HANGZHOU JIUYUAN GENETIC BIOPHARMACEUTICAL CO., LTD.
杭州九源基因生物醫藥股份有限公司

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

(Stock code: 2566)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2025

The board (the "**Board**") of directors (the "**Directors**") of Hangzhou Jiuyuan Genetic Biopharmaceutical Co., Ltd. (杭州九源基因生物醫藥股份有限公司) (the "**Company**", together with its subsidiary, the "**Group**") is pleased to announce the unaudited consolidated interim results of the Group for the six months ended June 30, 2025 (the "**Reporting Period**"), together with the comparative figures for the six months ended June 30, 2024 (the "**Corresponding Period**"). The consolidated interim financial statements of the Group for the Reporting Period have been reviewed by the Board and the Audit Committee.

In this announcement, "we", "us" and "our" refer to the Company and where the context otherwise requires, the Group. Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments or have been rounded to one or two decimal places, as appropriate. Any discrepancies in any table, chart or elsewhere totals and sums of amounts listed therein are due to rounding.

FINANCIAL SUMMARY

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Results of operations:		
Revenue	**638,778**	702,360
Gross profit	**525,219**	540,560
Profit for the period	**90,174**	105,348
Net profit attributable to shareholders of the parent	**90,174**	105,348
Profitability:		
Gross profit margin	**82.2%**	77.0%
Net profit margin attributable to shareholders of the parent	**14.1%**	15.0%
Earnings per share (RMB):		
Basic and diluted	**0.37**	0.53

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

As of June 30, 2025, the Company achieved total revenue of RMB638.8 million, representing a period-on-period decrease of 9.1%. Profit for the period amounted to RMB90.2 million, representing a period-on-period decrease of 14.4%. The slight decline in total revenue for the first half of the year was mainly due to a combination of internal and external factors. With respect to pharmaceutical industry policies, with the continued deepening of Diagnosis Related Groups/Disease Severity and Intervention Complexity Points (DRG/DIP) reforms, national medical insurance cost control efforts have been strengthened, and centralized procurement of external-use drugs is facing certain pressures. Public medical institutions are required to further rebalance medical insurance cost control indicators and the cost-effectiveness of pharmaceuticals. The pharmaceutical price reform and governance has facilitated a consensus on the rules for listing drug prices, and provincial-level price linkage has resulted in price adjustments for certain products. At the corporate level, in order to strengthen cash collection, the sales model of some products was adjusted from direct sales to commercial distribution. In the first half of the year, the Company's name change required some hospitals to undergo re-registration of product market access, which affected the Company's performance.

During the Reporting Period, the sales volume of the Company's orthopedics products increased by more than 10% period-on-period, and hospital penetration rate continued to improve. Focusing on the Company's annual business objectives, we implemented differentiated commercial policies with an emphasis on stabilizing the existing market and cultivating incremental markets, striving to achieve steady growth in annual business revenue. For the existing market, we continued to adhere to professional academic promotion as the guiding principle, and organized various levels of orthopedic product exchanges, academic salons, and inter-hospital exchange meetings; improved the professional competence of business personnel to enhance the stability of orthopedic products in the hospital market; strengthened the full-cycle management of orthopedic products, and in addition to orthopedic treatment services, expanded services such as postoperative rehabilitation and postoperative care. For incremental markets, we expanded the team to increase coverage of previously untapped county-level hospitals; actively organized and participated in national and regional academic conferences, provided in-depth training to improve the technical level of grassroots doctors, and promoted awareness of the Company's orthopedic products; actively promoted comprehensive inclusion in provincial medical insurance catalogs to enhance product competitiveness.

Product Pipeline

By making full use of our existing technology platform, we are committed to developing innovative products in the fields of metabolism, orthopedics, oncology, and hematology. As of the date of this announcement, the Company has laid out rich R&D pipelines in the aforementioned fields, including multiple innovative drugs, biosimilars, and biopharmaceutical-device combination products.

The table below sets forth the therapeutic targets, disease areas, and development status of our product candidates as of the date of this announcement:

Pipeline for Product Candidates[1]

