Asymchem Laboratories (Tianjin) Co., Ltd.
凱萊英醫藥集團(天津)股份有限公司

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

(Stock Code: 6821)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board (the "**Board**") of directors (the "**Directors**") of Asymchem Laboratories (Tianjin) Co., Ltd. (凱萊英醫藥集團(天津)股份有限公司) (the "**Company**" or "**Asymchem**") is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**", "**we**", or "**us**") for the six months ended 30 June 2025 (the "**Reporting Period**"), together with the comparative figures for the six months ended 30 June 2024. The consolidated financial statements of the Group for the Reporting Period have been reviewed by the Board and the Audit Committee.

Certain amounts and percentage figures 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 between totals and sums of amounts listed therein are due to rounding. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings ascribed thereto in the prospectus of the Company dated 30 November 2021 (the "**Prospectus**").

In this announcement, unless otherwise indicated, the terms "affiliate", "associate", "associated corporation", "connected person", "controlling shareholder", "subsidiary" and "substantial Shareholder" shall have the meanings given to such terms in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Listing Rules**").

This announcement is prepared in English. In case of any divergence of interpretations, the original English version shall prevail.

FINANCIAL HIGHLIGHTS

	For the six months ended 30 June 2025 ***RMB'000*** **(except percentages)**	For the six months ended 30 June 2024 *RMB'000* (except percentages)	Change *%*
Revenue	**3,188,307**	2,655,046	20.08
Gross profit	**1,379,157**	1,094,701	25.98
Gross profit margin	**43.26%**	41.23%	2.03
Net profit attributable to shareholders of the parent	**617,470**	499,131	23.71
Net profit margin attributable to shareholders of the parent	**19.37%**	18.80%	0.57
Non-IFRS Measures:			
Adjusted net profit attributable to shareholders of the parent (Note 1)	**681,530**	432,723	57.50
Adjusted net profit margin attributable to shareholders of the parent (Note 1)	**21.38%**	16.30%	5.08
	RMB	*RMB*	
Earnings per share			
– Basic	**1.68**	1.40	20.00
– Diluted	**1.68**	1.40	20.00
	As of 30 June 2025 ***RMB'000*** **(except percentages)**	As of 31 December 2024 *RMB'000* (except percentages)	Change *%*
Total assets	**19,851,388**	19,288,556	2.92
Total liabilities	**2,755,196**	2,425,984	13.57
Equity attributable to the owners of the Company	**17,083,033**	16,845,384	1.41
Cash and bank balances	**6,794,304**	5,789,408	17.36
Gear ratio (Note 2)	**13.88%**	12.58%	1.30

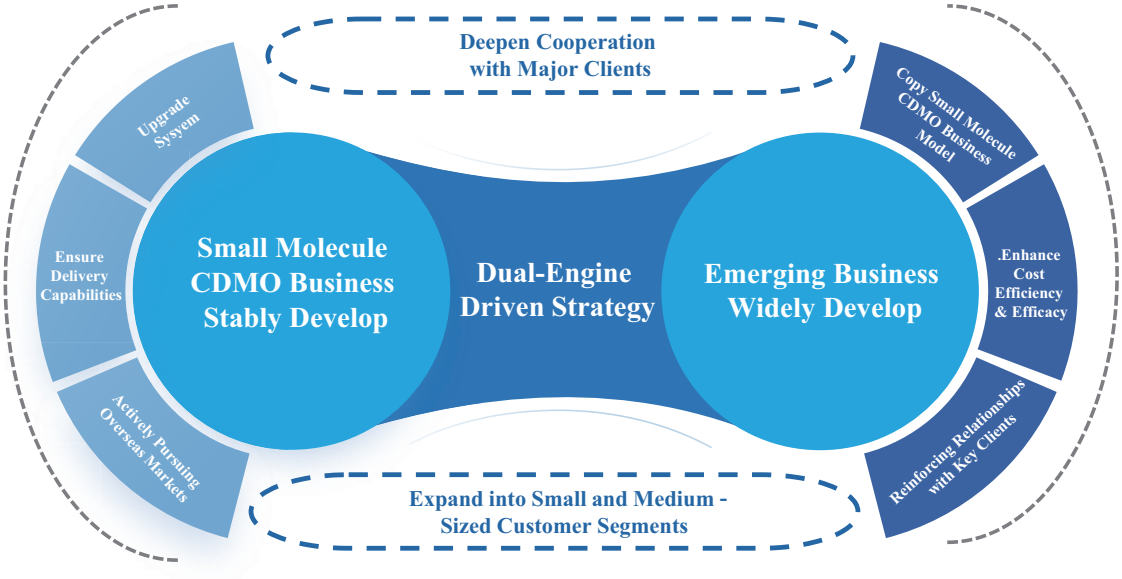
Note 1: Please refer to "Management Discussion and Analysis – II. Financial Review – (xxiv) Adjusted Non-IFRS Measures."

Note 2: Gearing ratio is calculated by dividing total liabilities by total assets.

I. BUSINESS REVIEW

In the first half of 2025 ("**2025H1**"), the Company comprehensively advanced and implemented the dual-engine driven strategy on business growth by remaining committed to its business principle of "deepening cooperation with major clients, expanding into small and medium-sized customer segments, advancing market presence in Europe, and enhancing cost efficiency and effectiveness." This involved upgrading the management and operational systems to ensure order delivery capabilities, reinforcing relationships with key clients, and actively pursuing growth opportunities in international and domestic markets. By leveraging iterative technological advancements, we successfully promoted the advantages of small molecule drug CDMO services, expanded into chemical macromolecule CDMO (including peptide, oligonucleotide, toxin linker and lipid), drug product services, green technology exporting, synthetic biology technology, clinical research services, and biological macromolecule CDMO. As of the date of this announcement, the Company has secured a total order backlog of US$1,088 million, in addition to the recognized revenue orders during the Reporting Period.

During the Reporting Period, the Company achieved a total revenue of RMB3,188.31 million, with an increase of 20.08% period-on-period. The gross profit margin for 2025H1 was 43.26%, reflecting an increase of 2.03 percentage points compared to the same period last year. In the small molecule CDMO business, revenue reached RMB2,429.08 million, marking a period-on-period increase of 12.80%. Additionally, the emerging business segment contributed RMB756.02 million in revenue, experiencing a period-on-period increase of 51.32%. Despite ongoing challenges in the global biopharmaceutical financing environment, the Company has demonstrated steady organic revenue growth and positive trends, underscoring the operational strength and progress, as well as the growing visibility of internal organic revenue growth and a solid global customer base. As the effects of cost reduction and efficiency improvement measures became apparent, along with the increasing delivery scale of emerging businesses and the ramp-up of capacity utilization, the Company recorded a net profit attributable to shareholders of the parent of RMB617.47 million, marking a 23.71% rise period-on-period. The net profit growth rate exceeded the revenue growth rate by 3.63 percentage points.

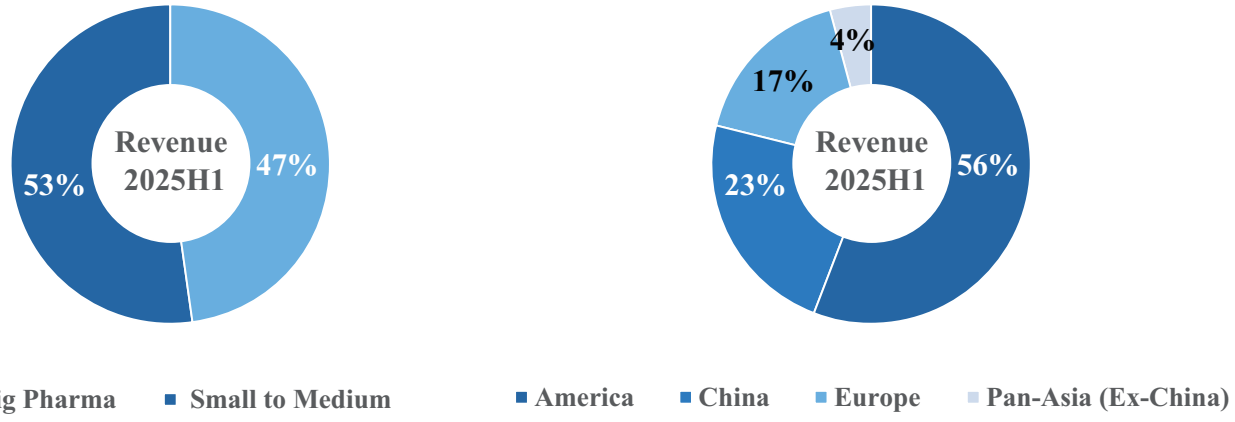


Market Expansion and Diversified Customer Base

During the Reporting Period, revenue from big pharmaceutical ("**Big Pharma**") companies was RMB1,508.25 million, representing a 17.63% increase compared to the same period last year.

In 2025H1, despite fluctuations in global biotech funding trends, we achieved revenue of RMB1,680.06 million from the small- to medium-sized companies, reflecting a 22.38% increase compared to the six months ended 30 June 2024. Our revenue from small to medium companies in 2025H1 was driven by sustained expansion of customers in Europe.

Market expansion remains one of the central focuses of the Company's endeavors, and accelerated progress has been achieved in the market sector. During the Reporting Period, our overseas business generated a total revenue of RMB2,474.97 million, representing a 25.89% increase compared to the same period last year.



Throughout the Reporting Period, the revenue derived from the U.S. customers reached RMB1,789.39 million, showing a period-on-period growth of 2.75% compared to the same period last year. The European market sustained its revenue breakthrough, with a substantial growth of 210.44% compared to the first half of 2024.

i. Small Molecule CDMO Business

The global small molecule CDMO business features a broad market with low industry concentration and a sustained increase in industry penetration. The growing incidence of chronic diseases and the aging population trend propels the demand for innovative small molecule drugs. The pharmaceutical industry's focus on developing novel, more efficacious, and targeted therapies has resulted in increased product pipelines and the need for innovative drug delivery methods. Simultaneously, per the Frost & Sullivan Analysis, while small and mid-sized pharmaceutical companies are responsible for over 70% of drugs in the R&D pipeline, they often require external expertise to bring their clinical pipeline to market. For the past few years, the shift in global small molecule CDMO demand toward emerging markets, particularly to China, accelerated and the trend is likely to continue in the coming years.

During the Reporting Period, despite facing many industry challenges, our Company has relied on its continuously optimized R&D platform and industry-leading operational system, while maintaining stable development in the small molecule business. As of 30 June 2025, the small molecule business achieved 329 projects. In 2025H1, revenue amounted to RMB2,429.08 million with a gross profit margin of 47.56%. Gross profit margin of small molecules CDMO experienced an increase of 1.40 percentage points compared to the same period last year. Meanwhile, the gross profit margin at a constant exchange rate for small molecules CDMO stood at 47.07%.

Positioning Firmly in Commercialization Projects as the Backbone to Continuous Revenue Growth

As of 30 June 2025, the Company successfully progressed 44 small molecule commercialization projects. The Company has continued to execute its existing industry-leading small molecule commercialization projects while simultaneously accelerating the onboarding of new projects. With a strong track record in project delivery, the Company is well-positioned to foster deeper collaboration with numerous international and domestic clients in the field of commercialization projects.

Focusing on Potential Therapeutics to Reinforce the Growth Visibility

The Company strategically reserves potential bulk projects, and clinical phase III projects served by the Company involved several popular targets and promising novel targets. As of 30 June 2025, the Company had a total of 285 pre-clinical and clinical stage projects, including 52 clinical phase III projects, securing project reserves for the continued commercialization orders of bulk drugs. We are actively involved in the development of leading GLP-1 programs, and we recognize that emerging and recently approved obesity treatment pipelines, coupled with advances in drug delivery technologies and increasing funding, may significantly expand the clinical trial landscape and market potential for anti-obesity drug candidates. According to the current small molecule clinical stage orders in hand, it is expected that the number of projects reaching process performance qualification ("**PPQ**") stage in the second half of 2025 will reach 11. This has established a sufficient reserve of commercial orders, providing strong support for long-term and steady performance growth.

Adhere to the Guideline of Strengthening Key Clients and Expanding Customer Diversity in Various Regional Markets

We have upheld a customer-centric business philosophy and have a diverse, high-quality, and loyal customer base. Rather than just an outsourced service provider, we are regarded as a reliable partner by our customers. Our primary focus lies in serving pharmaceutical and Biotech Companies with headquarters located in the United States, Europe, China, etc. Notably, our clientele includes a large group of renowned multinational pharmaceutical companies. For the regional market expansion, the European market kept a positive growth with the in-depth cooperation with existing customers being continuously improved and new customers being developed in an orderly manner.

The Company forged ahead with overseas capacity expansion steadily, driving customer development and building operational systems at its research and active pharmaceutical ingredient ("**API**") pilot production located in Sandwich, U.K. facilities (the "**Sandwich Site**"). During the Reporting Period, the Company delivered 4 R&D projects and completed its first production project. The Company continued to optimize the delivery system development and enhance the domestic and international synergy mechanism. In addition, the Company continuously advanced project development for overseas clients and successfully passed its first QA audit conducted by a multinational corporation ("**MNC**") client. In parallel, the Company actively promoted capacity expansion, integrating technology platforms such as continuous hydrogenation and photoelectric reaction, and scaling up its high throughput screening ("**HTS**") platform. While steadily building these capabilities, the Company also conducted in-depth evaluations related to the development of commercial production capacity.

Moving forward, our approach involves: (i) Deepening our services vertically to encompass new projects for existing multinational pharmaceutical companies while continuing ongoing commercial projects; (ii) Proactively re-establishing communication and collaboration with dormant clients who may have shifted their focus toward pipeline concentration rather than small molecule business, particularly those interested in licensing new novel target pipelines in small molecules; (iii) Expanding and diversifying our customer pool of multinational pharmaceutical companies; and (iv) Capitalizing on our extensive experience in serving multinational pharmaceutical companies, we will also collaborate with leading Biotech Companies and a wide range of small and medium-sized global pharmaceutical companies.

ii. Emerging Business

During the Reporting Period, these emerging business lines generated RMB756.02 million in revenue, representing a 51.32% increase compared to the same period last year. The gross profit margin was 29.53%, reflecting a period-on-period increase of 9.30 percentage points, despite the impact of funding turmoil for the global Biotech Companies, the continued downturn in domestic market, and certain businesses still being in a capacity ramp-up phase. Our Company continues to focus on enhancing competitiveness and actively advancing market expansion. As of the date of this announcement, the order backlog surged by over 40% period-on-period and the estimated emerging business PPQ will reach nine in 2025, forming a sufficient reserve of commercial orders.

Chemical Macromolecule CDMO Business

During the Reporting Period, chemical macromolecule CDMO business (including peptide, oligonucleotide, toxin linker and lipid) achieved revenue of RMB379.35 million, with a notable period-on-period increase of over 130%. During the Reporting Period, the Company completed 88 projects and enlarged the client pool for 38 new clients. As of the date of this announcement, the order backlog has risen by over 90% period-on-period, with overseas orders accounting for over 40%. The Company projects that this sector will maintain robust revenue growth of more than double in the second half of 2025. Drawing on the existing order backlog, the Company expects five PPQ projects for the second half of 2025.

During the Reporting Period, our major domestic client's first GLP-1 peptide project in obesity had been launched, laying the foundation for delivery of commercial project throughout the year. In the fields of peptide and small nucleic acid, the Company advanced more than 10 clinical mid and later stage projects reserved for related popular targets respectively. In addition, the Company carried forward eight toxin-linker NDA projects. The Company continuously strengthened technological reserves and developed peptide and small nucleic acid synthesis technology platforms. These platforms complement each other to address issues in different types of synthesis technologies and have made technological reserves in various types of purification and separation techniques.

