disposal of items of property, plant and equipment	**(1,019)**	(1,846)
Gain on deemed partial disposal of an associate	**(352)**	–
Share of profits and losses of associates and joint ventures	**4,823**	93,056
Bank interest income	**(373,576)**	(223,848)
Dividend income	**(1,503,660)**	(167)
Investment income	**(102,034)**	(83,944)
Fair value losses/(gains), net:		
Equity investments designated at fair value through profit or loss	**16,112**	(11,441)
Financial assets at fair value through profit or loss	**(9,917)**	1,136
Financial assets at fair value through profit or loss (non-current)	**(541,479)**	49,816
Auditors' remuneration	**3,565**	3,562
Staff cost (including directors' remuneration) in selling and distribution costs and administrative expenses:		
Wages and salaries	**1,918,241**	2,013,451
Pension scheme contributions	**448,029**	501,246
Equity settled share-based payments	**58,628**	–
	2,424,898	2,514,697
Foreign exchange differences, net	**(89,503)**	70,362
Impairment loss on trade receivables	**24,616**	18,657
Impairment loss on other receivables	**211,273**	–

6. INCOME TAX

Taxes on profits have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Group:		
Current – Hong Kong	**–**	–
Current – Mainland China	**816,512**	539,166
Deferred tax	**164,812**	74,927
Total tax charge for the period from continuing operations	**981,324**	614,093
Total tax charge for the period from discontinued operations	**–**	110,143
Total tax charge for the period	**981,324**	724,236

The Company incorporated in the Cayman Islands is not subject to tax on income or capital gains under the law of the Cayman Islands. In addition, dividend payments are not subject to withholding tax in the Cayman Islands.

The subsidiaries incorporated in the British Virgin Islands (the "BVI") are not subject to income tax as these subsidiaries do not have a place of business (other than a registered office only) or carry on any business in the BVI.

Hong Kong profits tax has been provided at a rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the period.

The subsidiary incorporated in the United Kingdom ("UK") is subject to UK Corporate Income Tax at a rate of 25% (2024: 25%) on the estimated assessable profits arising in the UK during the period.

Belgium profits tax has been provided at a rate of 25% (2024: 25%) on the estimated assessable profits arising in Belgium during the period.

The provision for corporate income tax in Mainland China is based on the statutory rate of 25% of the assessable profits as determined in accordance with the PRC Corporate Income Tax Law which was approved and became effective on 1 January 2008.

Certain subsidiaries operating in Mainland China were entitled to a preferential corporate income tax rate of 15% during the period because they were qualified as "High and New Technology Enterprises".

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. The Group is therefore liable to withholding taxes on dividends distributed by subsidiaries and associates established in Mainland China in respect of earnings generated from 1 January 2008 with 5% and 10%, respectively.

During the six months ended 30 June 2025, taxes expenses related to the share of profits and losses of associates and joint ventures were approximately RMB1,955,000 (2024: taxes credit of RMB6,554,000).

Pillar Two income taxes

The Group is within the scope of the Pillar Two model rules. The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes, and will account for the Pillar Two income taxes as current income tax when incurred. Pillar Two legislation has been enacted or substantially enacted and in effect as at 30 June 2025 in certain jurisdictions in which the Group operates, including Hong Kong, the UK, Belgium and Spain.

Pillar Two legislation was gazetted in Hong Kong on 6 June 2025, the jurisdiction in which the Company is listed, and has come into effect retroactively from 1 January 2025. Under the legislation, the Group may be liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate. The Group has not been subject to material current income tax exposure under the Pillar Two regime as of 30 June 2025 according to the assessment. The Group will continue to monitor the Pillar Two developments and reassess the potential impact on its tax position.

7. DISCONTINUED OPERATIONS

In 2023, the Group decided to divest its osteoporosis medicines and marine pharmaceuticals business in order to further focus on its four core therapeutic areas of oncology, liver/metabolic diseases, respiratory and surgery/analgesia.

The board of directors of the Company resolved in December 2023 to adopt the plan for the disposal of the equity interest in its subsidiary CP Pharmaceutical Qingdao Co., Ltd. ("CP Qingdao"), and subsequently resolved in February 2024 to dispose part of the equity interest in CP Qingdao. The disposal of CP Qingdao was completed in March 2024 at a consideration of RMB1,819.72 million, resulting in a pre-tax gain of RMB1,709.60 million. Upon the completion of the disposal, the interest of the Group in CP Qingdao decreased from 93% to 26%.

As at 31 December 2023, CP Qingdao was classified as a disposal group held for sale and as a discontinued operation. With the Target Group being classified as discontinued operations, the Target Group is no longer presented in the segment note.