Project Name	Product Name	Product Type	Expected Classification	Dosage Form	Target/MoA	Indications	Pre-clinical	IND	Phase I	Phase II	Phase III	NDA	Commer-cialization	Next Milestone (Expected Time)	Competent Authority	Source	Expiry Date of the Originator Drug's Patent[5]
Metabolism																	
JY29-2 吉优泰® Jiyoutai	Semaglutide[3]	Peptide	Biosimilar[4]	Subcutaneous injection	Glucagon-like peptide-1 (GLP-1) receptor agonist	T2DM				Filed NDA on Mar 24, 2024				Approval from NMPA (2025H2)	NMPA	Self-developed	Mar 20, 2026
JY29-2 吉可亲® Jikeqin[2]						Obesity and overweight								File NDA (2026H1)	NMPA	Self-developed	Mar 20, 2026
JY29-2 (Oral)				Tablets		Obesity and overweight								File IND application (2027)	NMPA	Self-developed	Mar 20, 2026
JY54	Amylin analog	Peptide	Category I innovative drug	Subcutaneous injection	DACRAs receptor agonist	Obesity and overweight								File IND application (2025Q4)	NMPA	Self-developed	N/A
JY54-2	Amylin analog-2	Peptide	Category I innovative drug	Subcutaneous injection	DACRAs receptor agonist	Obesity and overweight								File IND application (2026Q2)	NMPA	Self-developed	N/A
Orthopedics																	
JY23	multipotent biological bone containing rhBMP-2	Drug-device combination	Drug-device combination	Bone graft	Bone Morphogenetic Protein and Biomaterials	Bone repair								File registration materials (2026H1)	NMPA	Self-developed	N/A
JY23-2	Injectable rhBMP-2-integrated bone repair material	Drug-device combination	Innovative drug-device combination	Bone graft	Bone Morphogenetic Protein and Biomaterials	Bone repair								Conduct clinical study (2027)	NMPA	Self-developed	N/A
Oncology																	
JY47	SIRPα monoclonal antibody	Monoclonal antibody	Category I innovative biologics	Intravenous injection	CD47-SIRPα inhibitor	Solid tumors								Phase I clinical trial (2025)	NMPA	Self-developed	N/A
JY43	Daratumumab	Monoclonal antibody	Biosimilar[4]	Intravenous injection	CD38 inhibitor	Multiple myeloma								Phase I clinical trial (2025 or later)	NMPA	Self-developed	Mar 22, 2026
JY43-2	Daratumumab (with hyaluronidase)	Monoclonal antibody	Biosimilar[4]	Subcutaneous injection	CD38 inhibitor with hyaluronidase	Multiple myeloma								File IND application (2026)	NMPA	Self-developed	Mar 22, 2026
Hematology																	
JY56	Emicizumab	Bispecific antibody	Biosimilar[4]	Subcutaneous injection	Bridging coagulation factor IX and coagulation factor X	Hemophilia								File IND application (2026)	NMPA	Self-developed	Nov 17, 2031

Notes:

(1) As of the date of this announcement, we expected to conduct all the clinical trials of our product candidates in China and hold the exclusive rights to develop and commercialize such drug candidates worldwide.

(2) After communicating with the CDE, it has agreed that we can directly enter the Phase III clinical trial on JY29-2 (Jikeqin) as we have completed the Phase I clinical trial of JY29-2 (Jiyoutai). We have completed the enrollment for the Phase III clinical trial of JY29-2 (Jikeqin) on December 19, 2024.

(3) We plan to collaborate with global pharmaceutical companies in the future to develop JY29-2 for markets outside of China where our partners will be responsible for clinical trials overseas.

(4) According to the "Technical Guidelines for the Development and Evaluation of Biosimilars (Trial)" (《生物類似藥研發與評價技術指導原則(試行)》) issued by the CDE in 2015, biosimilars are only required to undergo Phase I and Phase III clinical trials.

(5) The data are sourced from the China's Patent Information Registration Platform for Marketed Drugs, and the dates indicate the expiration of composition-of-matter (compound) patents for originator drugs.

Metabolic Disease Products

- The biosimilar JY29-2 (semaglutide injection) for the diabetes indication has completed the supplementary studies required for marketing application, and the clinical, statistical, and compliance reviews have been completed. For the weight loss indication, patient enrollment was completed in December 2024, and during the Reporting Period, the Company continued the study in accordance with the clinical protocol.

- We have newly initiated the project of a long-acting amylin analogue JY54-2 that is stable under neutral pH conditions, which has completed the confirmation of candidate molecules and is currently at the CMC research stage. Both JY54 and JY54-2 have demonstrated excellent pharmacological activity and safety in cell and animal models. The Company has established cooperation with professional consulting firms and is actively promoting the global business development and subsequent clinical development of these innovative molecules.

- For the Class I innovative drug JY47 (SIRPα monoclonal antibody injection), preclinical studies by the Company have indicated its potential for the treatment of metabolic dysfunction-associated steatohepatitis (MASH), and it is planned to apply for clinical trials of this new indication.

- In March 2025, the Company delivered a special presentation titled "Development of Antidiabetic and Anti-Obesity Drugs Targeting GLP-1" at the 10th Bio China 2025 EBC Biotech Industry Conference, introducing the Company's phased achievements in the development of GLP-1-targeted drugs.