Drug Product

During the Reporting Period, the revenue of drug product CDMO business generated RMB117.76 million, growing by 7.88% period-on-period. During the Reporting Period, the Company delivered 171 projects, of which 31 were in the middle and later stages, showing a continuous rising trend. In 2025H1, the Company completed FDA, PMDA, and NMPA dynamic inspections, along with five new commercialized drug products in the Chinese market. Additionally, during the Reporting Period, the Company achieved the first commercial drug product supply in the U.S. As of the date of this announcement, the order backlog had increased by over 35% period-on-period, with over 30% revenue resulting from overseas orders. Based on the current order backlog, we estimated three PPQ projects for the second half of 2025.

In addition to the traditional small molecule drug products, new drug product projects continued to expand. Multiple oral peptide projects have been completed, with certain projects entering Phase II clinical trials. The small nucleic acid drug product technology platform was continuously reinforced. On the basis of solidifying sterile solutions drug product, the Company delivered new dosage delivery of small nucleic acid gel and nasal spray. In addition, the range of complex drug product projects are constantly expanding, including liposomes, nanoparticles, lipid nanoparticles ("**LNP**"), oral sustained-release preparations, and so on.

Clinical Research Service

During the Reporting Period, clinical contract research organization ("**CRO**") business generated revenue of RMB139.22 million, achieving a growth of 44.91% period-on-period. The Company facilitated 13 projects in obtaining implied China investigational new drug application ("**IND**") approvals and contributed to one implied FDA IND approval for our customers. We have successfully undertaken 115 projects. Our overseas business continued to grow with 10 new overseas applications and clinical services orders. The Company strengthened its established expertise in traditional strengths such as oncology, immunology, infectious diseases, orthopedics, respiratory system, hematology and gynecology. At the same time, the Company sustained ongoing in-depth exploration in rare diseases and new breakthroughs have been achieved in neurology, endocrinology and metabolism, ophthalmology, cardiovascular, gastroenterology, dermatology and nephrology. As of the end of the Reporting Period, the Company was conducting 278 clinical research projects, including 95 Phase II and later-stage projects.

In terms of data intelligence, the Company applied a full-process intelligent pharmacovigilance platform to more than 20 innovative drug projects, along with the establishment of clinical trial project management and laboratory management platforms.

Biological macromolecules CDMO

During the Reporting Period, biological macromolecule CDMO reported a revenue of RMB89.92 million, achieving a period-on-period increase of 70.88%. The Company delivered 53 batches and completed three IND applications. Among the ongoing projects, 41 are at IND stage and five are at biologics license application ("**BLA**") stage. The first antibody in the PPQ stage entered production and was successfully delivered. As of the date of this announcement, the order backlog surged by over 60% period-on-period, with overseas orders taking up more than 35% of it. The revenue of this business segment is projected to be over double by 2025. The Company undertook our first allophycocyanin ("**APC**") one-stop service project and contributed to the overseas out-licensing of our first ADC BLA project in later stage. The Company also assisted several leading domestic clients in successfully licensing out multiple projects, showcasing our international service capabilities.

During the Reporting Period, the Company successfully passed 12 audits, including multiple audits by MNC clients, actively meeting the regulatory requirements and the standards of multinational pharmaceutical companies. Key breakthroughs have been made in the process optimization and technological innovation of biological macromolecules and five mature industrial technologies have been added in Toolbox.

Synthetic Biology Technology

During the Reporting Period, the revenue of synthetic biology technology remained flat period-on-period. Synthetic biology technology delivered 41 projects and engaged with 19 new customers. Based on the order backlog, we project one PPQ project in the second half of 2025.

The enzyme engineering technology platform has continued to deepen and an "automation + AI" driven enzyme evolution platform has been successfully implemented in more than 20 projects. A fully automated workflow from enzyme design to product has been achieved. The synthetic biology technology platform has developed into a complete technical system and successfully enabled the development of a range of advantageous products. Among these, the salidroside project was shortlisted in the first batch of biomanufacturing landmark products announced by the Ministry of Industry and Information Technology of the PRC, underscoring its technical capabilities and market position in the field of synthetic biology.

The Company has established a full-process, end-to-end, and systematic service capability spanning from the early-stage research and development of biological products to IND application.

Export of New Technologies

During the Reporting Period, the Company continued to implement projects for customers across fine chemical fields such as pharmaceuticals, pesticides, and materials in an orderly manner. As of the date of this announcement, we are currently fulfilling 20 active orders and continuously expanding the reserve of self-developed projects. The Company remains committed to optimizing its order project management system. In 2025, dedicated facilities for factory acceptance testing ("**FAT**") of pilot-scale project execution and commercial project equipment will be established to ensure the integrity and stability of front-end loading procedures of project plans.

Adhering to the dual-track advancement of "R&D + equipment", the Company consistently consolidates core technological capabilities. On the R&D front, we accumulated deep experience in R&D orders, established systematic verification standards, and simultaneously developed and reserved cutting-edge technologies to support the development of new equipment/instruments. On the equipment side, the Company completed the design and manufacture of standardized laboratory-level equipment. Meanwhile, the Company accelerated the modularization and standardization of continuous reaction equipment at both the pilot and manufacturing scales, aiming to complete a standardized equipment library by 2025. Efforts are now underway to optimize the management and operation system, building a professional multidisciplinary project team spanning chemistry, chemical engineering, equipment, and engineering, focusing on enhancing efficiency and service capabilities.

iii. Investments and Construction of Capacity Expansion

We maintain advanced manufacturing sites built from the ground up to stringent standards. As of 30 June 2025, we had multiple R&D centers, manufacturing sites, production facilities and branches/offices across China, the United States, the United Kingdom, and other regions, and secured the first research and manufacturing site in Europe. The following map illustrates the locations of our manufacturing sites, as well as our offices across China, the United States and the United Kingdom.

As of the end of the Reporting Period, the total solid-phase peptide synthesis capacity expanded to approximately 30,000L and is projected to reach 44,000L by the end of 2025 to meet the future production capacity demands of the order backlog. Furthermore, the Company continued to expedite the construction of high-potency production capacity. An additional Occupational Exposure Band 5 ("**OEB5**") plant and R&D building were constructed and commissioned during the Reporting Period to meet the escalating demand for toxin-linker projects in later stage.

During the Reporting Period, the Company advanced accumulation in new technologies of drug products, continuously enhancing the service capabilities of the injectable in-situ gelling drug delivery technology platform, the oral peptide technology platform, and the microfluidic system nanoparticles preparation R&D technology platform. The construction of new drug product capacity accelerated, further expanding the construction of hot melt extrusion commercialization production; the construction of β-lactam solid drug product workshop which has passed GMP verification and commenced for production; the construction of pre-filled syringes and pen syringes production has progressed on schedule and is expected to be put into production in the fourth quarter of 2025, thereby enhancing the production capacity of our drug product business.

The biological production system continued to be optimized and upgraded. The biological pharmaceutical CDMO R&D and commercial production site in Fengxian, Shanghai has been put into operation, and the ADC commercial capacity construction has been expanded simultaneously.

To advance our synthetic biology technology, the 500L GMP fermentation workshop has been officially put into use in the first quarter of 2025. So far, the Company has accomplished the production and delivery of Phase II clinical samples, verifying the mature and stable operational capability.

We generally expand and build our development and manufacturing facilities in anticipation of increased demand arising from new customer engagements and strategic plans. For details, please refer to the section headed "Use of Net Proceeds from the Issuance of Securities" in this announcement. We are strategically focusing on further expanding our overseas capacity in the small molecule business segment. Recognizing the growing global demand for our services, we aim to strengthen our presence in international markets by establishing production facilities abroad or through the acquisition of a suitable production base. This approach will enable us to effectively cater to the needs of our overseas core client base and enhance our competitiveness on a global scale. By leveraging our expertise, advanced technologies, and efficient processes, we are committed to providing high-quality small molecule CDMO solutions to customers worldwide. Through overseas capacity expansion, we aim to optimize our supply chain, shorten lead times, and improve overall operational efficiency. This strategic initiative aligns with our commitment to delivering exceptional services to our clients while solidifying our position as a leader in the small molecule CDMO industry.

iv. R&D Platform Construction

The Company continued to invest in the R&D platform, with an expenditure of RMB285.75 million in 2025H1, accounting for 8.96% of the total revenue. During the Reporting Period, in terms of continuous reactions and biosynthetic, the Company achieved significant results in technologies such as continuous synthesis, peptide TFA cleavage, and recombinant synthesis. As at the end of June 2025, our Group has obtained a total of 538 authorized patents both domestically and internationally, including 423 patents in China and 115 patents in other jurisdictions. Among these, 183 are in the field of synthetic biology and 204 are in the continuous flow technology, respectively. Our research papers on new technologies have been published multiple times in the most authoritative scientific journals in the field of natural sciences such as Nature, as well as other important journals in the industry including Journal of the American Chemical Society, Angewandte Chemie (Germany Applied Chemistry), Journal of Organic Chemistry, Organic Letters, and other leading international journals. By the end of the Reporting Period, a total of 51 papers have been published, among which 16 have impact factors exceeding 10.

v. Social Responsibility

As a listed company with social responsibility, Asymchem stays committed to offering quality products and professional services to its partners. The Company, in strict accordance with the provisions of relevant laws and regulations and in light of its particular conditions, undertakes the responsibilities to Shareholders, partners, employees, society and other stakeholders. The Company gives back to society through practical action and fosters a harmonious environment for development, to achieve the ultimate goal of sustainable development.

Under the Asymchem sustainability model, there are four major elements for synergy: enabling customers, being responsible to citizens, construction of community, and protecting the earth. As a leading CDMO service provider in China, we are committed to global pharmaceutical technology innovation and commercial application. We are sincerely dedicated to providing customers with quality products and professional services, and actively fulfill and assume responsibility for our employees, shareholders, investors, and other stakeholders. While maximizing economic benefits, we pursue the collaborative development of social benefits and environmental protection in order to achieve sustainable development. We are highly focused on protecting the interests of our shareholders, customers, all employees, suppliers, and other interest groups and stakeholders. We have established an improved corporate governance structure, a complete internal control system, and a platform to interact with investors, to assure all Shareholders of fairness, promptness, justice, transparency, and openness.

In our daily operations, we are committed to our customer-centric approach and provide our customers with high-quality services through continuous development of technologies and processes. In terms of employee rights and interests, we comply in all material respects with the PRC Company Law, Labor Contract Law and other laws and regulations, and have formed a management philosophy that "there will be no quality products without satisfactory employees", showing that we care about the health, safety, and satisfaction of our employees. At the same time, we maintain good interaction with suppliers, especially suppliers with long-term cooperative relationships. We fully understand that most of our overseas clients have established comprehensive environmental, social and governance ("**ESG**") management objectives, which will be communicated to Asymchem. In particular, overseas customers have put forward clear ESG expectations for supply chain companies. As part of the supply chain, we strive for the best efforts to balance the requirements while operating the business to maximize the mutual benefit.

We have established "Teda-Asymchem Scholarship" in several colleges and universities to support the study and research of college students, showing our concern for the growth of young students and encouragement to them. Particularly, we have set up several scholarships for college students in hardship in many universities and colleges. We have also created several fellowships for outstanding research results of drug synthesis in some universities and colleges and sponsored various academic conferences and symposiums.

For more details regarding social responsibility and sustainable development information, please refer to the 2024 ESG Report published on 23 April 2025.

II. FINANCIAL REVIEW

In 2025H1, the Company realized revenue of RMB3,188.31 million, representing an increase of 20.08% compared to the same period last year. The gross profit margin in 2025H1 was 43.26%, up by 2.03 percentage points from the same period last year. The adjusted net profit attributable to shareholders of the parent amounted to RMB681.53 million, representing an increase of 57.50% as compared with the first half of 2024. During the Reporting Period, the small molecule CDMO business generated revenue of RMB2,429.08 million, a period-on-period increase of 12.80%. Revenue from the emerging business was RMB756.02 million in 2025H1, an increase of 51.32% from the same period last year. Our revenue in foreign countries (including North America, Europe and Pan-Asia ex China) reached RMB2,474.97 million in 2025H1 representing an increase of 25.89% from the same period last year, and domestic revenue reached RMB713.34 million in 2025H1, showing an increase of 3.52% from the same period last year.

i. Revenue

During the Reporting Period, the Company's revenue by product categories was as follows:

	Six months ended 30 June				
	2025		2024		Change ratio
	RMB'000	***Proportion***	*RMB'000*	*Proportion*	*%*
Small molecule CDMO business	**2,429,080**	**76.19%**	2,153,419	81.10%	12.80
Emerging business	**756,018**	**23.71%**	499,615	18.82%	51.32
Total revenue from principal business	**3,185,098**	**99.90%**	2,653,034	99.92%	20.05
Other businesses	**3,209**	**0.10%**	2,012	0.08%	59.49
Total revenue	**3,188,307**	**100.00%**	2,655,046	100.00%	20.08

The Company's R&D, production, analysis, supply chain management, quality and other departments and teams achieved seamless cooperation and worked in coordination to fully satisfy the needs of customers for pharmaceutical supply, further enhancing the level of fine management and the advantages of the platform system. The Company continuously developed key processes and technologies for green pharmaceuticals and increased the use of new technologies and intelligent equipment to continuously enhance its competitive advantage in the commercialization of small molecule CDMOs. Many industry-leading commercialization projects were continuously implemented, and the Company's good track record in delivery will further drive deeper collaboration with numerous domestic and international clients on commercial projects. During the Reporting Period, the Company had a total of 309 small molecule CDMO projects for which the revenue has been recognized, achieving revenue of RMB2,429.08 million, representing a period-on-period increase of 12.80%.

Leveraging our competitive advantages accumulated in the small molecule CDMO segment, the Company accelerated the construction of its talent team and capabilities, promoted the fast development of new business such as chemical macromolecule CDMO, drug product, export of new technology, synthetic biology technology, clinical research services, biological macromolecules CDMO and other strategic emerging segments. During the Reporting Period, the strategic emerging segments recorded revenue of RMB756.02 million, representing a period-on-period increase of 51.32%. Chemical macromolecule CDMO business (including peptide oligonucleotide, toxin linker and lipid) achieved revenue of RMB379.35 million in 2025H1, representing a period-on-period increase of over 130%. Drug product CDMO business achieved revenue of RMB117.76 million in 2025H1, growing by 7.88% period-on-period. CRO business generated revenue of RMB139.22 million, achieving a growth of 44.91% period-on-period. Biological macromolecule CDMO achieved revenue of RMB89.92 million in 2025H1, representing a period-on-period increase of 70.88%.

During the Reporting Period, the Company's revenue by countries or regions where our customer operates was as follows:

	Six months ended 30 June				
	2025		2024		Change ratio
	RMB'000	***Proportion***	*RMB'000*	*Proportion*	*%*
Domestic (China)	**710,129**	**22.27%**	687,093	25.88%	3.35
Foreign countries (including North America, Europe, and Asia Pacific except China)	**2,474,969**	**77.63%**	1,965,941	74.05%	25.89
Total revenue from principal business	**3,185,098**	**99.90%**	2,653,034	99.92%	20.05
Domestic revenue from other businesses	**3,209**	**0.10%**	2,012	0.08%	59.49
Total revenue	**3,188,307**	**100.00%**	2,655,046	100.00%	20.08

In 2025H1, our revenue in domestic (China) market from principal business increased 3.35% compared with the same period last year. Our revenue in foreign countries (including North America, Europe and Asia Pacific except China) reached RMB2,474.97 million in 2025H1, representing an increase of 25.89% from the same period of 2024. The Group is prioritizing market development, and its market business has shown positive progress. During the Reporting Period, revenue from North American customers amounted to RMB1,789.39 million; revenue from Asia Pacific (except China) customers amounted to RMB137.87 million, representing a period-on-period increase of 187.31%; revenue from European customers amounted to RMB547.71 million, representing a period-on-period increase of 210.44%.

ii. Cost of Sales and Services

Our costs of sales and services include costs of raw materials, direct personnel costs, manufacturing expenses and other related expenditures. Raw materials costs cover direct and indirect materials required for production. Manufacturing expenses include depreciation of plant and equipment, energy cost, testing and release expenses, among others. The category of "Others" includes transportation and insurance costs directly linked to sales, as well as associated taxes and fees. In 2025H1, our cost of sales and services was RMB1,809.15 million, representing an increase of 15.95% from the first half of 2024, primarily attributed to revenue increased in the first half of the year compared to the same period last year.

