Clover Biopharmaceuticals, Ltd.
三葉草生物製藥有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2197)

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

The Board is pleased to announce the unaudited condensed consolidated results of the Group for the six months ended June 30, 2025, together with the comparative figures for the corresponding period in 2024. The interim results have been reviewed by the Audit Committee.

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

FINANCIAL HIGHLIGHTS

	As of June 30, 2025 ***RMB'000*** **(Unaudited)**	As of December 31, 2024 *RMB'000* (Audited)
Cash and bank balances	**390,640**	556,515

	Six months ended June 30,	
	2025 ***RMB'000*** **(Unaudited)**	2024 *RMB'000* (Unaudited)
Revenue	**3,254**	(10,100)
Other income and gains	**17,646**	67,148
Selling and distribution expenses	**(4,913)**	(6,684)
Administrative expenses	**(29,184)**	(42,075)
Research and development expenses	**(83,248)**	(98,297)
Other expenses	**(3,807)**	(2,540)
Loss for the period	**(101,270)**	(95,123)
Adjusted loss for the period*	**(97,638)**	(87,259)

* Adjusted loss for the period is not defined under the IFRSs. It represents the loss for the period excluding the effect brought by share-based compensation expenses.

IFRS Measures:

Cash and bank balances, including cash and cash equivalents and restricted cash, decreased by RMB165.9 million from RMB556.5 million as of December 31, 2024 to RMB390.6 million as of June 30, 2025, primarily due to the net cash outflow resulted from bank loan repayment, continued investment in R&D activities and daily operation.

For the six months ended June 30, 2025, the Group recorded a revenue of RMB3.3 million, primarily reflecting a return rate true-up of AdimFlu-S (QIS) sold in the previous period as actual returns fell below original estimates.

Other income and gains decreased by RMB49.5 million from RMB67.1 million for the six months ended June 30, 2024 to RMB17.6 million for the six months ended June 30, 2025, mainly because of a partial waiver of trade payables recognized in other income in 2024 which is not recurring in the Reporting Period and the decrease in bank interest income.

Selling and distribution expenses decreased by RMB1.8 million from RMB6.7 million for the six months ended June 30, 2024 to RMB4.9 million for the six months ended June 30, 2025, primarily attributable to reduced salaries and benefits for the commercial team as the Group's commercial activities of AdimFlu-S (QIS) in mainland China have been terminated.

Administrative expenses decreased by RMB12.9 million, or approximately 31%, from RMB42.1 million for the six months ended June 30, 2024 to RMB29.2 million for the six months ended June 30, 2025, as a reflection of the ongoing cost-saving measures and the enhanced operation efficiency.

R&D expenses decreased by RMB15.1 million from RMB98.3 million for the six months ended June 30, 2024 to RMB83.2 million for the six months ended June 30, 2025, as the Group continues to streamline its corporate operations and prioritize respiratory vaccine candidates.

Other expenses were RMB3.8 million for the six months ended June 30, 2025, mainly composed of severance cost incurred for the termination of commercial activities for AdimFlu-S (QIS) and net foreign exchange loss.

Despite continuous improvements in operational efficiency, loss for the period increased by RMB6.2 million from RMB95.1 million for the six months ended June 30, 2024 to RMB101.3 million for the six months ended June 30, 2025, primarily due to the one-time and non-recurring other income from a partial waiver of trade payables recognized in 2024.

Non-IFRS Measures:

Adjusted loss for the period represents the loss for the period excluding the effect brought by share-based compensation expenses.

The term adjusted loss for the period is not defined under the IFRSs. The table below sets forth reconciliation of the loss for the period to adjusted loss for the period:

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss for the period	**(101,270)**	(95,123)
Added:		
Share-based compensation expenses	**3,632**	7,864
Adjusted loss for the period	**(97,638)**	(87,259)

BUSINESS HIGHLIGHTS

During the Reporting Period, the Company made significant progress in advancing our product portfolio and optimizing our business operations:

Our Products and Candidates

Respiratory PreF-Trimer Vaccine Candidates (RSV-hMPV-PIV3)

- In March 2025, the Company announced US IND clearance and initiation of revaccination clinical study for RSV vaccine candidate SCB-1019.

- In June 2025, the Company announced potential First-in-Class (FiC) respiratory combination vaccine candidates SCB-1022 (RSV + hMPV) and SCB-1033 (RSV + hMPV + PIV3) entered the clinical trial stage.

- Respiratory combination vaccine candidates SCB-1022 and SCB-1033 are both based on prefusion-stabilized F (PreF)-Trimer subunit vaccine antigens utilizing Clover's Trimer-Tag vaccine technology platform.

AdimFlu-S (QIS)

- Due to material changes in market conditions, the Company announced in June 2025 that it exercised its unilateral termination rights to cease its cooperation with Adimmune, and the Company will not distribute AdimFlu-S (QIS) in mainland China moving forward.

SCB-219M

- SCB-219M is a fusion protein (TPO-mimetic bispecific-Fc) targeted to treat chemo-induced thrombocytopenia (CIT).

- In November 2024, a phase Ib trial was initiated evaluating repeated dosing of SCB-219M in CIT patients.

COVID-19 Vaccine

- The emergency use authorization (EUA) in China for our COVID-19 vaccine issued in December 2022 remains active.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

Clover is a global commercial-stage biotechnology company committed to unleashing the power of innovative vaccines to save lives and improve health around the world. With integrated R&D, manufacturing and commercial capabilities as well as strong partnerships with organizations globally, the Company has a diverse pipeline of candidates that have the potential to meaningfully reduce the burden of vaccine-preventable diseases and to make more diseases preventable.

The Trimer-Tag technology platform, which was validated by the successful development of COVID-19 vaccine SCB-2019 (CpG 1018/Alum) and is being leveraged for the development of respiratory PreF-Trimer vaccine candidates (RSV-hMPV-PIV3), is a product development platform for the creation of protein-based vaccines based on naturally trimerization-dependent targets. The Trimer-Tag technology platform can trimerize any protein of interest into covalently-trimerized structures. The trimerization motif of Trimer-Tag is based on a human amino acid sequence derived from human CICP (C-terminal domain of Type I procollagen). Currently, Trimer-Tag is the only trimerization technology platform globally for producing recombinant, covalently-trimerized fusion proteins (trimer-tagged proteins) utilizing a human-derived trimerization tag.