- In July 2025, at the 12th Biocon China Expo 2025 International Biopharmaceutical Lifecycle Technology Conference, the Company gave an oral report titled "Development of Next-Generation Long-Acting Amylin Analogue Peptide Drugs for Weight Loss and Diabetes", sharing innovative strategies and project progress in the combination of GLP-1 and amylin drugs.

- As of the end of the Reporting Period, regarding the channel development for the semaglutide biosimilar, the Company had commenced recruitment and training of the commercialization team, as well as organization and planning of early-stage market education and academic activities.

Orthopedic Products

- JY23 (multipotent biological bone containing rhBMP-2) has successfully passed the registration inspection, and the interim report of the biological experiments has been obtained. The existing preclinical data, including biological and animal experimental data, indicate that JY23 is safe and effective; multiple pilot-scale production batches have been carried out, and all products have passed comprehensive inspection, indicating stable production processes and controllable quality. JY23 is planned to submit a marketing application in the first half of 2026.

- The Phase IV clinical trial for Guyoudao (Registration No.: ChiCTR2300072199) – a prospective, multicenter, randomized, controlled clinical study of recombinant human bone morphogenetic protein-2 bone repair material (Guyoudao®) combined with cannulated compression screws in the treatment of femoral neck fractures in young and middle-aged adults – has been officially launched, and the patient enrollment is currently progressing in an orderly manner.

- We actively participate in the national key R&D program project "Research on Clinical Application Solutions for Oblique Lateral Interbody Fusion (OLIF) Based on Highly Osteoinductive Materials" (Project No.: 2022YFC2407200), and continue to deepen the exploration of the clinical application value of the products.

Hematology and Oncology Products

- PEGylation human granulocyte colony-stimulating factor injection (brand name: Jixinfen®) was approved for marketing in January 2025. It is indicated for reducing the incidence of infections manifested as febrile neutropenia in adult patients with non-myeloid malignancies receiving myelosuppressive anti-cancer drugs that are likely to cause febrile neutropenia. As of the end of the Reporting Period, the new long-acting leukocyte-raising drug Jixinfen had completed market access listing in one-third of provinces nationwide.

- Avatrombopag maleate tablets (brand name: Jilixin®) were approved for marketing in June 2025. Approved indications: (1) For adult patients with chronic liver disease-associated thrombocytopenia who are scheduled to undergo diagnostic procedures or surgery; (2) For adult patients with chronic primary immune thrombocytopenia (ITP) who have had an insufficient response to previous treatments such as corticosteroids or immunoglobulins, to increase platelet counts and reduce or prevent bleeding. As of the end of the Reporting Period, the Company had initiated preliminary market access work for Jilixin®.

Intellectual Property

As of the end of the Reporting Period, the Company made new progress in intellectual property layout, with three new invention patent applications and one PCT international patent application:

- For the Class I innovative drug JY54 (long-acting amylin analogue): two new invention patent applications were filed, covering the core compound molecular structure and its application in the treatment of metabolic diseases.

- For JY23 (multipotent biological bone containing rhBMP-2): one new domestic invention patent application was filed, mainly protecting the composition formula and preparation process, and one PCT international patent application was submitted, covering the composition formula, preparation method, and therapeutic use.

Internationalization Progress

In the first half of 2025, the Company actively advanced overseas business in line with the internationalization strategy for core products.

- In February, we entered into an exclusive distribution agreement for Guyoudao with a customer in Indonesia, and the on-site audit has been completed.

- In March, the Company's Guyoudao product and quality management system passed the on-site inspection by Brazil's official authority ANVISA with zero defects.

- In May, the Company signed a commercialization agreement with Shanghai Fosun Pharmaceutical Industrial Development Co., Ltd., we formed an important strategic alliance regarding exclusive clinical development, registration, production, and commercialization rights for products such as semaglutide, Guyoudao, and JY-23 in all countries of the Middle East and North Africa, Sub-Saharan Africa, and some ASEAN countries, further consolidating the Company's leading position in the region and expanding into the global innovative pharmaceutical market.

- Regarding the exclusive licensing of semaglutide with Kexing Biopharm Co., Ltd. in major Latin American countries, the relevant registration documents have been finalized, and it is expected that the marketing application and GMP certification application will be officially submitted to the Brazilian authorities within the year.

- The collaboration with Nanjing King-Friend Biochemical Pharmaceutical Co., Ltd. on PEGylation human granulocyte colony-stimulating factor is currently in active progress.