During the Reporting Period, the Company's cost by revenue type was as follows:

	Six months ended 30 June		
	2025	2024	Change ratio
	RMB'000	*RMB'000*	*%*
Small molecule CDMO business	**1,273,719**	1,159,322	9.87
Emerging business	**532,777**	398,532	33.68
Total cost of principal business	**1,806,496**	1,557,854	15.96
Other business costs	**2,654**	2,491	6.54
Total operating cost	**1,809,150**	1,560,345	15.95

iii. Gross Profit and Gross Profit Margin

During the Reporting Period, the Company's gross profit margin of principal business by product categories was as follows:

	Six months ended 30 June		
	2025	2024	Change
	%	*%*	*%*
Small molecule CDMO business	**47.56**	46.16	1.40
Emerging business	**29.53**	20.23	9.30
Total gross profit margin of principal business	**43.28**	41.28	2.00

During the Reporting Period, the Group's revenue of principal business increased by 20.05% and the cost increased by 15.96%, leading to an increase of principal business gross profit margin by 2.00 percentage points compared with the same period last year. Gross profit margin of the Company in 2025H1 increased by 2.03 percentage points compared with the same period last year.

The gross profit margin for small molecule CDMO business was 47.56% in 2025H1, reflecting an increase of 1.40 percentage points compared to the same period last year. Similarly, the gross profit margin for emerging business stood at 29.53%, reflecting an increase of 9.30 percentage points compared to the same period last year.

During the Reporting Period, the Company's gross profit margin of principal business by countries or regions where our customer operates was as follows:

	Six months ended 30 June		
	2025	2024	Change
	%	*%*	*%*
Domestic (China)	**20.58**	19.13	1.45
Foreign countries (including North America, Europe, and Asia Pacific except China)	**49.80**	49.02	0.78
Total gross profit margin of principal business	**43.28**	41.28	2.00

Notes:

(1) Our gross profit margin of principal business from domestic (China) in 2025H1 was 20.58%, increased by 1.45 percentage points compared with the same period last year.

(2) Our gross profit margin of principal business from foreign countries (including North America, Europe and Pan-Asia ex China) in 2025H1 was 49.80%, with an increase of 0.78 percentage points compared to the same period last year.

iv. Other Income and Gains

The decrease in other income and gains from RMB258.89 million in the first half of 2024 to RMB184.42 million in 2025H1 was primarily attributed to the decrease in exchange gain and interest income.

v. Selling and Marketing Expenses

In 2025H1, our sales expenses were RMB90.95 million, demonstrating a decrease of 11.20% from the same period last year, mainly due to the ongoing implementation of cost reduction and efficiency improvement initiatives, leveraging years of in-depth market cultivation and the synergy effect from "deepening cooperation with major clients", with a particular focus on optimizing marketing and promotional expenses during the Reporting Period.

vi. Administrative Expenses

Our administrative expenses in 2025H1 were RMB397.05 million, which increased by 5.42% compared with the RMB376.64 million for the same period last year.

vii. R&D Expenses

Our R&D expense amounted to RMB285.75 million in 2025H1, decreasing by 13.06% compared with the same period last year. This decrease is primarily attributed to the Group's more focused direction and emphasis on R&D investment in 2025H1. While the Group is committed to its core principle of being technology-driven, maintaining investments in technology innovation and independent research and development of core technologies, fostering eight innovation R&D platforms, and enhancing related R&D investment.

viii. Impairment Loss on financial and contract assets

The Group recorded an impairment provision for credit losses on financial assets measured and recognized using the expected credit loss approach. In 2025H1, recognition of our impairment losses amounted to approximately RMB29.83 million, compared with the reversal amounted to RMB7.30 million in the same period of 2024, mainly attributed to the increase in the balance of trade receivables at the end of the current period, which was mainly caused by the increase in revenue.

ix. Finance Costs

Our finance costs primarily consist of interest expenses on lease liabilities. In 2025H1, our finance costs totaled RMB6.3 million, increasing by 147.67% compared with the RMB2.53 million for the same period last year. This increase is primarily attributed to the addition of right-of-use assets compared with the same period last year.

x. Income Tax Expense

Our income tax expense amounted to RMB86.95 million in 2025H1, reflecting an increase of 116.10% from 2024H1. This increase aligns with the Group's profit growth trend and is primarily attributed to the increase in revenue.

xi. Net Profit and Net Profit Margin

Our net profit increased by 24.52% from RMB492.42 million in the first half of 2024 to RMB613.15 million in 2025H1. In 2025H1, the net profit attributable to shareholders of the listed company amounted to RMB617.47 million, representing an increase of 23.71% as compared with the RMB499.13 million for the first half of 2024. In 2025H1, the net profit margin attributable to shareholders of the listed company was 19.37%, representing an increase of 0.57 percentage points as compared with the 18.80% for the first half of 2024.

xii. Basic and Diluted Earnings per Share

Our basic earnings per share increased from RMB1.40 in the first half of 2024 to RMB1.68 in 2025H1. Our diluted earnings per share increased from RMB1.40 in the first half of 2024 to RMB1.68 in 2025H1. The increase of basic and diluted earnings per share was mainly due to the increase in net profit.

xiii. Liquidity and Financial Resources/Cash and Bank Balances

During the Reporting Period, the Group's operations and investments were supported by our internal resources. The cash and bank balances of the Group, mainly denominated in RMB, as at 30 June 2025 increased by RMB1,004.90 million or 17.36% from 31 December 2024, mainly due to a net cash inflow of RMB701.72 million generated by the Group's operating activities and the decrease in the purchase of short-term and low-risk wealth management products of the banks. We believe the Group has sufficient liquidity to meet the requirements of its daily liquidity management and capital expenditure, and to control internal operating cash flows.

As of 30 June 2025, we had bank borrowings of RMB0.00 million (as at 31 December 2024: approximately RMB0.00 million).

xiv. Analysis on Assets and Liabilities

	As of 30 June 2025 *RMB'000*	As of 31 December 2024 *RMB'000*	Change ratio %	Reason
Current Assets				
Trade and bill receivables	**1,980,992**	1,836,887	7.85	Primarily due to the increase in revenue.
Prepayments, other receivables and other assets	**811,843**	586,795	38.35	Primarily attributed to the due date of time deposits.
Non-Current Assets				
Property, Plant and Equipment	**6,106,308**	5,939,832	2.80	Primarily resulting from the construction of strategic emerging segments and development of equipment and plant infrastructure for operation.
Deferred tax assets	**286,937**	248,353	15.54	Primarily attributed to the increase in deferred tax assets recognized for deductible losses.
Prepayments, deposits and other receivables	**348,277**	482,409	(27.80)	Primarily attributed to the due date of time deposits.
Current Liabilities				
Other payables and accruals	**1,463,538**	1,166,097	25.51	Primarily attributed to the increase in the liability for restricted Share repurchase and dividend payable.
Tax Payable	**76,413**	50,177	52.29	Mainly due to the increase in profit.
Non-Current Liabilities				
Deferred income	**275,060**	298,622	(7.89)	Including grants received during the Reporting period.
Deferred tax liabilities	**124,199**	134,703	(7.80)	Mainly recorded in respect of taxable temporary differences existing in the accelerated depreciation of fixed assets.

xv. Investment Analysis & Income Analysis of Long-term Equity Investment Under Equity Method

Financial assets at fair value through profit or loss (current portion and non-current portion)

Financial assets at fair value through profit or loss mainly consisted of short-term and low-risk wealth management products purchased from banks and investment in Sany Zhongzhi (Tianjin) Venture Capital Center (L.P.) and Sany Zhongzhi Phase II (Tianjin) Venture Capital Center (L.P.). The Group's financial assets at fair value through profit or loss among current and non-current assets decreased from RMB1,697.57 million as of 31 December 2024 to RMB825.56 million as of 30 June 2025, mainly due to the decrease in the purchase of short-term and low-risk wealth management products from the banks.

Loss from long-term equity investment under equity method

During the Reporting Period, the loss from long-term equity investment under equity method amounted to RMB2.69 million, compared with the loss of RMB5.46 million in the first half of 2024. This decrease was mainly determined based on the changes in net assets of Tianjin Haihe Asymchem Biomedical Industry Innovation Investment Fund (Limited Partnership) ("**Haihe Asymchem Fund**") (天津海河凱萊英生物醫藥產業創新投資基金(有限合夥)), Tianjin Haihe Asymchem Medical and Health Industry Investment Fund Partnership Enterprise (Limited Partnership) ("**Haihe Asymchem Medical and Health Fund**") (天津海河凱萊英醫療健康產業投資基金合夥企業(有限合夥)) and Tianjin Yugen Medtech Co., Ltd (天津有濟醫藥科技發展有限公司) ("**Yugen Medtech**"), in which the Group has invested, multiplied by the Group's shareholding ratio during the Reporting Period.

The Group's major joint venture, Haihe Asymchem Fund, primarily invests in the commercialization projects of the innovative field of biological medicine in the clinical stage. It is accounted for using the equity method and is strategically important to the Group's operations. The Group's other joint venture, Yugen Medtech, serves as a platform for scientific research CRO technology services, integrating innovative drug druggability research, pre-clinical and clinical stage systematic evaluation and registration services. It is also accounted for using the equity method and is strategically significant to the Group's operations. The Group's joint ventures, Haihe Asymchem Medical and Health Fund, primarily invest in the innovative biopharmaceutical industry. It is accounted for using the equity method and is strategically important to the Group's operation.

xvi. Goodwill

Goodwill with net carrying amount of approximately RMB146.18 million as at 30 June 2025 (as at 31 December 2024: approximately RMB146.18 million) is acquired through the Group's acquisition of Tianjin GoalGen Biotechnology Co., Ltd. and Beijing Improve-Quality Technology Co., Ltd. Management of the Group performed impairment reviews of goodwill annually or more frequently if events or changes in circumstances indicated a potential impairment.

xvii. Pledge of Assets

As at 30 June 2025, the net book value of buildings, land and equipment pledged by the Group was nil (as at 31 December 2024: nil), and the pledged deposits amounted to approximately RMB21.55 million (as at 31 December 2024: approximately RMB61.67 million), primarily for letter of credit guarantees.

xviii. Funding and Treasury Policies

The Group's finance department is responsible for the funding and treasury policies with regard to the overall business operation of the Group. The Company 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. The Group continues to seek improvements in the return on equity and assets while maintaining prudent funding and treasury policies.

xix. Capital Expenditure

During the Reporting Period, the Group's capital expenditure on property, plant and equipment, land use rights and other intangible assets amounted to approximately RMB485.84 million (from January 2024 to June 2024: approximately RMB653.67 million).

xx. Capital Commitments

As at 30 June 2025, the Group had capital commitments of approximately RMB656.90 million (as at 31 December 2024: approximately RMB414.68 million), all of which were used for the purchase of property, plant and equipment.

xxi. Contingent Liabilities

As at 30 June 2025, the Group did not have any material contingent liabilities and guarantees that would have a material impact on the financial position or operations of the Group.

xxii. Subsequent Events

Please refer to the paragraph "Corporate Governance and Other Information – (XIV) Events After the Reporting Period" of this announcement for the details.

xxiii. Gearing Ratio

As at 30 June 2025, the gearing ratio (calculated by dividing total liabilities by total assets) of the Group was 13.88% (as at 31 December 2024: 12.58%).

xxiv. Adjusted Non-IFRS Measures

To supplement the Group's consolidated financial statements which are presented in accordance with IFRS, the Group has provided adjusted net profit attributable to shareholders of the parent and other data as additional financial measures, which are not required by or presented in accordance with IFRS. The Group believes that the adjusted financial measures are useful for understanding and assessing underlying business performance and operating trends. The Group's management and investors may benefit from referring to these adjusted financial measures in assessing the Group's financial performance by eliminating the impact of certain unusual, non-recurring, non-cash and/or non-operating items that the Group does not consider indicative of the performance of the Group's core business.

These non-IFRS financial measures, which the Group's management considers widely accepted and adopted in the industry, are provided to supplement the financial information prepared in accordance with IFRS. It is important to note that the presentation of these non-IFRS financial measures is not intended to be viewed in isolation or as a replacement for the IFRS-compliant financial information. Shareholders of the Group and potential investors should not solely rely on the adjusted results but should consider them in conjunction with the results reported under IFRS. Furthermore, these non-IFRS financial measures may not be directly comparable to similar measures used by other companies in the industry.

Additional data is provided below to reconcile adjusted net profit attributable to shareholders of the parent and adjusted net profit margin attributable to shareholders of the parent.

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(except percentage)	(except percentage)
Net profit attributable to the shareholders of the listed companies	**617,470**	499,131
Add: equity incentive amortization expense	**30,305**	33,966
Gain or loss on exchange rate fluctuations	**33,305**	(112,093)
Income tax effect	**450**	11,719
Adjusted net profit attributable to shareholders of the listed company	**681,530**	432,723
Adjusted net profit margin attributable to shareholders of the listed company	**21.38%**	16.30%

Notes:

In order to better reflect the key results of the Group's current business and operations, the adjusted net profit is based on the net profit attributable to shareholders of the parent, and adjusted for the following matters:

(1) share-based compensation expense;

(2) foreign exchange gains or losses, primarily generated from revaluation of the assets and liabilities denominated in foreign currencies and the fair value change of foreign currency forward contracts, which the management believes is irrelevant to the Group's core business;

(3) the calculation of the adjusted net profit margin attributable to shareholders of the parent is based on the above net profit attributable to shareholders of the parent.

xxv. Foreign Exchange Risk

The majority of our revenues are derived from sales denominated in USD, while most of our service and operating costs and expenses are denominated in Renminbi, and our financial data is presented in Renminbi. Consequently, when the Renminbi strengthens against the USD, our margins come under pressure, potentially limiting our ability to price our service contracts, especially those with our U.S. customers, in currencies other than the USD. The Group managed the foreign exchange risk by conducting regular reviews of the Group's net foreign exchange exposures and would consider the use of foreign exchange contracts to mitigate foreign exchange risk.

xxvi. Cash Flows

During the Reporting Period, the Group's net cash flows from operating activities amounted to RMB701.72 million, representing a decrease of RMB171.84 million as compared to the corresponding period of last year, mainly due to the decrease in the collection of trade receivables as a result of reduced revenue in 2024.

During the Reporting Period, the Group's net cash flows from investing activities amounted to RMB1,070.80 million, increasing by 252.80% compared with net cash flows used in investing activities amounted to RMB700.77 million of the same period last year. This increase was primarily due to the Group's reduced purchase of short-term and low-risk wealth management products of the banks and increased purchase of short-term pledged deposit, as well as the cash outflow for investments in associates of the Group in the corresponding period of last year.

During the Reporting Period, the Group's net cash flows used in financing activities amounted to RMB139.41 million, as compared to RMB1,418.49 million of the corresponding period of last year. The decrease was mainly due to the cash outflow for share repurchase in the corresponding period of last year.

xxvii. Capital Structure

Total equity attributable to Shareholders amounted to approximately RMB17,096.19 million as at 30 June 2025, as compared to approximately RMB16,862.57 million as at 31 December 2024.

III. MATERIAL INVESTMENTS, ACQUISITIONS AND DISPOSALS

During the Reporting Period, the Group did not have any significant acquisitions or disposals of subsidiaries, associates and joint ventures of the Company. As of 30 June 2025, the Group didn't hold any investments (including any investment in an investee company with a value of 5 percent or more of the Group's total assets as of 30 June 2025).