The results of the CP Qingdao for the period are presented below:

	For the six months ended 30 June 2024[#] *RMB'000* (Unaudited)
Revenue	53,290
Expenses	(45,986)
Profit for the period from the discontinued operation	7,304
Tax benefit:	
Related to pre-tax profit	25,256
Post-tax profit from the discontinued operation	32,560
Gain on disposal of the discontinued operations	1,709,604
Attributable tax expense	(135,399)
Post-tax gain on disposal of discontinued operations	1,574,205
Profit for the period from the discontinued operation	1,606,765

[#] Represents two months of activity prior to the disposal in March 2024.

The net cash flows generated from the sale of CP Qingdao are, as follows:

	For the six months ended 30 June	
	2025	2024[#]
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cash consideration received	**346,172**	1,455,780
Cash and bank balances disposed of	**–**	(46,101)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	**346,172**	1,409,679
Cash consideration receivable within one year	**–**	363,940

The net cash flows incurred by the CP Qingdao are as follows:

	For the six months ended 30 June 2024[#] *RMB'000* (Unaudited)
Operating activities	(42,427)
Investing activities	(114,700)
Net cash outflow	(157,127)

[#] Represents two months of activity prior to the disposal in March 2024.

Earnings per share (RMB cents):

	For the six months ended 30 June 2024 (Unaudited)
Basic, from the discontinued operation	RMB8.73 cents
Diluted, from the discontinued operation	RMB8.73 cents

The calculations of basic and diluted earnings per share from the discontinued operation is based on:

	For the six months ended 30 June 2024 (Unaudited)
Loss attributable to ordinary equity holders of the parent from the discontinued operations *(RMB'000)*	1,606,350
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	18,408,301,709
Weighted average number of ordinary shares in issue during the period used in the diluted earnings per share calculation	18,409,838,741

8. DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

	For the six months ended 30 June	
	2025	2024[#]
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cash dividends to shareholders of the parent:		
Dividends on ordinary shares declared and payable:		
Final dividend for 2024: HK4 cents per share (2023: HK3 cents per share)	**654,610**	505,611
Proposed dividends on ordinary shares:		
Interim dividend for 2025: HK5 cents per share (2024: HK3 cents per share)	**816,327**	508,201

The proposed dividends on ordinary shares are not recognised as a liability as at 30 June 2025.

The Board has declared the payment of an interim dividend of HK5 cents per ordinary share for the six months ended 30 June 2025 (2024: HK3 cents). The 2025 interim dividend will be paid to shareholders on Tuesday, 23 September 2025 whose names appear on the register of members of the Company on Wednesday, 3 September 2025. For the purpose of determining shareholders' entitlement to the interim dividend, the register of members of the Company will be closed from Tuesday, 2 September 2025 to Wednesday, 3 September 2025, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:30 p.m. on Monday, 1 September 2025.

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the net profit attributable to shareholders for the period of approximately RMB3,388,591,000 (2024: approximately RMB3,017,162,000), and the weighted average number of ordinary shares of 18,003,635,574 (2024: 18,408,301,709) in issue during the period.

The calculation of the diluted earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent, adjusted to reflect the interest, exchange difference and fair value change on the convertible bonds, where applicable (see below). The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The computation of diluted earnings per share for the six months period ended 30 June 2025 assumes the exercise of the Company's equity settled restricted shares granted pursuant to the launch of 2024 CT Tianqing Share Incentive Scheme as the exercise price (including the fair value of services yet to be rendered) of the restricted shares was lower than the average market price for the shares during the outstanding period. The calculation of the diluted earnings per share amounts for the six months period ended 30 June 2024 was based on the profit for the period attributable to ordinary equity holders of the parent, adjusted, where applicable, to reflect the interest and exchange difference of the convertible bonds.

The diluted earnings per share for the period ended 30 June 2025 did not assume conversion of the convertible bonds as its conversion would be anti-dilutive.

The calculations of basic and diluted earnings per share for the six months period ended 30 June 2025 are based on:

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation:		
From continuing operations	**3,388,591**	1,410,812
From discontinued operations	**–**	1,606,350
	3,388,591	3,017,162
Interest on convertible bonds	**–**	177
Exchange gain on convertible bonds – debt component	**–**	(538)
Profit attributable to ordinary equity holders of the parent before interest on convertible bonds	**3,388,591**	3,016,801
Attributable to:		
Continuing operations	**3,388,591**	1,410,451
Discontinued operations	**–**	1,606,350
	3,388,591	3,016,801

	No. of shares	
	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	**18,003,635,574**	18,408,301,709
Effect of dilution – weighted average number of ordinary shares:		
– Equity settled share-based payments	**22,239,128**	–
– Convertible bonds	**–**	1,537,032
	18,025,874,702	18,409,838,741

10. TRADE AND BILLS RECEIVABLES

An ageing analysis of the Group's trade and bills receivables as at the end of reporting period, based on invoice date and net of provisions, is as follows:

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Current to 90 days	**7,669,451**	4,615,375
91 days to 180 days	**245,290**	219,314
Over 180 days	**239,339**	132,871
	8,154,080	4,967,560