Talent Development and Compliance Culture

As of June 30, 2025, the Company had 1,629 employees. Talent development is the core driving force for the Company's high-quality growth. By integrating strategic planning, team building, capability reshaping, and technology integration, the Company has established a systematic training system. The Company has established and improved the existing job grade system and further optimized the compensation system to balance incentives and fairness. At the same time, we attach great importance to the working environment for employees, continuously provide a wide range of employee benefits, and organize various types of employee activities to enrich their work experience. We believe that building a talent pipeline is an important guarantee for advancing innovative products from R&D to commercialization.

Integrity, focus, co-creation, and progress are the Company's core values. We have always adhered to the business philosophy of honesty, trustworthiness, integrity, and compliance, with a focus on pharmaceuticals and strategic priorities. We are committed to building a high-level compliance system, strictly abiding by relevant national laws, regulations, and pharmaceutical industry regulatory policies, and contributing to human health with a gene engineering orientation.

Future and Outlook

Guided by genetic engineering technology, we are committed developing into a a leading biopharmaceutical company. After more than thirty years of development, the Company has successfully developed multiple first-in-China commercialized products. It has strong R&D capabilities in fields such as orthopedics and metabolism, and has laid out R&D pipelines with significant market potential.

During the Reporting Period, the government introduced a series of reform policies for the pharmaceutical industry, including optimizing collective procurement schemes, providing full-chain support for innovative drugs and the development of innovative medical devices. Policy support is helping the pharmaceutical industry achieve high-quality development through innovation and standardization. Leveraging these favorable industry policies and our existing efficient R&D system, we will continue to develop drug candidates in fields such as orthopedics, metabolism, oncology, and hematology and accelerate the R&D and marketing application processes for late-stage pipelines, providing continuous growth momentum for the Company's future development. On the basis of independent R&D, we will also consider strengthening external cooperation and expanding our product pipeline through licensing, joint ventures, and other models, thus promoting the Company's innovation-driven transformation. In terms of capacity building, we will further enhance the production capacity for orthopedic products, macromolecule and peptide drugs, and further reduce costs by enhancing production capacity. In commercialization, we will continue to improve the construction of our marketing network and commercialization team, while cooperating with leading global pharmaceutical companies to expand our international commercial presence.

FINANCIAL REVIEW

Revenue

During the Reporting Period, our revenue was RMB638.8 million, representing a decrease of 9.1% as compared to RMB702.4 million for the same period of 2024. The decrease in revenue was mainly attributable to a decrease of RMB23.4 million in revenue from sales of goods and a decrease of RMB40.2 million in revenue from pharmaceutical services.

Sale of goods

Revenue from sales of goods decreased by 3.6% from RMB645.2 million in the six months ended June 30, 2024 to RMB621.8 million in the six months ended June 30, 2025, primarily due to the decrease in revenue from Guyoudao. Our revenue generated from sales of Guyoudao decreased by 3.0% from RMB414.1 million in the six months ended June 30, 2024 to RMB401.7 million in the six months ended June 30, 2025, mainly due to a decrease in the average selling price of Guyoudao.

Pharmaceutical services

Revenue from pharmaceutical services decreased by 70.3% from RMB57.2 million in the six months ended June 30, 2024 to RMB17.0 million in the six months ended June 30, 2025, primarily because a smaller portion of commissioned manufacturing was scheduled for the first half of the year, with the majority concentrated in the second half, according to the annual commissioned manufacturing plan.

Cost of Sales

Our cost of sales decreased by 29.8% from RMB161.8 million in the six months ended June 30, 2024 to RMB113.6 million in the six months ended June 30, 2025, primarily due to (i) a smaller proportion of commissioned manufacturing was scheduled in the first half of the year, with most of commissioned manufacturing activities concentrated in the second half, which resulted in lower pharmaceutical services revenue and a corresponding reduction in related costs; and (ii) a decrease in raw material costs for certain products compared with the same period of the prior year.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit decreased by 2.8% from RMB540.6 million in the six months ended June 30, 2024 to RMB525.2 million in the six months ended June 30, 2025. Our gross profit margin increased from 77.0% in the six months ended June 30, 2024 to 82.2% in the six months ended June 30, 2025, primarily attributable to (i) lower raw material costs, (ii) increased sales volume of higher-margin products, and (iii) a reduced contribution from lower-margin pharmaceutical services.

Other Income and Gains

Our other income and gains increased from RMB9.2 million in the six months ended June 30, 2024 to RMB15.8 million in the six months ended June 30, 2025, primarily due to an increase in bank interest income.

Selling and Marketing Expenses

Our selling and marketing expenses remained stable at RMB341.5 million for the six months ended June 30, 2024 and RMB345.4 million for the six months ended June 30, 2025.