IV. EMPLOYEES AND REMUNERATION POLICY

As a leading CDMO company, we recognize the importance of cultivating and retaining a diverse pool of professionals with multi-disciplinary expertise. Our global team possesses advanced technical knowledge, strong execution capabilities, and a customer-centric culture, which enables us to help our clients overcome complex process development and manufacturing challenges through teamwork and collaboration.

Our Company firmly grasps and adheres to the strategy of talent introduction by optimizing various employment mechanisms such as talent selection, training, utilization, evaluation, incentive, and retention. We established talent management systems for our small molecule CDMO business and strategic emerging business, and accelerated the introduction of talent including business leaders and key technical positions in emerging business segments. In 2025H1, we recruited 54 experts, including 24 Ph.D., 4 senior executives and above, and 39 returnees and personnel with working backgrounds in overseas pharmaceutical companies.

As of 30 June 2025, we had a total of 9,106 employees (including senior management and excluding interns, individuals with disabilities and rehired retirees, etc.), of which 311 held Ph. D. degrees, 1,852 were masters, and 4,948 were undergraduates. The proportion of undergraduate students and/or above was approximately 78%. Additionally, we had 4,251 R&D and analysis personnel, accounting for approximately 47% of the total number of employees. The proportion of senior R&D personnel with master's and doctoral degrees among R&D personnel was 37%. We believe that our employees are the valuable wealth of the Company, and we serve as the platform for employees to show their talents and realize their values.

We attract and cultivate talent globally by offering a collaborative work environment, cutting-edge projects, a reasonable competitive remuneration package, and a community-driven career development platform. The Company is dedicated to developing a comprehensive and market-competitive compensation system for all employees, with a particular focus on key positions. We have established a multi-dimensional compensation structure comprising fixed salaries, performance-based bonuses, diverse welfare benefits and long-term incentives. We have made contributions to social security insurance funds (including pension insurance, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing provident funds, while providing diversified cash and non-cash benefits, such as supplementary commercial insurance, annual health check-ups and holiday benefits for our employees.

We offer internal training programs to equip our employees with the latest technology advancements, industry know-how, and regulatory developments. We have invested in continuing education and training programs for all employees, which encompass a leadership development program and a structured three-stage training program consisting of orientation training, probation period basic skills training and on-the-job training skills enhancement training. In response to multiple business demands, we have also tailored specific personnel training programs for targeted departments. These initiatives form a dedicated talent development framework aimed at cultivating specific talents within our management team and other employees to elevate their skills and knowledge continuously.

In terms of talent risk management, we have established the Values and Code of Conduct at the Company level, integrating a Supply Chain Code of Conduct to ensure compliance and monitor business development comprehensively, as well as providing fundamental principles and guidelines for employees to align their actions with the Company's value. The Diversity, Equity and Inclusion Policy was set up for employees, which undergoes periodic reviews and updates as the Company grows, aiming to safeguard the fundamental rights and interests of our employees.

The Company also has the 2022 ESOP, 2025 A Share Scheme and H Share Restricted Share Scheme in effect as of 30 June 2025.

During the Reporting Period, the Group did not experience any significant labour disputes or any difficulty in recruiting employees.

V. FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As of the date of this announcement, the Company did not have any existing plan for material investments or acquisition of capital assets in the second half of 2025.

VI. OUTLOOK AND PROSPECT

i. Core Advantages

Asymchem is a leading, technology driven CDMO providing comprehensive solutions and services throughout the drug development and manufacturing process. Our Company's industry experience covers more than two decades in small molecule drug development and manufacturing and has become an integral part of the global value chain for innovative drugs. With extensive know-how and advanced technologies, the Company has collaborated with diversified largest global pharmaceutical companies and has become the leading small molecule CDMO in China.

Drawing on our extensive industry knowledge, well-established R&D platforms, manufacturing capabilities, and stellar reputation with customers, we have enhanced our CDMO offerings to encompass cutting-edge drug modalities. These include peptides, oligonucleotides, monoclonal antibodies ("**mAbs**"), antibody-drug conjugates ("**ADCs**"), and messenger RNA ("**mRNA**"). Furthermore, we have expanded our service portfolio to encompass chemical macromolecule CDMO solutions, drug product solutions, biosynthesis solutions, and clinical CRO solutions, collectively referred to as our Emerging Services. Our vision is to become a reliable partner for the global pharmaceutical industry, providing superior one-stop CDMO services and solutions throughout the full lifecycle of drugs from their development to commercialization.

Leveraging our management team's global vision, intensive strategy, and local expertise, Asymchem is well positioned to capture the growing trend of global CDMO outsourcing to China, with its technological leadership and extensive know-how, established long-term relationships with global leading biopharma/biotechnology companies, as well as service capability expansion into new modalities and service types.

- **We have continued to develop as a technology driven CDMO providing comprehensive solutions with strong revenue growth performance of the flagship services through small molecule and emerging business services.** Asymchem has amassed over decades of experience and solidified its position in the small molecule business. Our collaborations with international multinational pharmaceutical companies have grown stronger. The gradual resumption of international business travel enables more clients to witness our capabilities firsthand, while an increasing number of advanced projects, including API verification initiatives, are successfully being implemented. We have effectively addressed external apprehensions regarding the partnerships between multinational pharmaceutical firms and Asymchem through tangible outcomes. Moreover, the enhancement of research and development production efficiency for small molecules, driven by collective efforts, coupled with ongoing cost reductions, ensures our sustained competitiveness. Serving as the foundational business of Asymchem, the prospects for small molecule CDMO remain promising with ample space for further growth.

We strive to further advance our market leadership in the small molecule CDMO market through the established reputation, advanced R&D platforms, robust manufacturing capabilities and high-quality customer services to diversified multinational pharmaceutical companies and leading biotechnology companies across different jurisdictions. Derived from six business lines of the emerging services segment, we spotted on peptide and oligonucleotide in chemical macromolecules, captured the blooming of biological macromolecules through integration service of ADC, various conjugated drugs, and payload linkers, and promoted export continuous flow technology and synthetic biology Technology. The two flagship technologies have evolved from individual components into full-fledged technological platforms. We can now offer external technology output, enabling partners from diverse fields to leverage our cutting-edge technological achievements to address their own pain points, leading to notable enhancements in efficiency and safety while significantly reducing costs. By leveraging the deep industry insights, we will continue to push forward emerging business, which we believe will drive the diauxic growth curve of the Company through the number of blockbuster drugs and several drug candidates of our other innovative projects which hold great promise to become blockbuster drugs in the future.

- **We have laid the groundwork for revenue growth and a broad project funnel through strong customer retention and expanding customer base.** Our Company has been able to retain its top global pharma companies' client base, which are favorable diversified multinational pharmaceutical companies, through a cooperative relationship of more than ten consecutive years which demonstrates very strong customer loyalty. Our Company is gaining traction in global pharmaceutical companies, small to midsize pharmaceutical companies and leading biotechnology companies by upholding a customer-centric business philosophy. The robust customer base with expansion allows us to have an extensive pipeline of projects at various stages creating a broad funnel to maintain a steady stream of small molecules business segments and increment of emerging services. Our commercial stage projects and late-stage clinical projects continue to increase, which has substantially improved the stability and predictability of our revenue growth.

- **We have continued to focus on advancing and evolving eight R&D platforms for technology leadership based on our customer-focused innovation root.** With a strategic emphasis on the "development" component of CDMO, our Company has been focusing on developing a top-tier technology platform and is among the CDMO companies that contribute the most to R&D per Frost & Sullivan Analysis. Our Company was one of the earliest CDMOs to apply continuous flow technology in drug production and is also one of the few that can apply the technology at the ton-level instead of gram-level, leading to simplified procedures, reduced processing duration and raw material cost, enhancement of yield and safety, and eventually turning out to be a cost efficiency to clients. As of 30 June 2025, certain number of our middle and late-stage clinical projects and commercial stage projects of the Company applied key technologies for green pharmaceuticals, generating favorable economic benefits and efficiency, including but not limited to continuous flow technology and synthetic biology technology, etc. CBTI enhanced internal R&D, strengthened forward-looking capabilities, and streamlined process development. This continued focus on R&D has enabled Asymchem to maintain its competitive edge and technology leadership in small molecule CDMO space and further development of emerging businesses. Meanwhile, promoting the export of green technologies, i.e., continuous flow technology and synthetic biology technology to external clients, allows Asymchem to enhance the industrial image, drive the industrial trend, and elevate to a higher level of source of revenue through technologies rather than customized manufacturing.

- **We have enriched the first-class operational and quality management capabilities meeting the stringent requirements from clients and global industry standards and have built a decent industry reputation.** Our extensive technical know-how in process development makes us a preferred choice for large customers. We can expediently solve a variety of complex process challenges in the scale-up production of innovative drugs, accelerating clinical development process and providing high-quality enhancement of yield and stable production during the commercial stage. Based on years of large-scale manufacturing experience, we have established a comprehensive, rigorous Current Good Manufacture Practices ("**cGMP**") quality system and a first-class environmental, health, and safety ("**EHS**") and quality assurance ("**QA**") system. In the past, we have an outstanding track record of ESH and EA system compliance and further extensive improvement and development on the rapid upgrading of supplier requirements from several clients i.e. multiple pharmaceutical companies through their individual ESG standards.

- **We have further enhanced our fully integrated platform from different aspects including talent introduction and capacities expansion.** In 2025H1, while keeping our cost-effectiveness and cost-efficiency as one of our core principles, we continuously strengthened talent recruitment and cultivation, and constantly improved the employment mechanisms, accelerating the embracing of talents, including key technical personnel in emerging business segments and senior executive talents with professional working backgrounds and extensive experience in overseas pharmaceutical companies. In addition, we accelerated construction of multiple production capacity expansion including but not limited to the peptide commercial production, achieving a commercialized solid-phase synthesis capacity exceeding 30,000L to meet the growing demand for peptide production, prioritized the development of the exclusive production workshop for multiple pilot-to-commercialization production lines for oligonucleotide, initiated commercial production capacity renovation and expansion in biological macromolecules CDMO business. As of 30 June 2025, we had multiple R&D centers, manufacturing sites, production facilities and branches/offices across China, the United States, the United Kingdom, and other regions.

- **We have maintained a stable, visionary, experienced senior executive management team who have long-term industry and operation experience with a sophisticated corporate governance sense, supported by talented and dedicated employees.** Our Company is led by the founder, Chairperson, and CEO Dr. Hao Hong and a group of senior executives with an average of more than 20 years of profound experience in their respective fields. The management team is also very stable with multiple members joining during the early days of the Company and several others who have been at the Company for over 10 years. Combined with the diversified talent pool and employees with a global vision, advanced technical knowledge, sturdy execution capabilities, and a strong sense of ownership, it is likely to continue driving the Company's growth.

- **We have maintained a healthy financial position with a long-term cash runway which provides flexibility for further development and overseas expansion.** After the global offering of the Company, having been successfully dual listed on the Main Board of the Hong Kong Stock Exchange, we have more than RMB6.79 billion cash and cash equivalents on hand. The healthy financial positions and consistently efficient capital allocation provide us with flexibility on the long-term strategy i.e. roll out our global footprint through overseas capacities, dual stock markets employee share schemes, and share buyback, etc.

ii. 2025 Strategy Highlights

In 2025, despite the complex and volatile international landscape and the slow recovery of financing for small and medium-sized pharmaceutical companies both domestically and abroad, Artificial Intelligence ("**AI**") technology has accelerated the development of innovative drugs, bringing new opportunities and challenges to domestic CDMO companies, including Asymchem. Following years of rapid growth, the Company now faces an urgent need to upgrade its management system to drive cost reduction and efficiency improvements. At the same time, the Company must expedite the expansion of its overseas production capacity and deepen cooperation with overseas clients, especially multinational pharmaceutical companies. Although challenges persist, the industry as a whole has gradually emerged from its most difficult period. The mark has been significantly boosted by the growth potential of GLP-1 drugs, and the ongoing activity in drug categories such as ADC and small nucleic acids has also brought fresh opportunities to the industry. Moreover, the trend of specialized division of labor in the global pharmaceutical industry remains unchanged. In the face of both challenges and opportunities, the Company will focus on the following key initiatives in 2025.

Accelerating Capacity Expansion: Expanding Production Capacity in Protential Fields

As a leading Chinese CDMO company that was originally established in the United States early on and later built its own production capacities upon returning to China, Asymchem has been seeking suitable production capacities or bases outside of China in previous years to maintain robust production support. We successfully obtained our first R&D and pilot production base in Europe. This will expand our business areas with competitive advantages, extend our service radius, and deepen cooperation with overseas customers, especially multinational pharmaceutical companies. We anticipate utilizing this as a lever to broaden our service areas and customer base, further attract domestic and international orders, continuously penetrate into the international market, accelerate our global footprint, and thereby further ensure future growth certainty and increase order visibility.

Optimizing Profitability: Reinforcing Backbone Business and Overall Operation

Adhering to years of leading professional accumulation and profound experience in the small molecule CDMO industry, Asymchem will (i) consistently prioritize to steadily increase the gross profit margin of the small molecule CDMO business, strictly control production costs by improving efficiency and management optimization, further reduce raw material costs through technological research and development; (ii) under the premise of prioritizing development, reasonably control the various costs of emerging businesses, especially the growth of fixed costs; and (iii) rigorously control unnecessary administrative expenses to optimize the overall profitability of the Company.

Building Capability: Advancing Emerging Services Offerings

We will vigorously accelerate the development of Emerging Services, striving to significantly enhance delivery capability and swiftly expand overseas markets. We will (i) upgrade management and operational systems, allocate resources synergistically, focus on delivering emerging business projects and capability building; (ii) expedite the rapid establishment of commercial production capacity for small nucleic acids, peptides, and ADCs, and achieve further breakthroughs in commercial project undertakings; (iii) leverage recent technological accumulation and performance records, synergize with the Company's accumulated customer resources and reputation, accelerate the exploration of overseas markets for emerging businesses; and (iv) further enhance the design and manufacturing of continuous flow reaction equipment, vigorously promote the application of continuous flow technology in multiple fields and strengthen the cooperation model with clients for the output of continuous flow reaction technology.

Technology Driven: Strengthening R&D Platform Capabilities

We will (i) maintain a substantial commitment to research and development investment, establish an iteratively evolving research and development platform, create cross-department collaboration models for processes, engineering, and equipment, fortify process synthesis route design and optimization using state-of-the-art research and development methodologies to facilitate order fulfillment; (ii) continually bolster the development of synthetic biology technology platforms, advocate for the integration of these platforms across different sectors, and cultivate manufacturing capabilities for synthetic biology products; and (iii) prioritize research and application in intelligent technology, digital platform construction, etc., leveraging advanced control methods to drive the advancement of intelligent manufacturing technology and the implementation of intelligent production in factories.

Operational Excellence: Enhancing Efficiency and Cost-effectiveness through System Upgrades

Looking back over the past decade, Asymchem has been able to seize opportunities every few years, undertaking and seamlessly completing high-quality orders with substantial amounts. In recent years, the rapid development of AI in the healthcare industry has presented new challenges and opportunities for the Company. We will consistently enhance the organizational and procedural development of operational management systems to drive continuous improvements in management efficiency and reinforce the cultivation of corporate culture, while emphasizing a people-centric approach to recruitment, ongoing enhancement of management talent, refinement of incentive structures, productivity enhancement, fostering unity, and boosting overall staff effectiveness. Additionally, we will retain our focus on excelling in the implementation of management digitization and digital transformation.

iii. Potential Risk Factors and Solutions

The Company is a global industry leading CDMO enterprise, specializing in the technological innovation and commercialization of global pharmaceutical processes. It also serves as a one-stop provider of drug development and manufacturing services for large and medium-sized pharmaceutical and biotechnology companies both domestically and internationally. Potential risks that the Company may encounter include issues related to the withdrawal or large-scale recall of major innovative drugs, operational challenges during clinical project stages, life cycle turnover, lower-than-anticipated market sales of key innovative drugs, failure to pass ongoing review by international drug regulatory authorities, loss of essential technical personnel, environmental protection and safety in production, as well as geopolitical issues, international trade disputes and exchange rate fluctuations.