During the Reporting Period, the Company initiated two phase I clinical trials as planned for our strategic pipeline assets: the Company's non-adjuvanted RSV prefusion-stabilized F (PreF)-Trimer subunit vaccine candidate SCB-1019 and two respiratory combination vaccine candidates SCB-1022 (RSV + hMPV) and SCB-1033 (RSV + hMPV + PIV3). In late March 2025, the Company announced that it obtained US IND clearance and initiated the RSV revaccination clinical study for SCB-1019. The enrolled older adults (aged 60-85) who previously received an initial dose of GSK's RSV vaccine (AREXVY) at least two seasons prior will be randomized to receive either a heterologous revaccination dose of SCB-1019, a homologous AREXVY revaccination dose or saline placebo. The Company also announced in June 2025 that we initiated a phase I clinical trial for RSV + HMPV ± PIV3 respiratory combination vaccine candidates with up to 192 older participants (aged 60-85) enrolled. The participants will be randomized to receive either SCB-1022 (RSV + hMPV), SCB-1033 (RSV + hMPV + PIV3) or SCB-1019 (RSV) comparator. All our RSV vaccine candidates are based on prefusion-stabilized F (PreF)-Trimer subunit vaccine antigens utilizing Clover's Trimer-Tag vaccine technology platform.

The Company will continue to prioritize resource investment and focus on the advancement of the clinical development of our respiratory PreF-Trimer vaccine candidates (RSV-hMPV-PIV3) and further validate the differentiated profiles of their products through clinical data to gradually establish Best-in-Class (BiC) and First-in-Class (FiC) status within the global RSV and respiratory vaccine market.

PRODUCT PIPELINE

Vaccines

Product Candidate	Target	Indication	Discovery	Preclinical	IND/CTA	Phase 1	Phase 2	Phase 3	Filing	Approval/ EUA
SCB-1022	PreF-Trimers	RSV-hMPV								
SCB-1033	PreF-Trimers	RSV-hMPV-PIV3								
SCB-1019	RSV F-trimer	Respiratory Syncytial Virus (RSV)								
SCB-2019 (CpG 1018/Alum)[1]	SARS-CoV-2 S-Trimer (Broad Neutralization)	COVID-19								
SCB-2023B	XBB.1.5-Adapted SARS-CoV-2 S-Trimer	COVID-19								
SCB-1001	Rabies G-Trimer	Rabies								

China

Global (Ex-China)

(1) COVID-19 vaccine received EUA in China in December 2022.

Other Assets

Product Candidate	Target	Indication	Discovery	Preclinical	IND/CTA	Phase 1	Phase 2	Phase 3	Filing	Approval/ EUA
SCB-219M	TPO Mimetic Bispecific-Fc	Chemotherapy-Induced Thrombocytopenia (CIT)								

BUSINESS REVIEW

Our Products and Candidates

The Company focused on building a leading respiratory vaccine franchise to address unmet needs in preventing serious respiratory infectious diseases and to capture related significant cross-promotion, co-administration, and long-term lifecycle management opportunities.

Respiratory PreF-Trimer Vaccine Candidates (RSV-hMPV-PIV3)

In the first half of 2025, the Company initiated two phase I clinical trials as planned for our strategic pipeline assets: the Company's non-adjuvanted RSV prefusion-stabilized F (PreF)-Trimer subunit vaccine candidate SCB-1019 and two respiratory combination vaccine candidates SCB-1022 (RSV + hMPV) and SCB-1033 (RSV + hMPV + PIV3). The first clinical trial was announced in late March 2025, after the Company obtained US IND clearance and initiated the RSV revaccination clinical study for SCB-1019. The enrolled older adults (aged 60-85) who previously received an initial dose of GSK's RSV vaccine (AREXVY) at least two seasons prior will be randomized to receive either a heterologous revaccination dose of SCB-1019, a homologous AREXVY revaccination dose or saline placebo. The Company also announced in June 2025 that we initiated a phase I clinical trial for RSV + HMPV ± PIV3 respiratory combination vaccine candidates with up to 192 older adults (aged 60-85) enrolled. These participants will be randomized to receive either SCB-1022 (RSV + hMPV), SCB-1033 (RSV + hMPV + PIV3) or SCB-1019 (RSV) comparator. All our RSV vaccine candidates are based on prefusion-stabilized F (PreF)-Trimer subunit vaccine antigens utilizing Clover's Trimer-Tag vaccine technology platform.

AdimFlu-S (QIS)

In February 2023, the Company announced that it entered into an exclusive agreement with Adimmune to distribute AdimFlu-S (QIS), a quadrivalent influenza vaccine approved in mainland China.

Due to material changes in market conditions, the Company announced in June 2025 to exercise the unilateral termination rights to cease cooperation with Adimmune, and the Company will not distribute AdimFlu-S (QIS) in mainland China moving forward.

SCB-219M

SCB-219M is a fusion protein (TPO-mimetic bispecific-Fc) targeted to treat chemo-induced thrombocytopenia (CIT). Compared to native TPO-based therapy, which is commercially available in China, SCB-219M could potentially overcome reduced efficacy due to anti-drug antibodies (ADA) and achieve a more convenient dosing regimen attributed to its longer half-life.

- In December 2023, the Company announced positive preliminary safety, efficacy and pharmacokinetics data in a Phase I clinical trial evaluating SCB-219M

- In November 2024, a phase Ib trial was initiated evaluating repeated dosing of SCB-219M in CIT patients

COVID-19 Vaccine

- The emergency use authorization (EUA) in China for our COVID-19 vaccine issued in December 2022 remains active.

- The Company will continue to engage with regulatory authorities and policymakers regarding potential future emerging COVID-19 vaccine business opportunities.

We cannot guarantee that we will ultimately develop or market our core product successfully. Shareholders and potential investors of our Company are advised to exercise due care when dealing in the Shares of our Company.

R&D

As a biotechnology company, the Company continues to value scientific innovation and expand its product and candidate portfolio to achieve long-term and sustainable development.

The Company has been equipped and empowered by a comprehensive R&D team enabling product candidate discovery, proof-of-concept, preclinical and clinical development. As of June 30, 2025, the Company's in-house R&D activities were supported by 107 employees across regions.

Manufacturing

During the Reporting Period, the Company utilized manufacturing capabilities at its in-house commercial-scale manufacturing facility in Changxing, Zhejiang province to support development of its RSV vaccine candidates (SCB-1019, SCB-1022 and SCB-1033). The facility has achieved commercial GMP status in China and received a vaccine Drug Manufacturing License (DML) from the China NMPA, representing potential advantages compared to other domestic manufacturers utilizing new manufacturing sites.