Administrative Expenses

Our administrative expenses decreased from RMB33.8 million in the six months ended June 30, 2024 to RMB30.2 million in the six months ended June 30, 2025, primarily due to a decrease in listing expense.

Research and Development Costs

Our R&D costs increased from RMB37.3 million in the six months ended June 30, 2024 to RMB49.6 million in the six months ended June 30, 2025, primarily due to increased investments as our R&D projects progressed.

Other Expenses

Our other expenses increased from RMB3.5 million in the six months ended June 30, 2024 to RMB8.9 million in the six months ended June 30, 2025, primarily due to an increase in credit impairment losses.

Finance Costs

Our finance costs decreased from RMB3.8 million in the six months ended June 30, 2024 to RMB2.7 million in the six months ended June 30, 2025, primarily due to a decrease in bank loan interest rates.

Income Tax Expense

Our income tax expense decreased from RMB24.5 million in the six months ended June 30, 2024 to RMB14.1 million in the six months ended June 30, 2025, primarily due to a decrease in profit before tax and an increase in the amount of additional tax deductions for R&D costs.

Liquidity and Capital Resources

The Group maintained a sound financial position. As at June 30, 2025, we had cash and cash equivalents of RMB217.6 million (as at December 31, 2024: RMB537.6 million), time deposits with original maturity over three months of RMB300.2 million (as of December 31, 2024: nil). As at June 30, 2025, the Group had a balance of interest-bearing bank borrowings of RMB137.1 million (as at December 31, 2024: RMB119.8 million). As at June 30, 2025, the gearing ratio of the Group (total liabilities divided by total assets) was 21.7% (as at December 31, 2024: 21.1%).

Currently, the Group follows a set of funding and treasury policies to manage its capital resources and prevent risks involved. The Group expects to fund its working capital and other capital requirements from a combination of various sources, including but not limited to internal financing and external financing at reasonable market rates. In order to better control and minimize the cost of funds, the Group's treasury activities are centralized and all cash transactions are dealt with the banks with good reputation.

Most assets and liabilities of the Group were denominated in RMB, HKD and Euro. Currently, the Group does not employ any financial instruments or enter into any foreign exchange contracts to hedge against foreign exchange risk. However, by closely monitoring the net exposure of foreign exchange risk, the Group managed the foreign exchange risk, thus minimizing the impact of foreign exchange fluctuations.

Significant Investments, Material Acquisition and Disposal

The Group did not have any significant investments or material acquisitions or disposals of subsidiaries, associates and joint ventures for the six months ended June 30, 2025.

As of June 30, 2025, the Group did not have any significant investments.

Future Plans for Material Investments or Capital Assets

As of the date of this announcement, the Group did not have any concrete future plans for material capital expenditure, investments or capital assets. We will make further announcement(s) in accordance with the Listing Rules, where applicable, if any investments and acquisition opportunities materialize.

Contingent Liabilities

As of June 30, 2025, we did not have any contingent liabilities.

Charges on Group Assets

As of June 30, 2025, certain of our bank borrowings were secured by our buildings and leasehold land with carrying amounts of RMB146.1 million and nil, respectively.

Employee Remuneration and Relations

As of June 30, 2025, the Group had a total of 1,629 full-time employees. We are committed to making sure that working conditions throughout our business network are safe and that employees are treated with care and respect. We believe we offer our employees competitive compensation packages, reflecting our stakeholder-centric ethos which we believe leads to sustainable and durable growth. As required by PRC regulations, we participate in various government statutory employee benefit plans, including social insurances, namely pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, and housing funds. We are required under PRC law to make contributions to employee benefit plans at specified percentages of the salaries, bonuses and certain allowances of our employees, up to a maximum amount specified by the local government regulations from time to time. Our compensation package also comprises year-end bonuses, communication, transport and meal allowances, staff dormitory, paid leaves, and holiday benefits. In addition, we provide career development opportunities and promote an inventive, collaborative, and productive work environment, which we believe fosters long-lasting self-motivation for our employees.

Our employees typically enter into standard employment contracts with us. We place a high value on recruiting, training, and retaining qualified employees. We maintain high standards on selecting and recruiting talent worldwide and provide competitive compensation packages. Remuneration packages for our employees mainly comprise base salary and performance-based bonus. To maintain and enhance the quality, knowledge and skill levels of our workforce as well as their familiarity with industry quality standards and work safety standards, we provide our employees with periodic training, including orientation programs for new employees, technical training, professional and management training and health and safety training.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

During the Reporting Period, neither the Company nor its subsidiary has purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares). As of June 30, 2025, there were no treasury shares held by the Company.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted the principles and code provisions as set out in the CG Code contained in Appendix C1 to the Listing Rules.