11. CASH AND BANK BALANCES

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Cash and bank balances, unrestricted	**3,568,809**	2,848,231
Time deposits with original maturity of less than three months	**81,865**	3,383,292
Time deposits with original maturity of more than three months	**7,453,028**	3,338,061
Cash and bank balances, restricted*	**700**	–
Cash and bank balances	**11,104,402**	9,569,584

* Special funds for science and technology projects

12. TRADE AND BILLS PAYABLES

An ageing analysis of the Group's trade and bills payables as at the end of reporting period, based on invoice date, is as follows:

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Current to 90 days	**1,508,038**	841,643
91 days to 180 days	**604,432**	399,434
Over 180 days	**707,807**	256,384
	2,820,277	1,497,461

13. SHARE CAPITAL

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Issued and fully paid:		
18,760,717,230 ordinary shares of HK$0.025 each (2024: 18,791,217,230 ordinary shares of HK$0.025 each)	**413,680**	414,384

14. SUBSEQUENT EVENT

The Board announced that on 15 July 2025, the Company (through a wholly-owned subsidiary) fully acquires LaNova Medicines by entering into the sale and purchase agreement with the vendors, LaNova Medicines and Ying Qin Zang, pursuant to which the purchaser has agreed to purchase and the vendors have agreed to sell the 95.09% equity interests in LaNova Medicines for the consideration. As at 30 June 2025, the Company indirectly holds 4.91% equity interests in LaNova Medicines; At completion, LaNova Medicines will become an indirect wholly-owned subsidiary of the Company. For further details of this acquisition, please refer to the announcement published by the Company on 15 July 2025.

The consideration of the acquisition shall be no more than US$950.92 million, which is subject to the adjustments as set out in the aforementioned announcement.

15. COMPARATIVE AMOUNTS

The comparative statement of profit or loss has been re-presented to be consistent with current year presentation. For the period ended 30 June 2024, other income with total amount of RMB223,848,000 has been re-presented to finance income.

CORPORATE GOVERNANCE CODE

In the opinion of the Directors, the Company has complied with all the Code Provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules for the six months ended 30 June 2025 except for the deviation from Code Provision C.1 in relation to attendance of the annual general meeting of the Company (the "AGM") by the independent non-executive Directors ("INEDs") of the Company. One INED was unable to attend the AGM held on 10 June 2025 due to other business engagements.

INDEPENDENT NON-EXECUTIVE DIRECTORS, AUDIT COMMITTEE AND REVIEW OF RESULTS

During the six months ended 30 June 2025, the Company has complied with Rules 3.10 and 3.10(A) of the Listing Rules and has appointed sufficient number of INEDs including two with appropriate professional qualifications, or accounting or related financial management expertise. The Audit Committee is comprised of four INEDs. It has reviewed with management the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of the unaudited consolidated financial statements of the Company for the period under review.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 June 2025, the Company bought back a total of 30,500,000 Shares on the Stock Exchange at an aggregate consideration of approximately HK$92,624,000 before expenses. The bought back Shares were subsequently cancelled. Further details are set out as follows:

Month	Number of Shares bought back	Purchase consideration per Share		Consideration paid
		Highest	Lowest	
		HK$	*HK$*	*HK$*
January	21,500,000	3.00	2.79	62,249,000
April	9,000,000	3.42	3.19	30,375,000

Pursuant to the rules of the 2018 Share Award Scheme, the trustee of the scheme purchased on the Stock Exchange a total of 8,000,000 Shares at a total consideration of approximately HK$24,269,000 during the period.

No shares were purchased by the trustee under the 2024 CT Tianqing Share Incentive Scheme during the period.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period.

FORWARD LOOKING STATEMENTS

Certain statements contained in this announcement may be viewed as "forward-looking statements" with respect to the business outlook, financial performance estimates, and business operations forecast of the Group. These forward-looking statements are based on the current beliefs, assumptions, and expectations of and the information currently available to the Board and the Company, and therefore involve risks and uncertainties. Actual outcome may differ materially from the forecasts and expectations in such forward-looking statements. The Company assumes no obligation to update the forward-looking statements contained in this announcement. In light of the above risks and uncertainties, shareholders of the Company and potential investors should not place undue reliance on such statements.

By Order of the Board
Sino Biopharmaceutical Limited
Tse, Theresa Y Y
Chairwoman

Hong Kong, 18 August 2025

As at the date of this announcement, the Board of the Company comprises six executive directors, namely Ms. Tse, Theresa Y Y, Mr. Tse Ping, Ms. Cheng Cheung Ling, Mr. Tse, Eric S Y, Mr. Tse Hsin and Mr. Tian Zhoushan, and five independent non-executive directors, namely Mr. Lu Zhengfei, Mr. Li Dakui, Ms. Lu Hong, Mr. Zhang Lu Fu and Dr. Li Kwok Tung Donald.