This in-house manufacturing site has proven commercial scale production track record and will be valuable to the development of the Company's other product candidates, including our respiratory PreF-Trimer vaccine candidates portfolio (RSV-hMPV-PIV3).

Other Key Corporate Developments

To navigate the challenges of the current macroeconomic environment, the Company continued to take significant measures to (1) heighten focus on its core strengths and capabilities in vaccine development and (2) prudently evaluate its expenses and streamline the organization to increase efficiency and improve effectiveness. The Company will continue to focus resources on achieving its top priorities while continuing to build an innovative portfolio that can potentially generate significant value-creation opportunities.

Future Outlook

Given our validated Trimer-Tag platform, attractive commercial manufacturability, and clinical trials developments of our respiratory PreF-Trimer vaccine candidates (RSV-hMPV-PIV3), the Company continues to stay focused to implement our long-term strategy to gradually build a global leading respiratory vaccine franchise. Based on our encouraging phase I clinical trial results of SCB-1019 in 2024, we successfully initiated RSV revaccination clinical trial and RSV + hMPV ± PIV3 respiratory combination vaccine clinical trial in the first half of 2025 as planned. We will rely on the results of this series of the relevant clinical trials to build the potential Best-in-Class (BiC), First-in-Class (FiC) and differentiated profile of our vaccine candidates (SCB-1019, SCB-1022 and SCB-1033) in the global RSV and respiratory vaccine market to explore potential value creation opportunities and contribute to global public health.

In terms of corporate governance, the Company will keep taking significant measures towards corporate financial sustainability by improving operating efficiency, pursuing value-creating opportunities and maintaining a resilient cash position to support future success.

FINANCIAL REVIEW

Six Months Ended June 30, 2025 Compared to Six Months Ended June 30, 2024

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
REVENUE	**3,254**	(10,100)
Cost of sales	**(770)**	1,767
Gross profit/(loss)	**2,484**	(8,333)
Other income and gains	**17,646**	67,148
Selling and distribution expenses	**(4,913)**	(6,684)
Administrative expenses	**(29,184)**	(42,075)
Research and development expenses	**(83,248)**	(98,297)
Other expenses	**(3,807)**	(2,540)
Finance costs	**(248)**	(4,342)
LOSS BEFORE TAX	**(101,270)**	(95,123)
Income tax expense	**–**	–
LOSS FOR THE PERIOD	**(101,270)**	(95,123)
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of the Company	**(22,339)**	33,043
Net other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods	**(22,339)**	33,043
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**50,154**	(45,731)
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods	**50,154**	(45,731)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	**27,815**	(12,688)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**(73,455)**	(107,811)
Non-IFRS Measures		
Adjusted loss for the period	**(97,638)**	(87,259)

Revenue

At the end of each reporting period, the Group estimates the future sales return of the goods sold and a corresponding adjustment to revenue is recognized for those products expected to be returned. The estimation of sales return requires the use of judgment and estimates. Where the actual return rate is different from the original estimate, such a difference will be trued up in subsequent periods.

For the six months ended June 30, 2025, the Group recorded a revenue of RMB3.3 million, primarily reflecting a return rate true-up of AdimFlu-S (QIS) sold in the previous period as actual returns fell below original estimates.

Other Income and Gains

The Group's other income and gains primarily consist of government grants and bank interest income.

For the six months ended June 30, 2025, other income and gains decreased by RMB49.5 million from RMB67.1 million for the six months ended June 30, 2024 to RMB17.6 million. This decrease was mainly because of a partial waiver of trade payables recognized in other income in 2024 which is not recurring in the Reporting Period and the decrease in bank interest income.

Selling and Distribution Expenses

The Group's selling and distribution expenses primarily consist of salaries and benefits for commercial team and market development expenses.

For the six months ended June 30, 2025, selling and distribution expenses decreased by RMB1.8 million from RMB6.7 million for the six months ended June 30, 2024 to RMB4.9 million, primarily due to reduced salaries and benefits for the commercial team as the Group's commercial activities of AdimFlu-S (QIS) in mainland China have been terminated.

Administrative Expenses

The Group's administrative expenses primarily consist of (i) employee salaries and benefits, including accrued share-based compensation expenses; (ii) consulting fees; (iii) depreciation and amortization expenses; and (iv) office expenses. Other administrative expenses include IT software license expenses and other miscellaneous expenses in connection with administration activities.

For the six months ended June 30, 2025, administrative expenses decreased by RMB12.9 million, or approximately 31%, from RMB42.1 million for the six months ended June 30, 2024 to RMB29.2 million. This reduction was primarily attributable to decreases in employee salaries and benefits and depreciation and amortization expenses as a reflection of the ongoing cost-saving measures and the enhanced operation efficiency.

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
Employee salaries and benefits	**16,988**	26,918
– Share-based compensation expenses	***3,509***	*8,510*
Consulting fees	**6,755**	6,002
Depreciation and amortization	**2,668**	4,589
Office expenses	**295**	1,231
Others	**2,478**	3,335
Total	**29,184**	42,075

Research and Development Expenses

The Group's R&D expenses primarily consist of: (i) employee salaries and benefits, including accrued share-based compensation expenses; (ii) clinical trial expenses, mainly consisting of payments to CROs, hospitals and other medical institutions and related fees; (iii) costs of raw materials and consumables used for R&D activities; (iv) R&D consulting and service fees, mainly related to preclinical study costs; and (v) depreciation and amortization in relation to our leasehold buildings, machinery and equipment.

For the six months ended June 30, 2025, R&D expenses decreased by RMB15.1 million from RMB98.3 million for the six months ended June 30, 2024 to RMB83.2 million. The decrease was primarily attributable to decreases in employee salaries and benefits and depreciation and amortization expenses, as the Group continues to streamline corporate operations. Meanwhile, the Group focuses resources on achieving its top priorities while continuing to build an innovative portfolio that can potentially generate significant value-creation opportunities.

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
Employee salaries and benefits	**43,056**	56,502
– Share-based compensation expenses	***939***	*(1,154)*
Clinical trial expenses	**12,093**	8,603
R&D consulting and service fees	**578**	2,160
Costs of raw materials and consumables	**4,332**	3,939
Depreciation and amortization	**12,229**	16,698
Others	**10,960**	10,395
Total	**83,248**	98,297

Other Expenses

The Group's other expenses primarily consist of write-down of inventories to net realizable value/(reversal of inventory provision), net foreign exchange loss and severance costs.