During the Reporting Period, the Company has complied with the code provisions in the CG Code, except for code provision C.2.1 as explained below.

Pursuant to code provision C.2.1 of Part 2 of the CG Code, companies listed on the Stock Exchange are expected to comply with but may choose to deviate from the requirement that the responsibilities between the chairman and the general manager should be segregated and should not be performed by the same individual. We do not have a separate chairman and general manager and Mr. Fu Hang currently performs these two roles. The Board believes that vesting the roles of both the chairman and general manager in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. In addition, all major decisions are made in consultation with members of the Board, including the relevant Board committees, and three independent non-executive Directors. The Board will continue to review and consider splitting the roles of the chairman of the Board and the general manager of the Company if and when it is appropriate taking into account the circumstances of the Group as a whole.

In order to maintain a high standard of corporate governance, the Board will continue to review and monitor the operation of the Company.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code to regulate all dealings by Directors, Supervisors and relevant employees who, because of such office or employment, are likely to possess inside information in relation to the Company or its securities. The Company has also devised its own code of conduct regarding Directors' dealings in the Company's securities (the "**Code of Conduct**") on terms no less exacting than the Model Code.

Specific enquiry has been made of all the Directors and Supervisors, and the Directors and Supervisors have confirmed that they have complied with the Code of Conduct during the Reporting Period. No incident of non-compliance of the Model Code by the relevant employees was noted by the Company during the Reporting Period.

REVIEW OF INTERIM RESULTS BY THE AUDIT COMMITTEE

The Company has established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. The Audit Committee comprises three independent non-executive Directors Mr. Zhou Zhihui, Ms. Ho Mei Yi and Dr. Zhou Demin, with Mr. Zhou Zhihui (being our independent non-executive Director with the appropriate professional qualifications) as chairman of the Audit Committee in compliance with Rules 3.10(2) and 3.21 of the Listing Rules.

The Audit Committee has considered and reviewed the unaudited interim financial information for the Reporting Period and the accounting principles and practices adopted by the Group and has discussed with the management on issues in relation to internal control, risk management and financial reporting.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement and as at the date of this announcement, there were no material subsequent events after the Reporting Period.

INTERIM DIVIDENDS

The Board does not recommend the payment of an interim dividend to the Shareholders for the Reporting Period.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND THE INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This results announcement is published on the Company's website (www.china-gene.com) and the website of the Hong Kong Stock Exchange (www.hkexnews.hk). The 2025 interim report of the Company containing all relevant information required under the Listing Rules will be dispatched to the Shareholders (if requested) and published on the afore-mentioned websites in due course.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
		(Unaudited)	(Audited)
	Notes	***RMB'000***	*RMB'000*
REVENUE	*4*	**638,778**	702,360
Cost of sales		**(113,559)**	(161,800)
Gross profit		**525,219**	540,560
Other income and gains		**15,835**	9,163
Selling and marketing expenses		**(345,364)**	(341,549)
Administrative expenses		**(30,183)**	(33,759)
Research and development costs		**(49,627)**	(37,288)
Other expenses		**(8,928)**	(3,505)
Finance costs		**(2,689)**	(3,789)
PROFIT BEFORE TAX	*5*	**104,263**	129,833
Income tax expense	*6*	**(14,089)**	(24,485)
PROFIT FOR THE PERIOD		**90,174**	105,348
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**90,174**	105,348
Profit attributable to:			
Owners of the parent		**90,174**	105,348
Total comprehensive income attributable to:			
Owners of the parent		**90,174**	105,348
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted *(RMB)*	*8*	**0.37**	0.53

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	**30 June 2025 (Unaudited) *RMB'000***	31 December 2024 (Audited) *RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment	*9*	**339,823**	352,977
Right-of-use assets		**52,372**	1,254
Intangible assets		**190,520**	157,816
Prepayments, other receivables and other assets		**5,754**	1,001
Total non-current assets		**588,469**	513,048
CURRENT ASSETS			
Inventories		**151,122**	149,123
Trade and bills receivables	*10*	**720,335**	672,178
Prepayments, other receivables and other assets		**24,114**	13,650
Due from related parties		**38,812**	37,374
Restricted bank deposits		**20**	20
Time deposits with original maturity over three months		**300,192**	–
Cash and cash equivalents		**217,570**	537,629
Total current assets		**1,452,165**	1,409,974
CURRENT LIABILITIES			
Trade payables	*11*	**35,382**	27,000
Lease liabilities		**3,209**	937
Other payables and accruals		**172,805**	196,098
Due to related parties		**1,032**	644
Interest-bearing bank borrowings		**91,872**	81,014
Contract liabilities		**13,818**	21,626
Tax payable		**4,639**	14,366
Total current liabilities		**322,757**	341,685
NET CURRENT ASSETS		**1,129,408**	1,068,289
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,717,877**	1,581,337