CORPORATE GOVERNANCE AND OTHER INFORMATION

I. AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY

At the Company's first extraordinary general meeting, the first A Shares class meeting and the first H Shares class meeting of 2025 held on 3 April 2025, and the second extraordinary general meeting, the third A Shares class meeting and the third H Shares class meeting of 2025 held on 6 August 2025, the Shareholders passed the amendments to the Articles of Association as special resolutions respectively. For details, please refer to the relevant announcements of the Company dated 18 March 2025, 3 April 2025, 18 July 2025 and 6 August 2025 and the circulars of the Company dated 18 March 2025 and 22 July 2025, respectively.

II. RAISING FUNDS

During the Reporting Period, there was no fund-raising activity carried out by the Company.

III. CONVERTIBLE BONDS

During the Reporting Period, the Group did not issue any convertible bonds.

IV. SUFFICIENCY OF PUBLIC FLOAT

The Hong Kong Stock Exchange has granted the Company a waiver from strict compliance with Rule 8.08(1)(b) of the Hong Kong Listing Rules, subject to the minimum public float of the Company being the highest of (a) 7.0% of the total issued share capital of the Company, or (b) such higher percentage of H Shares held by the public immediately after the completion of the Global Offering as a result of the issue of H Shares upon the exercise of the Over-allotment Option, and the minimum percentage of H Shares of the Company from time to time not subject to lock-up (i.e. free float) being the highest of (a) 7.0% of the total issued share capital of the Company, or (b) such increased percentage of free float H Shareholders as a result of the issue of H Shares upon the exercise of the Over-allotment Option immediately following the completion of the Global Offering. Based on the information that is publicly available to the Company and within the knowledge of the Board, the Company has maintained the prescribed minimum public float and free float required by the Hong Kong Stock Exchange during the Reporting Period and as at the date of this announcement.

V. PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association, or the laws of the PRC, which would oblige the Company to offer new Shares on a pro-rata basis to its existing Shareholders.

VI. CHANGES IN INFORMATION OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE

During the Reporting Period and up to the date of this announcement, the composition of the Board of Directors changed as follows:

Mr. Lee, Kar Chung Felix	–	Mr. Lee, Kar Chung Felix retired from the positions of an independent non-executive Director, the chairperson of the Nomination Committee and a member of the Strategy Committee with effect from 6 August 2025. For further details, please refer to the relevant announcements of the Company dated 18 July 2025 and 6 August 2025.
Mr. Xie Weikai	–	Following the retirement of Mr. Lee, Kar Chung Felix, Mr. Xie Weikai was elected as an independent non-executive Director to fill the vacancy of Mr. Lee, Kar Chung Felix with effect from 6 August 2025. Mr. Xie Weikai was also appointed as the chairperson of the Nomination Committee and a member of the Remuneration and Examination Committee with effect from 6 August 2025. For further details, please refer to the relevant announcements of the Company dated 18 July 2025 and 6 August 2025 and the circular of the Company dated 22 July 2025.
Mr. Zhang Da	–	Mr. Zhang Da retired as a member of the Remuneration and Examination Committee with effect from 6 August 2025. For further details, please refer to the relevant announcements of the Company dated 6 August 2025.
Mr. Hong Liang	–	Mr. Hong Liang retired as a member of the Nomination Committee with effect from 6 August 2025. For further details, please refer to the relevant announcements of the Company dated 6 August 2025.
Dr. Sun Xuejiao	–	Dr. Sun Xuejiao was appointed as a member of the Strategy Committee and a member of the Nomination Committee with effect from 6 August 2025. For further details, please refer to the relevant announcements of the Company dated 6 August 2025.

In addition, the Shareholders passed the resolutions in relation to abolition of the Board of Supervisors on 6 August 2025, pursuant to which, Ms. Zhi Xinxin, Ms. Hou Jingyi and Ms. Di Shanshan had ceased to be the Supervisors since 6 August 2025. For details, please refer to the relevant announcements of the Company dated 18 July 2025 and 6 August 2025 and the circular of the Company dated 22 July 2025.

Save as disclosed in this announcement, there were no other changes to the Directors', Supervisors' and chief executive's information required to be disclosed pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules.

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

i. A Share Repurchase

Pursuant to the repurchase plan as approved by the Shareholders on 29 February 2024, the Company is in the process of repurchasing part of the A Shares with self-owned funds through centralized price bidding which will be used to implement the employee share ownership plan or the share incentive scheme of the Company and cancellation and reduction of the registered capital. The number of repurchased A Shares used to implement the employee share ownership plan or the share incentive scheme is no more than 60% of the total number of repurchased A Shares, and the number of repurchased A Shares used for cancellation and reduction of the registered capital is not less than 40% of the total number of repurchased A Shares. Such repurchase was financed entirely with the Company's self-owned funds, ensuring that the transaction price did not surpass the stipulated maximum limit of RMB157.00 per Share (inclusive) as outlined in the repurchase plan. For more details, please refer to the relevant announcements of the Company dated 31 January 2024 and 29 February 2024, and the circular of the Company dated 6 February 2024.

In light of the 2023 annual distribution of dividends, the Company adjusted the maximum repurchase price of the A Shares to RMB155.27 per Share accordingly pursuant to the requirements of the CSRC and the Shenzhen Stock Exchange, with effective from 28 June 2024 (ex-rights and ex-dividend date). For further details, please refer to the relevant announcement of the Company dated 27 June 2024.

As of 18 February 2025, the aforementioned A Share repurchase had been completed. The implementation period for the A Share repurchase was from 7 March 2024 to 18 February 2025. The Company had successfully accumulatively repurchased 12,300,701 A Shares, representing 3.6161% of the Company's total A Share capital, through the centralized competitive bidding process on the Shenzhen Stock Exchange. The repurchase prices ranged from a minimum of RMB71.65 to a maximum of RMB102.00 per Share, utilizing a total of RMB999,644,601.56 in funds (excluding commissions and additional fees). The operation was conducted in full compliance with applicable laws and regulations, aligning with the predetermined repurchase strategy. Following the review and confirmation by the Shenzhen Branch of the China Securities Depository and Clearing Co., Ltd., the cancellation of the Company's repurchased A Shares was completed on 26 February 2025. For further details, please refer to the relevant announcements of the Company dated 18 February 2025 and 27 February 2025.

Set forth below is a monthly breakdown of repurchases of Shares made during the Reporting Period.

Month	**Number of Shares repurchased**	**Highest price paid for such repurchase** *(RMB)*	**Lowest price paid for such repurchase** *(RMB)*	**Aggregate price paid for such repurchase** *(RMB)*
February 2025	12,300,701 A Shares	102.00	71.65	82.37

ii. Repurchase and Cancellation of Certain Restricted A Shares Granted Under the 2020 Restricted A Share Incentive Scheme

As certain participants of the 2020 Restricted A Share Incentive Scheme resigned, on 16 August 2024, the Board considered and approved the repurchase and cancellation of 1,680 restricted A Shares under the reserved grant of 2020 Restricted A Share Incentive Scheme at a repurchase price of RMB102.46 per A Share. All funds required for such repurchase and cancellation (i.e. RMB172,132.80) are derived from our internal funds. On 3 April 2025, the first extraordinary general meeting of 2025, the first A Shares class meeting of 2025 and the first H Shares class meeting of 2025 approved such repurchase and cancellation of restricted A Shares. Such repurchase and cancellation of restricted A Shares did not have any material impact on the operating results or financial conditions of the Company. For further details, please refer to the relevant announcements of the Company dated 16 August 2024, 3 April 2025 and the circular of the Company dated 18 March 2025. The above repurchase and cancellation of restricted A Shares had been completed as of 26 May 2025. For further details, please refer to the relevant announcement of the Company dated 26 May 2025.

Save as disclosed above, during the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury Shares). As of 30 June 2025, the Company held 1,442,700 treasury Shares which will be used to implement the employee share ownership plans or share incentive schemes of the Company and cancellation and reduction of the registered capital.

VIII. USE OF NET PROCEEDS FROM THE ISSUANCE OF SECURITIES

i. Use of Net Proceeds from the Global Offering

The net proceeds from the Global Offering (after deducting the underwriting fees and related listing expenses) (the "**Global Offering Proceeds**") amounted to approximately HKD7.318.06 million[(1)], and the balance of unutilized Global Offering Proceeds of approximately HKD1,209.90 million as of 30 June 2025.

The Global Offering Proceeds have been and will be utilized in accordance with the purposes set out in the Prospectus, except for the changes the Company made to the main purposes of several projects in January 2025. The table below sets out the planned applications of the Global Offering Proceeds and actual usage up to 30 June 2025:

Use of Global Offering Proceeds		Allocation of Global Offering Proceeds *(HKD million)*	Allocation of Global Offering Proceeds *(RMB million)*	Unutilized amount (as of 1 January 2025) *(HKD million)*	Utilized amount during the Reporting Period *(HKD million)*	Utilized amount (up to 30 June 2025) *(HKD million)*	Unutilized amount (as at 30 June 2025) *(HKD million)*	Expected timeline for utilizing the remaining allocated Global Offering Proceeds
To further enhance the manufacturing capacity and capabilities of our small molecule CDMO solutions	20%	1,463.61	1,195.82	599.43	219.90	1,084.08	379.53	
– To construct comprehensive small molecule R&D and manufacturing site and to purchase relevant equipment and machinery	15%	1,097.71	896.86	599.43	219.90	718.18	379.53	In or before December 2025
– To upgrade the equipment and machinery and expand the capacity of our existing manufacturing sites in Tianjin and Dunhua	5%	365.90	298.96	–	–	365.90	–	N/A
To strengthen our Emerging Services and expand our service offerings	35%	2,561.32	2,092.68	34.03	27.90	2,555.19	6.13	
– To construct a R&D and manufacturing facility for oligonucleotides and polypeptides in Tianjin and invest in R&D and manufacturing facilities for recombinant DNA products (including mAb) and ADC	20%	1,463.61	1,195.82	–	–	1,463.61	–	N/A
– To improve our capabilities related to our biosynthesis solutions and drug products solutions	10%	731.81	597.91	–	–	731.81	–	N/A

Use of Global Offering Proceeds		Allocation of Global Offering Proceeds *(HKD million)*	Allocation of Global Offering Proceeds *(RMB million)*	Unutilized amount (as of 1 January 2025) *(HKD million)*	Utilized amount during the Reporting Period *(HKD million)*	Utilized amount (up to 30 June 2025) *(HKD million)*	Unutilized amount (as at 30 June 2025) *(HKD million)*	Expected timeline for utilizing the remaining allocated Global Offering Proceeds
– To improve our capabilities related to our biosynthesis solutions and drug products solutions and construct a R&D and manufacturing facility in Tianjin for oligonucleotides and polypeptides	5%	365.90	298.95	34.03	27.90	359.77	6.13	In or before December 2025
To invest in R&D initiatives and maintain our technology leadership	20%	1,463.61	1,195.82	–	–	1,463.61	–	
– To upgrade our flow and continuous technology platform	10%	731.81	597.91	–	–	731.81	–	N/A
– To fund the R&D initiatives led by our Center of Biosynthesis Technology (CBST)	10%	731.80	597.91	–	–	731.80	–	N/A
To strategically set up foreign subsidiaries, engage in overseas investments to further expand production capacities, enhance overseas sales centers, and acquire equity interests in target companies	15%	1,097.71	896.86	930.27	106.03	273.47	824.24	In or before December 2025
For working capital and general corporate purposes	10%	731.81	597.91	–	–	731.81	–	N/A
	100%	7,318.06	5,979.09	1,563.73	353.83	6,108.16	1,209.90	

Note:

(1) The total Global Offering Proceeds included approximately HKD6,844.27 million from the Global Offering in December 2021 and HKD473.79 million from the partial exercise of over-allotment option in January 2022 as disclosed in the announcement of the Company dated 2 January 2022.

Changes and Delay in the Use of Part of the Global Offering Proceeds

On 4 July 2025, in light of market conditions and the Company's business needs, the Company proposed the below changes in part of the use of the Proceeds.

Main purposes	**Proportion before the changes**	**Allocation of Global Offering Proceeds before the changes** *(HKD million)*	**Allocation of Global Offering Proceeds before the changes** *(RMB million)*	**Proportion after the changes**	**Allocation of Global Offering Proceeds after the changes** *(HKD million)*	**Allocation of Global Offering Proceeds after the changes** *(RMB million)*	**Expected timeline for utilizing the Remaining allocated Global Offering Proceeds before the changes**	**Expected timeline for utilizing the Remaining allocated Global Offering Proceeds after the changes**
To construct comprehensive small molecule R&D and manufacturing site and to purchase relevant equipment and machinery (the "**Comprehensive Small Molecule Construction Project**")	15%	1,097.71	896.86	13.0%	951.35	777.28	In or before December 2025	In or before December 2028
To improve our capabilities related to our biosynthesis solutions and drug products solutions and construct a R&D and manufacturing facility in Tianjin for oligonucleotides and polypeptides (the "**New Business Capabilities Construction Project**")	5%	365.90	298.95	7.0%	512.26	418.53	In or before December 2025	In or before December 2028
To strategically set up foreign subsidiaries, engage in overseas investments to further expand production capacities, enhance overseas sales centers, and acquire equity interests in target companies (the "**Strategic Overseas Investment and Acquisition Project**")	15%	1,097.71	896.86	15%	1,097.71	896.86	In or before December 2025	In or before December 2028

Reasons for the Changes and Delay in the Use of Part of the Global Offering Proceeds

The changes in Global Offering Proceeds are aligned with the Company's future development strategy. Despite the complex and evolving international economic landscape, the fundamental trend of increasing specialization in the global pharmaceutical industry remains unchanged. Outsourcing penetration rate by big pharmaceutical companies continues to rise, and the sustained activeness of biotech companies is driving the continued expansion of the global CDMO industry. The global pharmaceutical sector is gradually recovering from its most challenging period. The emergence of GLP-1 has opened up substantial incremental market opportunities, and the ongoing momentum in drug categories such as ADCs and small nucleic acid presents new growth opportunities. In response to changes in the global pharmaceutical landscape, corresponding changes were proposed to be made to the use of the Global Offering Proceeds for the three projects above-mentioned:

The Change in relation to the Comprehensive Small Molecule Construction Project

The Company continues to improve capacity utilization efficiency through technological advancement and economies of scale. At the same time, the Company is actively expanding its overseas small molecule R&D and commercial production capacity. Accordingly, the Global Offering Proceeds for the Comprehensive Small Molecule Construction Project will be slightly reduced, and the geographical coverage of the use of the Global Offering Proceeds will be expanded from China to a global scale.

The Change in relation to the New Business Capabilities Construction Project

As the Company's emerging business enters a stage of rapid development, and in response to this trend, the Company proposes to increase investment in R&D and production facilities related to peptides, oligonucleotides, drug product, and synthetic biology solutions in response to this trend.

The Change in relation to the Strategic Overseas Investment and Acquisition Project

The Company is actively advancing its overseas strategic initiatives. In view of the longer construction cycles for overseas capacity and the time required to identify acquisition targets and close the transactions, the expected timeline for completion of use of the Global Offering Proceeds for the Strategic Overseas Investment and Acquisition Project will be moderately extended.