Other expenses were RMB3.8 million for the six months ended June 30, 2025, mainly composed of severance cost incurred for the termination of commercial activities for AdimFlu-S (QIS) and net foreign exchange loss.

Finance Costs

The Group's finance costs primarily consist of (i) interest on bank loans and (ii) interest on lease liabilities, mainly in relation to its offices in Shanghai and Chengdu.

For the six months ended June 30, 2025, finance costs decreased by RMB4.1 million from RMB4.3 million for the six months ended June 30, 2024 to RMB0.2 million, primarily due to decreased interest expenses related to bank loans.

Loss for the Period

As a result of the above, the loss of the Group increased by RMB6.2 million from RMB95.1 million for the six months ended June 30, 2024 to RMB101.3 million for the six months ended June 30, 2025.

Non-IFRS Measure

To supplement the Group's interim condensed consolidated financial statements, which are presented in accordance with the IFRSs, the Group also provides adjusted loss for the period as supplemental information. Such measures are not required by the IFRSs, but the Group deems it useful information to its Shareholders and potential investors for the evaluation of the Group's interim condensed consolidated financial results.

Adjusted loss for the period represents the loss for the period excluding the effect brought by share-based compensation expenses. This non-IFRS measure should not be considered in isolation from, or as a substitute for the analysis of, the Group's IFRS reporting. The Company's presentation of such adjusted figures may not be comparable to a similarly titled measure presented by other companies. However, the Company believes that this non-IFRS measure is a better indication of the Group's normal operating results and a better basis for the comparison of operating performance from period to period.

The table below sets forth a reconciliation of the loss for the period to the adjusted loss for the period during the periods indicated:

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss for the period	**(101,270)**	(95,123)
Added:		
Share-based compensation expenses	**3,632**	7,864
Adjusted loss for the period	**(97,638)**	(87,259)

Selected Data from Interim Condensed Consolidated Statement of Financial Position

	As of June 30, 2025	As of December 31, 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Total current assets	**459,786**	663,209
Total non-current assets	**134,420**	149,535
Total assets	**594,206**	812,744
Total current liabilities	**1,763,508**	1,907,663
Total non-current liabilities	**536,819**	541,379
Total liabilities	**2,300,327**	2,449,042
Net current liabilities	**(1,303,722)**	(1,244,454)

Liquidity and Source of Funding and Borrowings

As of June 30, 2025, the Group's cash and bank balances, including cash and cash equivalents and restricted cash, decreased by RMB165.9 million from RMB556.5 million as of December 31, 2024 to RMB390.6 million, which was primarily due to the net cash outflow resulted from bank loan repayment, continued investment in R&D activities and daily operation.

As of June 30, 2025, the current assets of the Group totaled RMB459.8 million, including cash and cash equivalents and restricted cash of RMB390.6 million, trade receivables of RMB2.2 million, prepayments, other receivables and other assets of RMB40.4 million, inventories of RMB11.8 million and financial assets at fair value through profit or loss of RMB14.8 million.

As of June 30, 2025, the current liabilities of the Group were RMB1,763.5 million, including contract liabilities of RMB1,587.8 million, trade payables of RMB111.1 million, other payables and accruals of RMB52.6 million and lease liabilities of RMB12.0 million.

As of June 30, 2025, the Group had no bank loans. Currently, the Group follows a set of funding and treasury policies to manage its capital resources and mitigate potential risks. The Group endeavors to maintain an adequate level of cash and cash equivalents to address short-term funding needs. The Board would also consider various funding sources depending on the Group's funding needs to ensure that the financial resources have been used in the most cost-effective and efficient way to meet the Group's financial obligations. The Board reviews and evaluates the Group's funding and treasury policy from time to time to ensure its adequacy and effectiveness.

Significant Investments, Material Acquisitions and Disposals

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

Future Plans for Material Investments or Capital Assets

The Group had no other material capital expenditure plan as of the date of this announcement.

Contingent Liabilities

As of June 30, 2025, the Group did not have any contingent liabilities that we expected, would materially adversely affect our business, financial position or results of operations.

Gearing Ratio

The gearing ratio is calculated using interest-bearing bank borrowings less cash and bank balances, divided by total equity and multiplied by 100%. As of June 30, 2025, the Group was in a net cash position and thus, gearing ratio is not applicable.

Capital Commitments

The capital commitments of the Group as of June 30, 2025 were RMB13.1 million, consistent with that of the year ended December 31, 2024.

Pledge of Assets

As of June 30, 2025, the Group had no pledge of assets.

Foreign Exchange Exposure

The Company's functional currency is USD and the functional currency of the Company's subsidiaries in China is RMB. During the Reporting Period, the Group mainly operated in China with most of its transactions settled in RMB and USD. Our financial assets and liabilities are subject to foreign currency risk as a result of certain cash and bank balances, trade receivables, other receivables, trade payables and other payables denominated in non-functional currencies. Therefore, fluctuations in the exchange rate of functional currency against non-functional currency could affect our results of operations. The Group currently does not have a foreign currency hedging policy. However, its management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure when needed.

Employees and Remuneration

As of June 30, 2025, the Group had 243 employees. The total remuneration cost incurred by the Group for the six months ended June 30, 2025 was RMB61.9 million. The following table sets forth the details of our employees by function as of June 30, 2025:

Function	**Number of employees**	**% of total**
R&D	107	44.0%
Manufacturing and CMC	96	39.5%
General and Administrative	38	15.7%
Selling and Marketing	2	0.8%
Total	243	100%

The remuneration package of the Group's employees includes salary, bonus and equity incentives, which is generally determined by their qualifications, industry experience, position and performance. The Group makes contributions to social insurance and housing provident funds in accordance with relevant laws and regulations.

The Company has also adopted a restricted share unit scheme and a pre-IPO share option plan on April 15, 2021 and a post-IPO share option plan on September 26, 2021 to provide incentives for the eligible participants. For details, please refer to the paragraph headed "D. Share Incentive Plans" in Appendix IV to the Prospectus.

To enhance the quality, knowledge, and skill levels of employees, the Group continuously provides education and training programs, including internal and external training, to strengthen their technical, professional, or managerial skills. The Group also periodically offers training programs to ensure that employees are well-informed and compliant with policies and procedures.