	30 June 2025 (Unaudited) *RMB'000*	31 December 2024 (Audited) *RMB'000*
NON-CURRENT LIABILITIES		
Lease liabilities	**48,789**	–
Interest-bearing bank borrowings	**45,192**	38,769
Other payables and accruals	**11,491**	8,056
Deferred tax liabilities	**15,139**	16,501
Total non-current liabilities	**120,611**	63,326
Net assets	**1,597,266**	1,518,011
EQUITY		
Equity attributable to owners of the parent		
Share capital	**245,399**	245,399
Reserves	**1,351,867**	1,272,612
Total equity	**1,597,266**	1,518,011

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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.

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 amended HKFRS Accounting Standard for the first time for the current period's financial information.

Amendments to HKAS 21 *Lack of Exchangeability*

The nature and impact of the amended HKFRS Accounting Standard are described below:

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their services and only has one reportable operating segment. Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resource allocation and performance assessment.

Geographical information

(a) Revenue from external customers

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Mainland China	**613,541**	671,829
Other countries/regions	**25,237**	30,531
Total revenue	**638,778**	702,360

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Mainland China	**588,469**	513,048

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

Information about major customers

Revenue from the major customers (aggregated if under common control) which amounted to 10% or more of the Group's revenue is set out below:

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Customer A	**160,559**	151,760
Customer B	**29,935**	81,186
Total	**190,494**	232,946

4. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Revenue from contracts with customers	**638,778**	702,360

Revenue from contracts with customers

Disaggregated revenue information

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Types of goods or services		
Sale of goods	**621,789**	645,163
Pharmaceutical services	**16,989**	57,197
Total	**638,778**	702,360
Geographical markets		
Mainland China	**613,541**	671,829
Other countries/regions	**25,237**	30,531
Total	**638,778**	702,360
Timing of revenue recognition		
Transferred at a point in time	**638,778**	702,360

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)	(Audited)
Cost of inventories sold	**104,578**	131,595
Cost of services provided	**8,981**	30,205
	113,559	161,800
Research and development costs	**49,627**	37,288
Depreciation of property, plant and equipment	**18,350**	17,481
Depreciation of right-of-use assets	**706**	418
Amortisation of intangible assets	**3,407**	294
Loss on disposal of items of property, plant and equipment	**8**	107
Write-down of inventories to net realisable value	**1,029**	6,310
Impairment losses on financial assets, net	**8,857**	2,999
Lease payments not included in the measurement of lease liabilities	**650**	504
Foreign exchange differences, net	**(1,380)**	–
Listing expenses	**–**	9,926
Bank interest income	**(7,757)**	(138)
Government grants	**(6,695)**	(9,025)

6. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the EIT rate of the PRC subsidiary was 25% during the reporting period. The Company was accredited as a "High and New Technology Enterprise" ("**HNTE**") in 2021 and the certificate was extended in December 2023. Therefore, the Company was entitled to a preferential EIT rate of 15% for the reporting period. The qualification as a HNTE is subject to review by the relevant tax authority in the PRC every three years.

The income tax charge/(credit) of the Group during the reporting period is analysed as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Current tax – Mainland China		
Charge for the period	**15,451**	26,164
Deferred tax	**(1,362)**	(1,679)
Total tax charge	**14,089**	24,485

7. DIVIDENDS

On 26 March 2025, the board of directors of the Company approved the final dividend of the Company for 2024, agreeing to declare a cash dividend in the amount of RMB0.56 (tax inclusive) for every ten shares. The total amount of the cash dividend for 2024 was RMB13.7 million (tax inclusive). On 11 June 2025, the above final dividend was approved by the shareholders of the Company at the annual general meeting.

No interim dividend has been declared by the Company during the reporting period.

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

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 245,398,800 (2024: 200,000,000) outstanding during the period.

The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the period, as used in the basic earnings per share calculation.

The Group had no potentially dilutive ordinary shares outstanding during the periods ended 30 June 2025 and 2024.

The calculations of basic and diluted earnings per share are based on:

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation	**90,174**	105,348
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic and diluted earnings per share calculation	**245,398,800**	200,000,000
Earnings per share *(RMB per share)*	**0.37**	0.53

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired property, plant and equipment at a cost of RMB7,090,000 (30 June 2024: RMB8,443,000).