For more details on the changes and delay in the use of part of the Global Offering Proceeds, please refer to the announcements of the Company dated 4 July 2025 and 6 August 2025, and the circular of the Company dated 22 July 2025.

ii. Use of Net Proceeds from A Share Non-Public Offering

The Company issued 10,178,731 A Shares with an offering price of RMB227.00 per Share to designated investors in September 2020 and raised net proceeds (the "**A Share Non-Public Offering Proceeds**") of RMB2,274,960,656.06 (net of expenses related to the A Share Non-Public Offering). The following table sets out the projects funded by the A Share Non-Public Offering Proceeds and the use of the A Share Non-Public Offering Proceeds for such projects as of 30 June 2025:

No.	Implementation entity	Project name	Total investment amount *(RMB0'000)*	Investment amount proposed to be funded by the A Share Non-Public Offering Proceeds *(RMB0'000)*	Accumulated investment amount as of 30 June 2025 *(RMB0'000)*	Expected timeline to fully utilize the allocated A Share Non-Public Offering Proceeds
1.	Asymchem Life Science (Tianjin) Co., Ltd. (凱萊英生命科學技術(天津)有限公司)	Expansion Project of One-stop Service Platform for Innovative Drugs of Asymchem Life Science (Tianjin) Co., Ltd.	68,000.00	2,204.63	2,204.63	N/A
2.	Shanghai Asymchem Biotechnology Co., Ltd. (上海凱萊英生物技術有限公司)	Construction Project of R&D and Production Platform for Biological Macromolecule Innovative Drugs and Preparations	62,236.45	6,551.69	6,551.69	N/A
3.	Asymchem Pharmacy (Jiangsu) Co., Ltd. (凱萊英藥業(江蘇)有限公司)	Biomedical R&D and Production Integration Base Project of Asymchem Pharmacy (Jiangsu) Co., Ltd. (the "**Taixing Project**")	230,938.65	60,000.00	6,632.28	On or before 30 June 2026
4.	Asymchem Life Science (Tianjin) Co., Ltd. (凱萊英生命科學技術(天津)有限公司)	Chemical Macromolecule Project of Asymchem Life Science (Tianjin) Co., Ltd.	50,000.00	40,000.00	40,000.00	N/A
5.	Tianjin Asymchem Biotechnology Co., Ltd. (天津凱萊英生物科技有限公司)	Key Green Technology Development and Industrialization Project of Tianjin Asymchem Biotechnology Co., Ltd.	40,000.00	13,257.10	13,257.10	N/A

No.	Implementation entity	Project name	Total investment amount *(RMB0'000)*	Investment amount proposed to be funded by the A Share Non-Public Offering Proceeds *(RMB0'000)*	Accumulated investment amount as of 30 June 2025 *(RMB0'000)*	Expected timeline to fully utilize the allocated A Share Non-Public Offering Proceeds
6.	Tianjin Asymchem Biotechnology Co., Ltd. (天津凱萊英生物科技有限公司)	High-end Formulation Pilot and Industrialization Project of Tianjin Asymchem Biotechnology Co., Ltd. (the "**Formulation Pilot and Industrialization Project**")	11,000.00	10,000.00	7,605.01	On or before 30 June 2026
7.	Asymchem Life Science (Jiangsu) Co., Ltd. (凱萊英生命科學技術(江蘇)有限公司)	Pharmaceutical R&D Center Project of Asymchem Life Science (Jiangsu) Co., Ltd. (the "**R&D Center Project**")	30,000.00	20,000.00	11,601.30	On or before 30 June 2026
8.	Asymchem Life Science (Tianjin) Co., Ltd. (凱萊英生命科學技術(天津)有限公司)	Phase I Project of the Construction of Continuous Reaction Technology Service Platform of Asymchem Life Science (Tianjin) Co., Ltd. (the "**Continuous Reaction Technology Project**")	12,000.00	10,000.00	9,999.97	On or before 30 June 2025
9.	Asymchem Life Science (Tianjin) Co., Ltd. (凱萊英醫藥集團(天津)股份有限公司)	To supplement working capital	66,057.20	66,057.20	66,057.20	N/A
				228,070.62	**163,909.18**	

Specific Scheme for the Changes in A Share Non-Public Offering Proceeds

To align with the Company's development strategy, and for the purpose of effectively improving the efficiency of the use of the A Share Non-Public Offering Proceeds, the Company intends to change the use of the remaining A Share Non-Public Offering Proceeds allocated to the Taixing Project, under which the remaining A Share Non-Public Offering Proceeds in the Taixing Project will be (i) reallocated to a new project — the Chemical Macromolecule Integrated R&D and Manufacturing Project of Asymchem Life Science (Tianjin) Co., Ltd. (the "**Chemical Macromolecule Integration Project**"), and (ii) reallocated to the Formulation Pilot and Industrialization Project, with the expected timeline to fully utilize the allocated A Share Non-Public Offering Proceeds to be extended to 30 June 2027. In addition, the expected timeline to fully utilize the allocated A Share Non-Public Offering Proceeds for the R&D Center Project will be extended to 31 December 2028 (the "**Changes in A Share Non-Public Offering Proceeds**"). The particulars are as follows:

Project name	Investment amount proposed to be funded by the A Share Non-Public Offering Proceeds (before the Changes in A Share Non-Public Offering Proceeds) *(RMB0'000)*	Unused A Share Non-Public Offering Proceeds (before the Changes in A Share Non-Public Offering Proceeds) *(RMB0'000)*	Amount of the Changes in A Share Non-Public Offering Proceeds *(RMB0'000)*	Investment amount proposed to be funded by the A Share Non-Public Offering Proceeds (after the Changes in A Share Non-Public Offering Proceeds *(RMB0'000)*	Expected timeline for utilizing the remaining allocated A Share Non-Public Offering Proceeds before the changes	Expected timeline for utilizing the remaining allocated A Share Non-Public Offering Proceeds after the changes
The Taixing Project	60,000.00	53,367.72	(53,367.72)	6,632.28	on or before 30 June 2026	–
The Chemical Macromolecule Integration Project	–	–	47,367.72	47,367.72	–	on or before 31 December 2028
The Formulation Pilot and Industrialization Project	10,000.00	2,394.99	6,000.00	16,000.00	on or before 30 June 2026	on or before 30 June 2027
The R&D Center Project	20,000.00	8,398.70	–	20,000.00	on or before 30 June 2026	on or before 31 December 2028

Information on the Changes in A Share Non-Public Offering Proceeds

(A) Changes in A Share Non-Public Offering Proceeds for the Taixing Project

1. Original Investment Plan and Use of Proceeds for the Taixing Project

   At the inception of the Taixing Project, the Company planned to leverage its accumulated technological advantages in the field of chemical drugs to build a sustainable model characterized by low energy consumption, low emissions, and high efficiency. The objective was to enhance its integrated R&D and manufacturing capabilities for small molecule projects, support the development and commercialization of innovative drugs for indications such as diabetes, cardiovascular and cerebrovascular diseases, immune system disorders, and oncology, thereby strengthening its competitiveness in domestic and overseas markets and promoting the healthy and sustainable development of the pharmaceutical industry.

   The total investment amount in the Taixing Project was RMB2,309.39 million, of which RMB600 million was originally intended to be funded by the A Share Non-Public Offering Proceeds, which included RMB214.36 million for construction works, RMB269.48 million for equipment procurement, and RMB116.16 million for installation works. The construction scope included one new manufacturing workshop, one production control center, one R&D building, and various ancillary facilities for R&D, production, and environmental protection. A total of 218 units of R&D and production equipment and 17 auxiliary systems were to be procured to support the R&D and commercial-scale production of small molecule CDMO services.

   According to preliminary estimates, the Taixing Project was expected to generate a total return on investment of no less than 14.31%, with an investment payback period of less than 7.32 years (including the construction period), indicating sound economic benefits and alignment with the Company's long-term development objectives.

   As of 30 June 2025, the Company had invested approximately RMB66.32 million in the Taixing Project using the A Share Non-Public Offering Proceeds, with RMB533.68 million remaining unutilized, representing progress in use of A Share Non-Public Offering Proceeds of 11.05%. The Taixing Project was determined after careful analysis based on then-prevailing market conditions, industry trends, and the Company's actual circumstances, and was consistent with the Company's development strategy at the time.

2. Reasons for the Changes in A Share Non-Public Offering Proceeds for the Taixing Project

   Although the feasibility of the Taixing Project had been fully demonstrated in the early stage, considering changes in market dynamics and the Company's operating conditions, the Company believes that, as the overall efficiency of its small molecule capacity continues to improve through technologies such as continuous flow technology and with the benefit of economies of scale, the demand for capacity in the chemical macromolecule business and drug product business for new molecular types segments has become significantly more urgent. As such, the Company proposes to reallocate part of the A Share Non-Public Offering Proceeds originally intended for enhancing small molecule capabilities to these two business segments, which is expected to improve the efficiency of fund utilization and provide a solid foundation for sustaining the Company's growth. In addition, the construction of the Taixing Project will continue to be advanced in phases by the Company using other types of funds.

This change in the use of A Share Non-Public Offering Proceeds is a prudent decision made after careful consideration. The Company will continue to invest in the construction of the Taixing Project in phases using its own funds, based on the ongoing execution of small molecule project orders.

(B) The New Chemical Macromolecule Integration Project to Be Funded by the A Share Non-Public Offering Proceeds and Delay in the Expected Timeline

The Company intends to reallocate the remaining RMB473.68 million of the unused A Share Non-Public Offering Proceeds in the Taixing Project to a new project, namely the Chemical Macromolecule Integration Project of Asymchem Life Science (Tianjin) Co., Ltd.

(1) Project name: the Chemical Macromolecule Integrated R&D and Manufacturing Project of Asymchem Life Science (Tianjin) Co., Ltd.

(2) Project implementation entity: Asymchem Life Science (Tianjin) Co., Ltd. (凱萊英生命科學技術(天津)有限公司)

(3) Project implementation location: Western District of the Economic – Technological Development Area, Tianjin, China

(4) Project construction period: 48 months

(5) Project investment amount: RMB508.00 million, including approximately RMB486.97 million for fixed assets investment and approximately RMB11.03 million for initial working capital. The Company intends to use RMB473.68 million of the A Share Non-Public Offering Proceeds to implement this project, with the remaining balance settled through self-financing of the Company.

(6) Project construction: The project involves the construction of one quality control building and installation of 650 units/sets of R&D and manufacturing equipment for oligonucleotide, peptide, and oncology drug production in existing production workshops.

(C) The Changes in A Share Non-Public Offering Proceeds for the Formulation Pilot and Industrialization Project and Delay in the Expected Timeline

In light of the robust development of the Company's drug product business, the Company will increase the investment amount in the Formulation Pilot and Industrialization Project and extend the timeline for its completion. The particulars are as follows:

	Before the Changes in A Share Non-Public Offering Proceeds		**After the Changes in A Share Non-Public Offering Proceeds**	
Item	**Total investment amount** *(RMB0'000)*	**Committed investment amount** *(RMB0'000)*	**Total investment amount** *(RMB0'000)*	**Committed investment amount** *(RMB0'000)*
Amount of Proceeds committed to be used for the Formulation Pilot and Industrialization Project	11,000	10,000	17,195.60	16,000
Date of reaching the expected conditions for use	30 June 2026		30 June 2027	

(D) The Delay in the Expected Timeline in the Use of the A Share Non-Public Offering Proceeds for the R&D Center Project

Although the Company had conducted sufficient feasibility assessments for its proceeds-funded projects in the early stages, there remain various uncontrollable factors during the actual construction and implementation process. As of the date of this announcement, the construction works of main body of the R&D Center Project have been substantially completed. However, the procurement of certain major imported R&D equipment and custom-manufactured equipment has lagged behind the original schedule, which has to some extent affected the overall progress of this project. In addition, in line with the Company's overall development strategy, while maintaining a high utilization rate of small molecule capacity and ensuring order fulfillment, the capital expenditure for small molecule capacity has been paced at a reasonable rate, resulting in the overall progress of the R&D Center Project falling short of the original schedule and being unable to reach the expected usable condition within the expected timeline.

In view of the above, based on the actual construction progress of the R&D Center Project and the Company's development strategy, and from the perspective of long-term planning, the Company proposes, after careful consideration, to extend the timeline for the R&D Center Project to reach the expected usable condition to December 2028, without changing the project implementation entity, implementation method, use of proceeds or total investment amount.

Impact of the Changes in the Use of Part of the A Share Non-Public Offering Proceeds on the Company

The changes in the use of part of the A Share Non-Public Offering Proceeds, the establishment of a new project, the adjustment of the investment amount for certain projects, and the extension of the implementation timeline for certain projects are prudent decisions made by the Company after comprehensive assessment of the external market environment, project implementation needs, and the Company's strategic plan for future business development. These changes are conducive to improving the efficiency in the use of the A Share Non-Public Offering Proceeds, optimizing the Company's capacity layout and operational efficiency, and enhancing the Company's overall competitiveness. The changes are in line with the Company's development strategy and long-term interests, as well as the interests of all Shareholders. They do not prejudice the interests of the Company or its Shareholders, especially minority Shareholders, nor will they have any material adverse impact on the Company's operations.

For more details on the changes in the use of the A Share Non-Public Offering Proceeds and relevant new projects, please refer to the announcements of the Company dated 4 July 2025 and 6 August 2025, and the circular of the Company dated 22 July 2025.

The expected timeline for utilizing the remaining proceeds from the Global Offering and the A Share Non-Public Offering is set on the basis of the best estimation of the Company taking into account, among other factors, prevailing and future market conditions and business developments and needs, and therefore is subject to changes.

IX. INTERIM DIVIDENDS

The Board has resolved not to declare the payment of an interim dividend to the Shareholders for the six months ended 30 June 2025 (2024: Nil).

X. MATERIAL LITIGATION

During the Reporting Period, the Company was not engaged in any material litigation or arbitration of material importance, or the Directors were not aware of any material litigation or claim pending or threatened against the Group.

XI. MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Hong Kong Listing Rules. Specific enquiries have been made to all the Directors and they have confirmed that they have complied with the Model Code during the six months ended 30 June 2025. The Company's relevant employees, who are likely to be in possession of unpublished inside information of the Company, are also required to comply with the Model Code. No incident of non-compliance of the Model Code by the employees was noted by the Company during the six months ended 30 June 2025.

XII. COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining good corporate governance standards. The Board believes that good corporate governance standards are essential in providing a framework for the Company to safeguard the interests of Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions as set out in the CG Code contained in Appendix C1 to the Hong Kong Listing Rules. During the Reporting Period, the Board is of the opinion that the Company has complied with all the code provisions in the CG Code except for code provisions C.2.1 and B.2.2 of the CG Code.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairperson and chief executive officer should be separate and should not be performed by the same individual. The roles of Chairperson and Chief Executive Officer of the Group are held by Dr. Hao Hong, who is the founder of the Group. The Board believes that this structure will not impair the balance of power and authority between the Board and the management of the Company, given that: (i) a decision to be made by the Board requires approval by at least a majority of the Board members and that the Board comprises three independent non-executive Directors out of nine Directors, thus the Board believes that the checks and balances on the Board are sufficient; (ii) Dr. Hao Hong and the other Directors are aware of and undertake to fulfil their fiduciary duties as Directors, which require them (among others) to act in the best interests of the Group and make decisions for the Group accordingly; and (iii) the balance of power and authority in the operation of the Board is ensured by the experienced and high caliber individuals and professionals making up the Board, who meet regularly to discuss issues affecting the operations of the Company. Moreover, the overall strategy and other key business, financial and operational policies of the Group are made collectively after thorough discussion at both the Board and senior management levels. The Board believes that the combined role of Chairperson and Chief Executive Officer can promote the effective execution of strategic initiatives and facilitate the flow of information between management and the Board. Furthermore, in view of Dr. Hao Hong's industry experience, professional background, personal profile and his crucial roles in the Company as mentioned above, and also due to his deep understanding of the Group for over 20 years, Dr. Hao Hong is the best person to identify strategic opportunities and act as the key figure of the Board. Finally, as Dr. Hao Hong is the founder of the Company, the Board believes that vesting the roles of both Chairperson and Chief Executive Officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning and communication with the Group. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of Chairperson and Chief Executive Officer is necessary.