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

	Notes	Six months ended 30 June	
		2025	2024
		RMB'000	*RMB'000*
		(Unaudited)	(Unaudited)
REVENUE	*4*	**3,254**	(10,100)
Cost of sales	*6*	**(770)**	1,767
Gross profit/(loss)		**2,484**	(8,333)
Other income and gains	*5*	**17,646**	67,148
Selling and distribution expenses		**(4,913)**	(6,684)
Administrative expenses		**(29,184)**	(42,075)
Research and development expenses		**(83,248)**	(98,297)
Other expenses		**(3,807)**	(2,540)
Finance costs		**(248)**	(4,342)
LOSS BEFORE TAX	*6*	**(101,270)**	(95,123)
Income tax expense	*7*	**–**	–
LOSS FOR THE PERIOD		**(101,270)**	(95,123)
Attributable to:			
Owners of the parent		**(101,270)**	(95,123)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (EXPRESSED IN RMB PER SHARE)	*9*		
Basic and diluted		**(0.08)**	(0.08)

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
LOSS FOR THE PERIOD	**(101,270)**	(95,123)
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of the Company	**(22,339)**	33,043
Net other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods	**(22,339)**	33,043
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**50,154**	(45,731)
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods	**50,154**	(45,731)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	**27,815**	(12,688)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**(73,455)**	(107,811)
Attributable to:		
Owners of the parent	**(73,455)**	(107,811)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	30 June 2025 *RMB'000* (Unaudited)	31 December 2024 *RMB'000* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**97,707**	107,439
Right-of-use assets		**6,280**	8,742
Intangible assets		**30,433**	33,354
Total non-current assets		**134,420**	149,535
CURRENT ASSETS			
Inventories		**11,757**	11,031
Trade receivables	*10*	**2,158**	40,993
Prepayments, other receivables and other assets		**40,427**	39,890
Financial assets at fair value through profit or loss		**14,804**	14,780
Time deposits and restricted cash		**9,700**	11,504
Pledged deposits		**–**	143,768
Cash and cash equivalents		**380,940**	401,243
Total current assets		**459,786**	663,209
CURRENT LIABILITIES			
Trade payables	*11*	**111,145**	120,453
Other payables and accruals		**52,554**	88,411
Derivative financial instruments		**–**	200
Interest-bearing bank borrowings		**–**	73,966
Contract liabilities	*12*	**1,587,821**	1,612,450
Lease liabilities		**11,988**	12,183
Total current liabilities		**1,763,508**	1,907,663
NET CURRENT LIABILITIES		**(1,303,722)**	(1,244,454)
TOTAL ASSETS LESS CURRENT LIABILITIES		**(1,169,302)**	(1,094,919)
NON-CURRENT LIABILITIES			
Lease liabilities		**1,060**	3,495
Deferred income		**25,300**	25,300
Non-current portion of trade payables	*11*	**510,459**	512,584
Total non-current liabilities		**536,819**	541,379
NET LIABILITIES		**(1,706,121)**	(1,636,298)
EQUITY			
Equity attributable to owners of the parent			
Share capital		**838**	838
Treasury shares		**(23)**	(26)
Reserves		**(1,706,936)**	(1,637,110)
TOTAL DEFICIT		**(1,706,121)**	(1,636,298)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on 31 October 2018. The registered address of the Company is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. During the period, the Group was principally engaged in the research and development, manufacturing and commercialization of innovative vaccines.

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") effective from 5 November 2021.

2. 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.

The interim condensed consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern, which assumes that the Group will be able to meet its obligations and continue its operations for the coming twelve months notwithstanding that as at 30 June 2025, the Group had net liabilities of RMB1,706,121,000 comprised of contract liabilities of RMB1,587,821,000 and non-current portion of trade payables of RMB510,459,000 and incurred a net loss of RMB101,270,000 for the six months ended 30 June 2025. There is a dispute between the Group and the Global Alliance for Vaccines and Immunization ("**GAVI**") on the contract liabilities which represented the advanced payment received from GAVI amounting to USD224,000,000 or equivalent to RMB1,587,821,000 as at 30 June 2025. GAVI asserted that it is entitled to a repayment of the entire amount of the advanced payment. GAVI issued a letter of claim dated 21 March 2025 which claims for an immediate repayment by the Group of the advanced payment of USD224,000,000 and filed an arbitration against the Group on 6 June 2025 claiming the repayment of the advanced payment, details of which are included in note 12 to the financial statements.

In view of these circumstances, the directors have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain measures have been taken to mitigate the liquidity pressure and to maintain the Group's cashflow situation. The measures taken by the Group include, but not limited to, the following:

(a) With the assistance of outside legal counsel, the directors assessed the potential impact on the Group's projections on the operating results and the cashflows for a period of twelve months from 30 June 2025, arising in connection with the dispute with GAVI and the letter of claim dated 21 March 2025 ("**Claim**") and the notice of termination dated 21 March 2025 from GAVI, aiming to strenuously and unambiguously defend the Claim which the Group believes is without merit. The Group has also engaged outside legal counsel to assist in a robust and vigorous defense against the Claim and the arbitration proceedings filed by GAVI on 6 June 2025, and the Group will diligently endeavor to secure the most advantageous outcome for the Group. In addition, management has assessed any other consequential impact resulted from the aforesaid dispute with GAVI which might affect the business and contractual relationship with the Group's other stakeholders including but not limited to customers, suppliers and other service providers;

(b) The Group has implemented a range of strategies and initiatives to fortify the capital base of the Group, which include but not limited to raising new capital or financing, the reduction of non-core expenditures and containment of general and administrative expenses; and

(c) The Group will evaluate potential opportunities for strategic cooperation with alternative financing solutions which may be contingent upon the progress in development of the pipeline assets. Such initiatives, if successful, could enhance the Group's working capital and liquidity positions.

The board of directors have reviewed the Group's cash flow projections prepared by management, which cover a period of twelve months from 30 June 2025 and are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within the next twelve months after 30 June 2025. Accordingly, the directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the following:

(a) The outcome of the dispute with GAVI and the subsequent arbitration filed by GAVI, are not expected to conclude in 2025 and incur significant cash outflows for the next twelve months after 30 June 2025. The Group's other stakeholders, including but not limited to customers, suppliers and other service providers, are not expected to be affected by the Group's dispute with GAVI and are not expected to have any other new claims against the Group or acceleration of settlement of any current or non-current liabilities under the existing payment terms;

(b) The successful and timely implementation of the strategies and initiatives to raise new capital or financing, control costs and reduce expenditures; and

(c) The successful and timely implementation of strategic cooperation with alternative financing solutions achieved by the Group.

Should the Group be unable to achieve the above-mentioned plans and measures and operate as a going concern, adjustments would have to be made to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these financial statements.