Assets with a net book value of RMB1,895,000 were disposed of by the Group during the six months ended 30 June 2025 (30 June 2024: RMB143,000).

10. TRADE AND BILLS RECEIVABLES

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade receivables	**649,056**	594,344
Bills receivable	**11,829**	11,422
Financial assets at fair value through other comprehensive income	**69,098**	73,754
Impairment	**(9,648)**	(7,342)
Net carrying amount	**720,335**	672,178

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

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 year	**651,532**	628,980
1 to 2 years	**63,793**	40,455
2 to 3 years	**3,772**	2,511
Over 3 years	**1,238**	232
Total	**720,335**	672,178

11. TRADE PAYABLES

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

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 year	**35,132**	26,988
Over 1 year	**250**	12
Total	**35,382**	27,000

The trade payables are non-interest-bearing and are normally settled within 60 days.

12. COMMITMENTS

The Group had the following contracted commitments at the end of the reporting period:

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Property, plant and equipment	**7,364**	1,839

13. EVENTS AFTER THE REPORTING PERIOD

No significant events took place subsequent to 30 June 2025.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings. These terms and their definitions may not correspond to any industry standard definition and may not be directly comparable to similarly titled terms adopted by other companies operating in the same industries as the Company.

"Audit Committee"	the audit committee of the Board
"Board"	the board of directors of the Company
"CDE"	Center for Drug Evaluation of NMPA (國家藥品監督管理局藥品審評中心), a division of the NMPA mainly responsible for review and approval of IND and NDA
"CG Code"	Corporate Governance Code set out in Appendix C1 to the Listing Rules
"Chairman" or "Chairman of the Board"	the chairman of the Board
"China" or the "PRC"	the People's Republic of China, but for the purpose of this announcement and for geographical reference only, unless the context otherwise requires, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Company," "our Company," or "the Company"	Hangzhou Jiuyuan Genetic Biopharmaceutical Co., Ltd. (杭州九源基因生物醫藥股份有限公司) (previously known as Hangzhou Jiuyuan Gene Engineering Co., Ltd. (杭州九源基因工程股份有限公司)), a limited liability company established under the laws of the PRC on December 31, 1993 and converted into a joint stock company with limited liability on December 5, 2023
"Corresponding Period"	for the six months ended June 30, 2024
"Director(s)"	the director(s) of our Company
"Domestic Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are subscribed for and paid up in Renminbi by domestic investors and are not listed or traded on any stock exchange
"Group," "our Group," "we," "us," or "our"	the Company and its subsidiaries from time to time

"H Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are traded in Hong Kong dollars and listed on the Stock Exchange
"HK$" or "HKD"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"R&D"	research and development
"Reporting Period"	for the six months ended June 30, 2025
"RMB" or "Renminbi"	the lawful currency of the PRC
"Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising the Unlisted Share(s) and H Share(s)
"Shareholder(s)"	shareholder(s) of the Company
"Stock Exchange" or "Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"Supervisor(s)"	member(s) of the supervisory committee of the Company
"treasury Shares"	the meaning as defined under the Listing Rules
"T2DM"	type 2 diabetes mellitus, a metabolic disorder marked by insulin resistance and relative insulin deficiency, often associated with obesity and lifestyle factors
"Unlisted Foreign Share(s)"	ordinary share(s) issued by the Company with a nominal value of RMB1.00 each which is/are subscribed for and paid for in currency other than RMB by foreign investors and not listed on any stock exchange
"Unlisted Share(s)"	Domestic Share(s) and Unlisted Foreign Share(s)
"%"	per cent

In this announcement, unless otherwise indicated, the terms "associate", "associated corporation", "connected person", "subsidiary" and "substantial shareholder" shall have the meanings given to such terms in the Listing Rules.

APPRECIATION

The Board would like to express its sincere gratitude to the Shareholders, management team, employees, business partners and customers of the Group for their support and contribution to the Group.

By order of the Board
Hangzhou Jiuyuan Genetic Biopharmaceutical Co., Ltd.
杭州九源基因生物醫藥股份有限公司
FU Hang
Chairman of the Board, Executive Director and General Manager

Hangzhou, the PRC, August 18, 2025

As of the date of this announcement, the Board comprises (i) Mr. Fu Hang (傅航) and Mr. Zhou Wei (周偉) as executive Directors; (ii) Ms. Ma Honglan (馬紅蘭), Mr. Wu Shihang (吳詩航), Mr. Albert Esteve Cruella and Mr. Fei Junjie (費俊傑) as non-executive Directors; and (iii) Mr. Zhou Zhihui (周智慧), Ms. Ho Mei Yi (何美儀) and Dr. Zhou Demin (周德敏) as independent non-executive Directors.