Pursuant to the Articles of Association and code provision B.2.2 of the CG Code, the term of office of the Directors (including independent non-executive Directors) is three years, renewable upon re-election at its expiry, provided that the term of office of the independent non-executive Directors shall not exceed a consecutive period of six years. In accordance with the announcement of the Company dated 2 February 2024, the term of the fourth session of the Board and the Board of Supervisors expired on 9 February 2024. As at the end of the Reporting Period, as the relevant nomination of candidates for the fifth session of the Board and the Board of Supervisors was still in process, in order to ensure the continuity and stability of the work of the Board and the Board of Supervisors, the election of the fifth session of the Board and the Board of Supervisors were postponed, and the terms of each special committee under the Board and senior management of the Company were extended accordingly. Before the completion of the election process, all the members of the fourth session of the Board and the Board of Supervisors, each special committee under the Board and the senior management of the Company continued to perform their respective obligations and duties in accordance with relevant laws and regulations and the Articles of Association. The Company fulfilled the obligations of information disclosure based on the progress of the election. As at the date of this announcement, the election of the fifth session of the Board, the abolition of the Board of Supervisors, the changes in the composition of the Board committees and the appointment of senior management members became effective upon passing of relevant resolutions at the Company's second extraordinary general meeting of 2025 and relevant class meetings held on 6 August 2025 and/or the subsequent Board meeting. For details, please refer to the sections headed "Changes in Information of Directors, Supervisors and Chief Executive" and "Events After the Reporting Period" in this announcement.

The Board is committed to achieving high corporate governance standards, which are essential in providing a framework for the Group to safeguard the interests of Shareholders and to enhance corporate value and accountability. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code and maintain a high standard of best practices.

XIII. COMPLIANCE WITH LAW AND REGULATIONS

For the Reporting Period, the Company has complied with the relevant laws and regulations that have a significant impact on the Company, including the requirements under the Hong Kong Companies Ordinance, the Hong Kong Listing Rules, the SFO and the CG Code in relation to, among other things, information disclosure and corporate governance. None of the Group, Directors, Supervisors and senior management of the Company had been subject to any investigation or administrative penalty by the CSRC, banned from access to the market, identified as inappropriate candidates, publicly condemned by stock exchanges, subject to mandatory measures, transferred to judicial authorities or held criminally responsible, nor were they involved in any other litigation, arbitration or administrative proceedings that would have a material adverse effect on our business, financial condition or results of operations.

XIV. EVENTS AFTER THE REPORTING PERIOD

Changes in Part of the Use of Proceeds

On 6 August 2025, the Shareholders passed the resolutions in relation to the changes in the use of part of the Global Offering Proceeds and changes in the use of part of the A Share Non-Public Offering Proceeds. For details, please refer to the section headed "Use of Net Proceeds from the Issuance of Securities" in this announcement, and the relevant announcements of the Company dated 4 July 2025 and 6 August 2025 and the circular of the Company dated 22 July 2025.

Election and Appointment of Directors

On 6 August 2025, the election of the fifth session of the Board, including the appointment of an independent non-executive Director, namely Mr. Xie Weikai, and the changes in the composition of the Board committees, became effective. For details, please refer to the section headed "Changes in Information of Directors, Supervisors and Chief Executive" in this announcement, and the relevant announcements of the Company dated 18 July 2025 and 6 August 2025 and the circular of the Company dated 22 July 2025.

Abolition of the Board of Supervisors and Repeal of the Rules of Procedures for the Board of Supervisors

On 6 August 2025, the Shareholders passed the resolutions in relation to the abolition of the Board of Supervisors and repeal of the Rules of Procedures for the Board of Supervisors. For details, please refer to the section headed "Changes in Information of Directors, Supervisors and Chief Executive" in this announcement regarding the abolition of the Board of Supervisors, and the relevant announcements of the Company dated 18 July 2025 and 6 August 2025 and the circular of the Company dated 22 July 2025.

Amendments to the Articles of Association

At the Company's second extraordinary general meeting of 2025 held on 6 August 2025, the third A Shares class meeting and the third H Shares class meeting, the Shareholders passed the amendments to the Articles of Association as a special resolution. For details, please refer to the section headed "Amendments to the Memorandum and Articles of Association of the Company" in this announcement, and relevant announcements of the Company dated 18 July 2025 and 6 August 2025 and the circular of the Company dated 22 July 2025.

Amendments to the Internal Rules

On 6 August 2025, the Shareholders passed the special resolutions in relation to the amendments to certain internal rules and policies of the Company, including (i) the Rules of Procedures for the General Meetings and (ii) the Rules of Procedures for the Board of Directors, and respective ordinary resolutions are being proposed at the EGM to consider and approve the proposed amendments to (i) the Working Policy for Independent Non-executive Directors, (ii) the Administrative Measures for External Guarantees, (iii) the Administrative Measures for External Investments, (iv) the Management and Decision-making Measures for Related (Connected) Transactions, (v) the Administrative Measures for the Use of Proceeds, and (vi) the Code of Conduct for Controlling Shareholders. For details, please refer to the relevant announcements of the Company dated 18 July 2025 and 6 August 2025 and the circular of the Company dated 22 July 2025.

Election of Chairperson of the Board and Appointment of Senior Management Members and Joint Company Secretaries

On 6 August 2025, the Board elected Dr. Hao Hong as the chairperson of the fifth session of the Board. He shall hold office from 6 August 2025 until the expiration of the term of office of the fifth session of the Board. Meanwhile, the Board has appointed Dr. Hao Hong as the chief executive officer of the Company, Ms. Yang Rui (楊蕊) as the co-chief executive officer of the Company, Mr. Zhang Da (張達) as the chief financial officer and chief operating officer of the Company, Dr. Chengyi Chen as the chief technology officer of the Company, Dr. Xinhui Hu as the chief business officer of the Company, Mr. Hong Liang (洪亮), Mr. Chen Chaoyong (陳朝勇) and Mr. Jiang Yingwei (姜英偉) as executive vice presidents of the Company, Dr. Zhou Yan (周炎) and Mr. Xu Xiangke (徐向科) as senior vice presidents of the Company, and Mr. Xu Xiangke (徐向科) as the secretary to the Board. They shall hold office from 6 August 2025 until the expiration of the term of office of the fifth session of the Board. In addition, the Board also appointed Mr. Xu Xiangke (徐向科) and Mr. Cheng Ching Kit (鄭程傑) as joint company secretaries of the Company, both for a term from 6 August 2025 until the expiration of the term of office of the fifth session of the Board. For details, please refer to the relevant announcement of the Company dated 6 August 2025.

Save as disclosed above, subsequent to 30 June 2025 and up to the date of this announcement, there are no other significant events affecting the Group occurred.

XV. REVIEW OF FINANCIAL STATEMENTS

i. Audit Committee

The Company has established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Hong Kong Listing Rules and the CG Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of the Group and provide advice and comments to the Board. As of the date of this announcement, the Audit Committee comprises one non-executive Director Ms. Zhang Ting, and two independent non-executive Directors, namely Dr. Sun Xuejiao and Dr. Hou Xinyi, with Dr. Sun Xuejiao who possesses the appropriate professional qualification serving as the chairperson of the Audit Committee.

The Audit Committee has considered and reviewed the unaudited interim results of the Group for the six months ended 30 June 2025 and the accounting principles and practices adopted by the Group and has discussed with management on issues in relation to internal control, risk management and financial reporting. The Audit Committee is of the opinion that the unaudited interim results of the Group for the six months ended 30 June 2025 are in compliance with the relevant accounting standards, laws and regulations.

ii. Scope of Work of Ernst & Young

The unaudited interim results of the Group for the six months ended 30 June 2025 have been reviewed by the Group's auditor, Ernst & Young, Certified Public Accountants, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. The work performed by the Group's auditors in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the Group's auditors in this announcement.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

	Notes	**2025** ***RMB'000*** **(Unaudited)**	2024 *RMB'000* (Unaudited)
REVENUE	*4*	**3,188,307**	2,655,046
Cost of sales		**(1,809,150)**	(1,560,345)
Gross profit		**1,379,157**	1,094,701
Other income and gains	*4*	**184,417**	258,891
Selling and distribution expenses		**(90,948)**	(102,423)
Administrative expenses		**(397,047)**	(376,644)
Research and development expenses		**(285,748)**	(328,688)
(Losses on)/reversal impairment of financial and contract assets, net		**(29,834)**	7,295
Other expenses		**(50,943)**	(12,496)
Finance costs		**(6,261)**	(2,528)
Share of losses of associates		**(2,694)**	(5,457)
PROFIT BEFORE TAX	*5*	**700,099**	532,651
Income tax expense	*6*	**(86,948)**	(40,236)
PROFIT FOR THE PERIOD		**613,151**	492,415
Attributable to:			
Owners of the parent		**617,470**	499,131
Non-controlling interests		**(4,319)**	(6,716)
		613,151	492,415
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic (expressed in RMB per share)	*8*	**RMB1.68**	RMB1.40
Diluted (expressed in RMB per share)	*8*	**RMB1.68**	RMB1.40

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
PROFIT FOR THE PERIOD	**613,151**	492,415
OTHER COMPREHENSIVE INCOME		
Exchange differences on translation of foreign operations	**10,615**	1,993
Equity investments at fair value through other comprehensive income:		
Changes in fair value	**–**	4,483
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**10,615**	6,476
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**623,766**	498,891
Attributable to:		
Owners of the parent	**628,085**	505,607
Non-controlling interests	**(4,319)**	(6,716)
	623,766	498,891

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	**30 June 2025** ***RMB'000*** **(Unaudited)**	31 December 2024 *RMB'000* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**6,106,308**	5,939,832
Right-of-use assets		**693,999**	699,765
Goodwill		**146,183**	146,183
Other intangible assets		**25,356**	27,490
Deferred tax assets		**286,937**	248,353
Investments in associates		**533,893**	536,587
Prepayments, other receivables and other assets		**348,277**	482,409
Financial assets at fair value through profit or loss		**162,890**	157,762
Total non-current assets		**8,303,843**	8,238,381
CURRENT ASSETS			
Inventories		**1,212,004**	1,193,346
Trade and bills receivables	*9*	**1,980,992**	1,836,887
Contract assets		**81,804**	101,470
Prepayments, other receivables and other assets		**811,843**	586,795
Tax recoverable		**3,029**	1,928
Financial assets at fair value through profit or loss		**662,671**	1,539,809
Amounts due from related parties		**898**	532
Cash and bank balances		**6,794,304**	5,789,408
Total current assets		**11,547,545**	11,050,175
CURRENT LIABILITIES			
Trade and bills payables	*10*	**483,510**	449,516
Other payables and accruals		**1,463,538**	1,166,097
Lease liabilities		**50,271**	42,225
Tax payable		**76,413**	50,177
Amounts due to related parties		**1,304**	1,330
Total current liabilities		**2,075,036**	1,709,345
NET CURRENT ASSETS		**9,472,509**	9,340,830
TOTAL ASSETS LESS CURRENT LIABILITIES		**17,776,352**	17,579,211

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(CONTINUED)*

30 June 2025

	Notes	**30 June 2025** ***RMB'000*** **(Unaudited)**	31 December 2024 *RMB'000* (Audited)
NON-CURRENT LIABILITIES			
Deferred income		**275,060**	298,622
Lease liabilities		**280,505**	282,529
Deferred tax liabilities		**124,199**	134,703
Provision		**396**	785
Total non-current liabilities		**680,160**	716,639
Net assets		**17,096,192**	16,862,572
EQUITY			
Equity attributable to owners of the parent			
Share capital	*11*	**360,594**	367,716
Treasury shares		**(492,681)**	(1,232,758)
Reserves		**17,215,120**	17,710,426
		17,083,033	16,845,384
Non-controlling interests		**13,159**	17,188
Total equity		**17,096,192**	16,862,572

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to owners of the parent									
	Share capital *RMB'000 (note 11)*	Restricted shares under share-based payment *RMB'000*	Capital reserve *RMB'000*	Statutory surplus reserve *RMB'000*	Exchange fluctuation reserve *RMB'000*	Reserve funds *RMB'000*	Retained profits* *RMB'000*	Total *RMB'000*	Non-controlling interests *RMB'000*	Total equity *RMB'000*
At 1 January 2025 (audited)	367,716	(1,232,758)	9,396,271	208,970	26,722	457	8,078,006	16,845,384	17,188	16,862,572
Profit for the period	–	–	–	–	–	–	617,470	617,470	(4,319)	613,151
Exchange differences related to foreign operations	–	–	–	–	10,615	–	–	10,615	–	10,615
Total comprehensive income for the period	–	–	–	–	10,615	–	617,470	628,085	(4,319)	623,766
Final 2024 dividend declared and paid	–	–	–	–	–	–	(395,066)	(395,066)	–	(395,066)
Cancellation of A shares	(7,122)	578,964	(571,842)	–	–	–	–	–	–	–
Restricted A shares granted	–	187,018	(187,018)	–	–	–	–	–	–	–
Equity-settled share option arrangements	–	–	30,305	–	–	–	–	30,305	290	30,595
Repurchase of H Shares	–	(25,905)	–	–	–	–	–	(25,905)	–	(25,905)
Transfer from retained profits	–	–	–	–	–	230	–	230	–	230
At 30 June 2025 (Unaudited)	360,594	(492,681)	8,667,716	208,970	37,337	687	8,300,410	17,083,033	13,159	17,096,192

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY *(CONTINUED)*

For the six months ended 30 June 2025

	Attributable to owners of the parent										
	Share capital *RMB'000 (note 11)*	Restricted shares under share-based payment *RMB'000*	Capital reserve *RMB'000*	Statutory surplus reserve *RMB'000*	Fair value reserve of financial assets at fair value through other comprehensive income *RMB'000*	Exchange fluctuation reserve *RMB'000*	Reserve funds *RMB'000*	Retained profits* *RMB'000*	Total *RMB'000*	Non-controlling interests *RMB'000*	Total equity *RMB'000*
At 1 January 2024 (audited)	369,472	(494,010)	9,612,482	208,970	415	22,466	–	7,759,922	17,479,717	30,262	17,509,979
Profit for the period	–	–	–	–	–	–	–	499,131	499,131	(6,716)	492,415
Other comprehensive income for the period:											
Change in fair value of equity investments at fair value through other comprehensive income, net of tax	–	–	–	–	4,483	–	–	–	4,483	–	4,483
Exchange differences related to foreign operations	–	–	–	–	–	1,993	–	–	1,993	–	1,993
Total comprehensive income for the period	–	–	–	–	4,483	1,993	–	499,131	505,607	(6,716)	498,891
Final 2023 dividend declared and paid	–	–	–	–	–	–	–	(641,938)	(641,938)	–	(641,938)
Cancellation of restricted shares	(1)	34	(35)	–	–	–	–	–	(2)	–	(2)
Vesting of restricted shares	–	30,025	–	–	–	–	–	–	30,025	–	30,025
Equity-settled share option arrangements	–	–	33,509	–	–	–	–	–	33,509	457	33,966
Repurchase of A Shares	–	(999,856)	–	–	–	–	–	–	(999,856)	–	(999,856)
Shareholder contribution	–	–	21,814	–	–	–	–	–	21,814	–	21,814
Transfer from retained profits	–	–	–	–	–	–	163	–	163	–	163
At 30 June 2024 (Unaudited)	369,471	(1,463,807)	9,667,770	208,970	4,898	24,459	163	7,617,115	16,429,039	24,003	16,453,042

* These reserve accounts comprise the consolidated reserves of RMB17,215,120,000 (30 June 2024: RMB17,523,375,000) in the consolidated statement of financial position.

1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with IAS 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 AND DISCLOSURES

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

Amendments to IAS 21 *Lack of Exchangeability*

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

Amendments to IAS 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

Operating segments are identified on the basis of internal reporting about components of the Group that are regularly reviewed by the Group's executive committee and the Company's board of directors for the purpose of resource allocation and performance assessment.

Operating segment

During the period, there is only one operating segment as the Group's operations relate to contract development and manufacturing which focuses on innovation and commercial application of global pharmaceutical technology.