3. 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.

4. REVENUE

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	**3,254**	(10,100)

Disaggregated revenue information for revenue from contracts with customers

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Types of good		
Vaccines	**3,254**	(10,100)
Timing of revenue recognition		
Goods transferred at a point in time	**3,254**	(10,100)

At the end of each reporting period, the Group estimates the future sales return of the goods sold and a corresponding adjustment to revenue is recognised for those products expected to be returned. The estimation of sales return requires the use of judgment and estimates. Where the actual return rate is different from the original estimate, such difference will be trued up in subsequent periods. For the six months ended 30 June 2025, the Group recorded a revenue of RMB3,254,000, primarily reflecting a return rate true-up of AdimFlu-S (QIS) sold in the previous period as actual returns fell below original estimates.

5. OTHER INCOME AND GAINS

An analysis of other income and gains is as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Government grants*	**11,130**	14,328
Bank interest income	**4,478**	13,107
Fair value gains, net:		
Financial assets at fair value through profit or loss	**178**	–
Waiver of trade payables	**–**	33,952
Gain on disposal of right-of-use assets	**–**	2,109
Rental Income	**–**	1,048
Others	**1,860**	2,604
	17,646	67,148

* Government grants have been received from the local government authorities to support the subsidiaries' research and development activities and purchase of property, plant and equipment. There are no unfulfilled conditions related to these government grants.

6. LOSS BEFORE TAX

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

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cost of inventories sold	**770**	(1,767)
Research and development costs (excluding related employee benefit expenses, depreciation and amortisation)	**27,963**	25,097
Depreciation of property, plant and equipment	**9,757**	14,866
Depreciation of right-of-use assets	**2,219**	3,214
Amortisation of intangible assets	**2,921**	3,207
Lease payments not included in the measurement of lease liabilities	**151**	413
Auditor's remuneration	**1,433**	1,653
Employee benefit expenses (including directors' and chief executive's remuneration):		
Wages, salaries and welfare	**54,289**	80,237
Pension scheme contributions	**4,236**	6,704
Share-based compensation expenses	**3,385**	7,160
Total of employee benefit expenses	**61,910**	94,101
(Reversal of inventory provision)/Write-down of inventories to net realisable value *	**(808)**	1,925
Foreign exchange differences, net*	**1,024**	334
Severance costs*	**3,510**	100

* (Reversal of inventory provision)/Write-down of inventories to net realisable value, foreign exchange differences and severance costs are included in "other expenses" in the consolidated statement of profit or loss.

7. INCOME TAX

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

Cayman Islands

Under the current laws of the Cayman Islands, the Company is not subject to tax on income or capital gains. In addition, upon payments of dividends by the Company to its shareholders, no Cayman Islands withholding tax is imposed.

Hong Kong

The subsidiary incorporated in Hong Kong is subject to Hong Kong profits tax at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong. The first HKD2,000,000 (2024: HKD2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%).

Chinese Mainland

Pursuant to the Corporate Income Tax Law of the People's Republic of China (the "**PRC**") and the respective regulations (the "**CIT Law**"), the subsidiaries which operate in Chinese Mainland are subject to CIT at a rate of 25% (2024: 25%) on the taxable income.

Australia

The subsidiary incorporated in Australia is subject to Australia statutory corporate income tax at a rate of 30% (2024: 30%). However, the rate is reduced to 25% (2024: 25%) following a preliminary assessment of the base rate entity rules in accordance with the Australian tax law during the period.

United States of America

The subsidiary incorporated in Delaware, the United States was subject to statutory United States federal corporate income tax at a rate of 21% (2024: 21%).

United Kingdom

The subsidiary incorporated in the United Kingdom is subject to corporation income tax on its worldwide profits at 19% (2024: 19%).

Ireland

The subsidiary incorporated in Ireland is subject to Ireland corporate income tax at a rate of 25% (2024: 25%) on the estimated assessable profits arising in Ireland during the period.

No current income tax and deferred income tax were charged for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

8. DIVIDENDS

No dividends have been declared or paid by the Company for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

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

The calculation of the basic loss per share amounts is based on the loss for the period attributable to ordinary equity holders of the parent of RMB101,270,000 (six months ended 30 June 2024: RMB95,123,000), and the weighted average number of ordinary shares. The weighted average number of shares for the six months ended 30 June 2025 is determined based on 1,258,959,531 shares in issue during the period (six months ended 30 June 2024:1,251,950,701).

As the Group incurred losses, no adjustment has been made to the basic loss per share amounts presented for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil) as share options and restricted share units outstanding had an antidilutive effect on the basic loss per share amounts presented. Accordingly, the dilutive loss per share amounts for the six months ended 30 June 2025 and 2024 are the same as the basic loss per share amounts.

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

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss		
Loss attributable to ordinary equity holders of the parent, used in the basic loss per share calculation	**(101,270)**	(95,123)

	Number of shares For the six months ended 30 June	
	2025	2024
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic loss per share calculation	**1,258,959,531**	1,251,950,701

10. TRADE RECEIVABLES

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 6 months	**2,154**	40,989
6 to 12 months	**–**	4
Over 1 year	**4**	–
Total	**2,158**	40,993

11. TRADE PAYABLES

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

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 6 months	**15,215**	35,653
6 to 12 months	**20,297**	23,781
Over 1 year	**586,092**	573,603
	621,604	633,037
Analysed into:		
Current portion	**111,145**	120,453
Non-current portion	**510,459**	512,584

The trade payables are non-interest-bearing and are normally settled on 60-day terms, except for certain suppliers with specified payment terms.

Non-current portion of trade payables of USD71,307,000 (equivalent to RMB510,459,000) represented the trade payables due to Dynavax Technologies Corporation ("**Dynavax**") for procurement of CpG 1018 adjuvant. During the six months ended 30 June 2025 and the year ended 31 December 2024, the Company has reassessed the payment terms under the purchase agreement with Dynavax and confirmed with Dynavax on the amounts payable and the respective timing of payment. The amount of USD71,307,000 (equivalent to RMB510,459,000 as of 30 June 2025 and RMB512,584,000 as of 31 December 2024) was classified as non-current portion of trade payables to reflect the timing of settlement of the payables to Dynavax, which would be over 12 months from the balance sheet date.