Geographical information

(a) Revenue from external customers

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Mainland China	**713,338**	689,105
Overseas	**2,474,969**	1,965,941
Total	**3,188,307**	2,655,046

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

(b) Non-current assets

	30 June	31 December
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Mainland China	**7,555,721**	7,543,072
United States	**49,528**	54,218
United Kingdom	**248,767**	234,976
Total	**7,854,016**	7,832,266

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

Information about a major customer

For the six months ended 30 June 2025, revenue of approximately RMB777,081,641 (30 June 2024: RMB257,775,520) was derived from a single customer, including a group of entities which are known to be under common control with that customer.

4. REVENUE

Small molecule CDMO business:

The Group provides services including (i) Clinical and pre-clinical stage CDMO solutions, and (ii) Commercial stage CDMO solutions. The Clinical and pre-clinical stage CDMO solutions provides process development and optimization, analytical services and scale-up services for small molecule drug products throughout the pre-clinical and clinical stage. The revenue generated from clinical stage CDMO solutions is derived from the transfer of goods and the provision of services under Full-time-equivalent (or "FTE") and Fee-for-service (or "FFS") arrangements. The Group recognises revenue on over time and at a point in time bases for services under FTE and FFS arrangements, respectively.

Commercial stage CDMO solutions provides ton-scale manufacturing services for registered starting materials (RSMs), advanced intermediates, and active pharmaceutical ingredients ("APIs") with high quality. All of the revenue generated from commercial stage CDMO solutions is derived from the transfer of goods and services, which is recognised at a point in time.

Emerging business:

The Group provides services including (i) pre-formulation and formulation development, (ii) Chemical Macromolecule CDMO solutions for polypeptides, oligonucleotides, glycans, toxins-linkers and other macromolecules, (iii) biosynthesis solutions, (iv) biologics CDMO solutions for monoclonal antibodies ("mAbs") and antibody-drug conjugates (ADCs), (v) Contract Research Organization (or "CRO") solutions and (vi) messenger RNA ("mRNA") solutions. The revenue generated from emerging business is mainly derived from the transfer of goods and services like the rendering of services settled at FFS and CRO solutions. Under CRO solutions, the Group's performance does not create an asset with an alternate use to the Group and the Group has an enforceable right to payment for performance completed to date, and the Group recognises revenue over time. While for other revenue from emerging business, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis if the contracts have multiple deliverable units, except for the allocation of discounts and variable consideration, and the Group recognises revenue at a point since it did not meet the conditions of the revenue recognition over time. Therefore, the Group recognises revenue on over time and at a point in time bases for services under CRO solutions and FFS arrangements, respectively.

Others:

Others mainly include the sales of raw materials and sales of scrap materials.

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Transfer of goods and services	**3,185,098**	2,653,034
Others	**3,209**	2,012
Total	**3,188,307**	2,655,046

Disaggregated revenue information for revenue from contracts with customers

(a) Disaggregated revenue information

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Types of goods or services		
Small molecule CDMO business	**2,429,080**	2,153,419
Emerging business	**756,018**	499,615
Others	**3,209**	2,012
Total	**3,188,307**	2,655,046
Geographical markets		
Mainland China	**713,338**	689,105
Overseas	**2,474,969**	1,965,941
Total	**3,188,307**	2,655,046
Timing of revenue recognition		
Goods transferred at a point in time	**2,928,813**	2,520,762
– Small molecule CDMO business	**2,308,806**	2,115,205
– Emerging business	**616,798**	403,545
– Others	**3,209**	2,012
Services transferred over time	**259,494**	134,284
– Small molecule CDMO business	**120,274**	38,214
– Emerging business	**139,220**	96,070
Total	**3,188,307**	2,655,046

The following table shows the amounts of revenue recognised in the current reporting period that was included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue recognised that was included in contract liabilities at the beginning of the reporting period	**269,941**	221,204
Total	**269,941**	221,204

5. PROFIT BEFORE TAX

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

		For the six months ended 30 June	
		2025	2024
	Note	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Cost of sales		**1,809,150**	1,560,345
Depreciation of property, plant and equipment		**235,740**	226,133
Depreciation of right-of-use assets		**33,416**	23,512
Amortisation of other intangible assets		**2,269**	4,683
Research and development costs:			
Current period expenditure		**285,748**	328,688
Lease payments not included in the measurement of lease liabilities		**16,116**	11,345
Auditor's remuneration		**840**	840
Employee benefit expense (including directors' and chief executive's remuneration):			
Wages and salaries		**1,047,210**	1,015,539
Share-based payment expense		**30,595**	33,966
Pension scheme contributions		**98,863**	95,049
Foreign exchange differences, net		**30,735**	(70,497)
Bank interest income		**(99,652)**	(120,702)
Fair value gain on financial assets at fair value through profit or loss, net		**(11,555)**	(11,266)
Losses on disposal of items of property, plant and equipment and other intangible assets		**270**	341
Losses on/(reversal) impairment of financial and contract assets, net		**29,834**	(7,295)
Write down of inventories to net realisable value		**12,704**	9,762

6. INCOME TAX

The provision for Mainland China current income tax is based on a statutory rate of 25% of the assessable profits of the Group as determined in accordance with the PRC Corporate Income Tax Law which was approved and became effective on 1 January 2008, except for certain subsidiaries of the Group in Mainland China, that were accredited as "High and New Technology Enterprises" and entitled to a preferential rate of 15% in the six months ended 30 June 2025.

Taxes on profits assessable elsewhere have been calculated at the tax rates prevailing in the jurisdictions in which the Group operates. The provision for current income tax of Asymchem Inc. and Asymchem Boston Corporation, subsidiaries of the Group incorporated in the United States, are based on the federal tax rate of 21% in the six months ended 30 June 2025. The provision for current income tax of Asymchem Limited, a subsidiary of the Group incorporated in the United Kingdom, is based on a rate of 19%.

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current	**136,036**	77,435
Deferred	**(49,088)**	(37,199)
Total	**86,948**	40,236

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 tax when incurred. Pillar Two legislation has been enacted or substantively enacted but not yet in effect as at 30 June 2025 in certain jurisdictions in which the Group operates.

7. DIVIDENDS

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Dividends declared:		
RMB1.10 for the six months ended 30 June 2025 and RMB1.80 for the six months ended 30 June 2024 per ordinary share	**395,066**	641,938

On 11 June 2025, the 2024 profit distribution plan ("2024 Profit Distribution Plan") of the Company was approved at the 2024 Annual General Meeting. Pursuant to the 2024 Profit Distribution Plan, a final dividend of RMB1.10 per share (inclusive of tax) based on the record date for determining the shareholders' entitlement to the 2024 Profit Distribution plan was declared to both holders of A Shares and H Shares. The aggregate dividends amounted to RMB395,066,122.00, including A Shares dividends of RMB364,757,536.00 and H Shares dividends of RMB30,308,586.00.

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 363,091,000 shares (six months ended 30 June 2024: 350,742,000 shares) outstanding during the period, as adjusted to reflect the rights issue during the period.

The calculation of the diluted earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the parent, adjusted to reflect the interest 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 outstanding 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 conversion of all dilutive potential ordinary shares into ordinary shares.

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)	(Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the diluted earnings per share calculation	**617,470**	499,131
Less: Cash dividends attributable to the shareholders of restricted shares expected to be unlocked in the future	**(7,774)**	(8,046)
Profit attributable to ordinary equity holders of the parent used in the basic earnings per share calculation	**609,696**	491,085

* For the six months ended 30 June 2025, the restricted A Shares have an anti-diluting effect due to the cash dividend distribution plan. As the respective effect was excluded in the calculation of diluted earnings per share, the diluted earnings per share equals to the basic earnings per share.

	Number of shares	
	2025	2024
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic earnings per share calculation	**363,091**	350,742
Effect of dilution – weighted average number of ordinary shares:		
Restricted A Shares	**649**	20
Restricted H Shares	**196**	–
Weighted average number of ordinary shares outstanding during the period used in the diluted earnings per share calculation	**363,936**	350,762

9. TRADE AND BILLS RECEIVABLES

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade and bills receivables	**2,115,018**	1,939,914
Impairment	**(134,026)**	(103,027)
Total	**1,980,992**	1,836,887

The Group's trading terms with its customers are mainly on credit. The ordinary credit period is up to 90 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables 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	**1,862,832**	1,759,490
1 to 2 years	**105,988**	74,247
2 to 3 years	**12,172**	3,150
Total	**1,980,992**	1,836,887

10. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills 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	**377,816**	358,342
1 to 2 years	**71,600**	56,497
Over 2 years	**34,094**	34,677
Total	**483,510**	449,516

The trade payables are non-interest-bearing and are normally settled on terms of 15 to 90 days.

The trade payables are measured at amortised cost, and the carrying amounts reasonably approximate to fair values.

11. SHARE CAPITAL

Shares

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Issued and fully paid: ordinary shares	**360,594**	367,716

A summary of movement in the Company's share capital is as follows:

	Number of shares in issue	**Share capital** *RMB'000*
At 1 January 2024	**369,471,533**	**369,472**
Forfeit of restricted A Shares	**(2,100)**	**(2)**
Cancellation of Repurchased Restricted A Shares	**(1,753,010)**	**(1,754)**
At 31 December 2024	**367,716,423**	**367,716**
Cancellation of A shares *(Note (a))*	**(7,122,703)**	**(7,122)**
At 30 June 2025 (Unaudited)	**360,593,720**	**360,594**

Note:

(a) These repurchased A shares was cancelled on 28 February 2025.

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

This results announcement is published on the Company's website (**www.asymchem.com**), and website of the Hong Kong Stock Exchange (**www.hkexnews.hk**). The interim report for the six months ended 30 June 2025 containing all relevant information required by Appendix D2 to the Hong Kong Listing Rules will be published on the aforementioned websites in due course and dispatched to Shareholders (if necessary).

DEFINITIONS AND GLOSSARIES

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires. 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.

"2020 Restricted A Share Incentive Scheme"	the 2020 Restricted A Share Incentive Scheme of the Company adopted at the Shareholders' meeting held on 9 July 2020
"2022 ESOP"	the 2022 Employee Share Ownership Plan of the Company adopted at the fifth extraordinary general meeting of 2022
"2025 A Share Restricted Scheme"	the 2025 A Share Restricted Share Incentive Scheme of the Company adopted at the first extraordinary general meeting of 2025, the first A Shares class meeting of 2025 and the first H Shares class meeting of 2025 on 3 April 2025
"H Share Restricted Share Scheme"	the H Share Restricted Share Scheme of the Company adopted at the first extraordinary general meeting of 2025, the first A Shares class meeting and the first H Shares class meeting on 3 April 2025
"ADC"	the antibody-drug conjugate
"AI"	artificial intelligence
"APC"	allophycocyanin
"API"	active pharmaceutical ingredient
"Articles of Association"	the articles of association of the Company, as amended from time to time
"A Share(s)"	ordinary share(s) in the share capital of our Company, with a nominal value of RMB1.00 per share, which are listed for trading on the Shenzhen Stock Exchange and traded in Renminbi
"Audit Committee"	the audit committee of the Board

"Biotech Companies" or "Biotech Clients"	biotechnology companies/biotechnology clients
"BLA"	Biologics License Application, a request made to the U.S. FDA for permission to introduce, or deliver for introduction, of a biological product into interstate commerce in the United States
"Board"	the board of directors of the Company
"CBTI"	Center of Biological Technology and Innovation
"CDMO"	Contract Development Manufacturing Organization, a company that mainly provides CMC, drug development and drug manufacturing services in the pharmaceutical industry
"CEO" or "Chief Executive Officer"	the chief executive officer of the Company
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules
"Chairperson"	the chairperson 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, any references to "China" and the "PRC" in this announcement do not apply to Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"CMC"	chemical, manufacturing and control, an important and detailed section detailing the characteristics of a therapeutic and its manufacturing and quality testing process in a dossier used to support clinical studies and marketing applications
"CMO"	Contract Manufacture Organization
"Company", "our Company", "the Company", "Asymchem" or "Asymchem Laboratories (Tianjin) Co., Ltd. (凱萊英醫藥集團(天津)股份有限公司)"	Asymchem Laboratories (Tianjin) Co., Ltd. (凱萊英醫藥集團(天津)股份有限公司), a company established under the laws of the PRC as an enterprise legal person on 8 October 1998, the A Shares of which are listed on the Shenzhen Stock Exchange and the H Shares of which are listed on the Hong Kong Stock Exchange
"CSRC"	China Securities Regulatory Commission
"CRO"	Contract Research Organization
"Director(s)"	the director(s) of our Company

"EHS"	integrated management of health, safety and environment
"ESG"	environmental, social and governance
"FAT"	factory acceptance testing
"Global Offering"	the Hong Kong public offering and the international offering of the Shares
"GLP-1"	glucagon-like peptide-1
"GMP" or "cGMP"	Good Manufacturing Practice or current Good Manufacturing Practice
"Group", "our Group", "we", "us", or "our"	our Company and its subsidiaries
"Haihe Asymchem Fund"	Tianjin Haihe Asymchem Biomedical Industry Innovation Investment Fund (Limited Partnership) (天津海河凱萊英生物醫藥產業創新投資基金(有限合夥)), a limited partnership established under the laws of the PRC
"Haihe Asymchem Medical and Health Fund"	Tianjin Haihe Asymchem Medical and Health Industry Investment Fund Partnership Enterprise (Limited Partnership) (天津海河凱萊英醫療健康產業投資基金合夥企業(有限合夥))
"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
"Hong Kong Stock Exchange" or "HKEx"	The Stock Exchange of Hong Kong Limited
"HTS"	high throughput screening
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended or supplemented from time to time
"IND"	investigational new drug or investigational new drug application, also known as clinical trial application in China or clinical trial notification
"LNP"	lipid nanoparticle
"mAb"	monoclonal antibody
"MNC"	multinational corporation
"mRNA"	messenger ribonucleic acid

"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules
"NDA"	new drug application
"NMPA"	National Medical Products Administration
"OEB5"	Occupational Exposure Band 5
"PAT"	process analytical technologies
"pH"	pondus hydrogenii, which describes the acidity and alkalinity of water solution
"PLA"	poly (lactic acid)
"PMDA"	Pharmaceuticals and Medical Devices Agency
"PPQ"	process performance qualification
"Prospectus"	the prospectus of the Company dated 30 November 2021
"QP"	qualified person
"QA"	quality assurance
"R&D"	research and development
"Reporting Period"	the six months ended 30 June 2025
"RMB" or "Renminbi"	the lawful currency of the PRC
"RNA"	ribonucleic acid
"SFO"	Securities and Futures Ordinance of Hong Kong
"Shareholder(s)"	shareholder(s) of the Company
"Share(s)"	ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each
"Shenzhen Stock Exchange"	The Shenzhen Stock Exchange
"Supervisor(s)"	the supervisor(s) of the Company
"Teda"	Tianjin Economic-Technological Development Area
"United Kingdom" or "U.K."	the United Kingdom of Great Britain and Northern Ireland, commonly known as the United Kingdom (UK) or Britain, its territories, its possessions, and all areas subject to its jurisdiction

"United States" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US$" or "USD"	United States dollars, the lawful currency of the United States of America
"U.S. FDA" or "FDA"	the United States Food and Drug Administration
"Yugen Medtech"	Tianjin Yugen Medtech Co., Ltd. (天津有濟醫藥科技發展有限公司)

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

By order of the Board
Asymchem Laboratories (Tianjin) Co., Ltd.
Dr. Hao Hong
Chairperson of the Board, Executive Director and Chief Executive Officer

Tianjin, the PRC, 25 August 2025

As of the date of this announcement, the Board of Directors of the Company comprises Dr. Hao Hong as the Chairperson of the Board of Directors and executive Director, Ms. Yang Rui, Mr. Zhang Da and Mr. Hong Liang as executive Directors, Dr. Ye Song and Ms. Zhang Ting as non-executive Directors, and Dr. Sun Xuejiao, Dr. Hou Xinyi and Mr. Xie Weikai as independent non-executive Directors.