12. CONTRACT LIABILITIES

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Advances from customers	**1,587,821**	1,612,450

Contract liabilities represented the advances received from the Global Alliance for Vaccines and Immunization ("**GAVI**") to deliver the Group's SCB-2019 (CpG 1018/Alum) vaccines (the "**Vaccines**"). In June 2021, the Group and GAVI entered into the Advance Purchase Agreement ("**APA**"), pursuant to which GAVI agreed to procure (i) 64 million doses of Vaccines, and (ii) up to 350 million doses of Vaccines pursuant to the options stated therein. The advances could be used to fund non-refundable payments to the Group's suppliers to secure for procurement of raw materials and services required to manufacture any of the firm order commitment and/or the additional doses. On 15 September 2022, the Group and GAVI entered into and signed an amendment to the APA (the "**amended APA**"), pursuant to which the Group and GAVI agreed to convert the initial firm order commitment into an option to procure 64 million doses of Vaccines over an extended period from 1 January 2023 to 31 December 2026, and to cancel the original purchase option of up to 350 million doses.

GAVI has not exercised its option to purchase the Vaccines under the amended APA and, in the reporting period, asserted that it is entitled to a repayment of the entire amount of advances amounting to USD224 million, which the Group believes is without merit. The Group received from GAVI a one month's prior written notice dated 21 March 2025 which asserts a unilateral termination of the APA and a letter of claim dated 21 March 2025 which claims for an immediate repayment by the Group of the advanced payment of USD224 million ("**Claim**"). On 6 June 2025, the Group received an arbitration request filed by GAVI, claiming the repayment of the advanced payment. The Group rejects the Claim, believing it is without merit based on the terms of the APA, and has engaged outside legal counsel to assess the issues arising in connection with the Claim and assist in the defense against the arbitration initiated by GAVI.

As at 30 June 2025, advances from GAVI amounting to USD224,000,000, equivalent to RMB1,587,821,000, was accounted for as contract liabilities in the statement of financial position.

OTHER INFORMATION

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities (including sale of treasury shares) of the Company during the Reporting Period.

Interim Dividends

The Board does not recommend the payment of interim dividends for the Reporting Period.

Compliance with the Corporate Governance Code

The Company strives to achieve high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of Shareholders and to enhance corporate value and accountability.

The Company has adopted the principles and code provisions of the Corporate Governance Code as the basis of the Company's corporate governance practices. The Company has applied the principles and code provisions as set out in the Corporate Governance Code and has complied with the code provisions in the Corporate Governance Code during the Reporting Period.

The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code, and maintain a high standard of corporate governance practices.

Compliance with the Model Code

The Company has adopted the Model Code. Specific enquiries have been made to all Directors and the Directors have confirmed that they have complied with the Model Code during the Reporting Period.

The Company has also established a policy on inside information to comply with its obligations under the SFO and the Listing Rules.

The Company's relevant employees, who are likely to be in possession of inside information of the Company, have also been subject to the Model Code. No incident of non-compliance of the Model Code by the relevant employees was noted by the Company during the Reporting Period.

Review of Interim Results by the Audit Committee

The Group has established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal controls system of the Group, review and approve connected transactions and to advise the Board. The Audit Committee comprises three independent non-executive Directors, namely Mr. Thomas Leggett, Mr. Jeffrey Farrow and Mr. Xiang Liao. Mr. Thomas Leggett is the chairman of the Audit Committee. Mr. Jeffrey Farrow is appropriately qualified as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The unaudited condensed consolidated financial statements of the Group for the six months ended June 30, 2025 have been reviewed by the Audit Committee. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management members of the Company during the Reporting Period.

Use of Net Proceeds from the Global Offering

The Shares were listed on the Stock Exchange on November 5, 2021. The net proceeds from the Global Offering amounted to approximately HKD1,884.3 million (equivalent to RMB1,549.0 million).

Reference is made to the announcement of the Company dated August 23, 2023 in relation to the change in use of proceeds from the Global Offering. In order to navigate the current macroeconomic environment and focus on programs that will bring long-term value, on August 22, 2023, the Board has resolved to change the intended use of the unutilized net proceeds from the Global Offering of approximately RMB415.2 million in total as of August 22, 2023.

As of June 30, 2025, approximately RMB1,544.5 million, accounting for 99.7% of the net proceeds from the Global Offering had been utilized in accordance with the use as stated in the section headed "Future Plans and Use of Proceeds" in the Prospectus or the use after change approved on August 22, 2023.

The utilization of the net proceeds from the Global Offering during the six months ended June 30, 2025 and the expected timeline for utilization are as follows:

Use of proceeds after change	**Revised percentage of unutilized net proceeds approved on August 22, 2023**	**Revised allocation of unutilized net proceeds approved on August 22, 2023** *RMB million*	**Unutilized net proceeds as of December 31, 2024** *RMB million*	**Actual usage during the six months ended June 30, 2025** *RMB million*	**Unutilized net proceeds as of June 30, 2025** *RMB million*	**Expected timeline of full utilization of the unused net proceeds**
For the preclinical development and clinical trials of RSV vaccine candidate, SCB-1019	55.0%	228.4	41.2	41.2	–	Completed
For the R&D of other product candidates, including ≥ 1 mid-to late-stage in-licensed vaccines	22.5%	93.4	35.1	30.6	4.5	By December 2025
For the R&D and regulatory submission for updated version of COVID-19 vaccine including the XBB.1.5 variant	12.5%	51.9	–	–	–	Completed
For working capital and other general corporate purposes	10.0%	41.5	–	–	–	Completed
Total	**100.0%**	**415.2**	**76.3**	**71.8**	**4.5**	

Notes:

1. The expected timeline for utilizing the remaining proceeds is based on the best estimation of the future progress of R&D and market conditions and is subject to changes.

2. The net proceeds were received in HKD and translated to RMB for application planning. As of the date of this announcement, the unused net proceeds were deposited with certain licensed banks in Hong Kong and the PRC.

Use of Net Proceeds from the Placing

References are made to the Company's announcements dated December 6, 2022 and December 13, 2022 in relation to the Placing. On December 6, 2022, the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Company agreed to appoint the Placing Agent, and the Placing Agent agreed to act as agent of the Company to procure subscribers, on a best effort basis, to subscribe for a total of 128,000,000 Placing Shares at the Placing Price upon the terms and subject to the conditions set out in the Placing Agreement. The Placing was completed on December 13, 2022. The net proceeds from the Placing (after deducting all relevant fees, costs and expenses to be borne or incurred by the Company) are approximately HKD500.5 million (equivalent to RMB449.0 million).

Reference is made to the announcement of the Company dated August 23, 2023 in relation to the change in use of proceeds from the Placing. In order to expand commercialization capabilities to support the commercialization of the Company's respiratory vaccine products including seasonal influenza and COVID-19 vaccines, on August 22, 2023, the Board has resolved to change the intended use of the unutilized net proceeds from the Placing of approximately RMB69.4 million in total as of August 22, 2023.

As of June 30, 2025, approximately RMB439.8 million, accounting for 98.0% of the net proceeds from the Placing had been utilized in accordance with the use as stated in the Placing Agreement or the use after change approved on August 22, 2023.

The utilization of the net proceeds from the Placing during the six months ended June 30, 2025 is as follows:

Use of proceeds after change	Revised percentage of unutilized net proceeds approved on August 22, 2023	Revised allocation of net proceeds approved on August 22, 2023 *RMB million*	Unutilized net proceeds as of December 31, 2024 *RMB million*	Actual usage during the six months ended June 30, 2025 *RMB million*	Unutilized net proceeds as of June 30, 2025 *RMB million*	Expected timeline of full utilization of the unused net proceeds
For expanding commercialization capabilities to support the commercialization of respiratory vaccine products including seasonal influenza and COVID-19 vaccine	100.0%	69.4	22.5	13.3	9.2	By December 2025
Total	**100.0%**	**69.4**	**22.5**	**13.3**	**9.2**	

Notes:

1. The expected timeline for utilizing the remaining proceeds is based on the best estimation of the future payment for commercialization made by the Company. It will be subject to changes in accordance with the Company's actual business operations and subsequent settlements.

2. The net proceeds were received in HKD and translated to RMB for application planning. As of the date of this announcement, the unused net proceeds were deposited with certain licensed banks in Hong Kong.

Events After the End of Reporting Period

Save as disclosed in this announcement, no important events affecting the Company occurred subsequent to June 30, 2025 and up to the date of this announcement.

Principal Risks and Uncertainties

The following list is a summary of certain principal risks and uncertainties faced by the Group, some of which are beyond its control:

- If we are unable to successfully complete clinical development, obtain regulatory approval and commercialize the Group's product candidates, or experience significant delays in doing so, our business will be significantly harmed;

- If the Group encounters difficulties enrolling patients or participants in our clinical trials, our clinical development activities could be delayed and result in increased costs and longer development periods or otherwise adversely affected;

- If clinical trials of product candidates fail to demonstrate safety and efficacy to the satisfaction of regulatory authorities or do not otherwise produce positive results, we may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development and commercialization of our product candidates;

- Clinical development involves a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results;

- The regulatory approval processes of regulatory authorities of national and multilateral institutions are lengthy, time-consuming and inherently unpredictable. If the Group is ultimately unable to obtain regulatory approval for product candidates, our business will be substantially harmed;

- The Group's rights to develop and commercialize our Trimer-Tag pipeline products are subject, in part, to the terms and conditions of licenses granted to us by the Group's licensor GenHunter;

- If the Group is unable to maintain sufficient distribution, marketing, and sales capabilities, the Group may not be able to generate product sales revenues;

- The regulatory pathway for vaccines is highly dynamic and continues to evolve and may result in unexpected or unforeseen delays or challenges;

- The manufacture of biologics is a complex process which requires significant expertise and capital investment, and if the Group encounters problems in manufacturing our future products, the business could suffer;

- If the Group is unable to obtain and maintain patent protection for our product candidates or the Trimer-Tag technology platform, or if the scope of such intellectual property rights obtained is not sufficiently broad, third parties could develop and commercialize products and technologies similar or identical to ours and compete directly against the Group, and its ability to successfully commercialize any product or technology may be adversely affected;

- The Group engages CROs to conduct certain elements of its pre-clinical studies and clinical trials. If these third parties do not successfully carry out their contractual duties, meet expected deadlines, or comply with regulatory requirements, the Group may not be able to obtain regulatory approval for or commercialize product candidates and its business could be substantially harmed;

- The Group has entered into collaborations and may form or seek collaborations or strategic alliances or enter into licensing arrangements in the future, and the Group may not realize the benefits of such alliances or licensing arrangements; and

- In the event that the GAVI initiates arbitration proceedings with the Group, there exists a potential risk of incurring contingent liabilities with other relevant vendors.

However, the above is not an exhaustive list. Investors are advised to make their own judgment or consult their own investment advisors before making any investment in the Shares.

Publication of Interim Results Announcement and Interim Report

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cloverbiopharma.com).

The interim report for the Reporting Period containing all the information required by Appendix D2 to the Listing Rules will be dispatched only to the Shareholders as per the Company's corporate communications arrangement and will be published on the websites of the Stock Exchange and the Company in September 2025.

APPRECIATION

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

The Company cannot guarantee that it will be able to ultimately develop and market its drug and vaccine candidates successfully. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

Definitions and Glossary of Technical Terms

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

"Audit Committee"	the audit committee of the Board
"Board"	the board of directors of our Company
"China" or "the PRC"	the People's Republic of China excluding, for the purpose of this announcement, Hong Kong, Macau Special Administrative Region and Taiwan
"CMC"	chemistry, manufacturing, and controls processes in the development, licensure, manufacturing, and ongoing marketing of pharmaceutical products
"Company", "our Company", "the Company" or "Clover"	Clover Biopharmaceuticals, Ltd. (三葉草生物製藥有限公司), an exempted company incorporated in the Cayman Islands on October 31, 2018
"connected transaction"	has the meaning ascribed thereto under the Listing Rules
"Core Product(s)"	has the meaning ascribed to it in Chapter 18A of the Listing Rules; for purpose of the Prospectus, our Core Products refer to SCB-2019 (CpG 1018/Alum) and SCB-808

"Corporate Governance Code"	Part 2 of Appendix C1 to the Listing Rules
"CRO(s)"	contract research organization
"Director(s)"	the director(s) of the Company
"GAVI"	the Global Alliance for Vaccines and Immunization, a public-private global health partnership with the goal of increasing access to immunization in poor countries
"Global Offering"	the Hong Kong Public Offering (as defined in the Prospectus) and the International Offering (as defined in the Prospectus)
"GMP"	good manufacturing practices, the aspect of quality assurance that ensures that medicinal products are consistently produced and controlled to the quality standards appropriate to their intended use and as required by the product specification
"Group", "we" or "us"	our Company and its subsidiaries
"HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"IFRS"	International Financial Reporting Standards
"Inside Information"	has the meaning ascribed thereto under the SFO
"IPO"	initial public offering
"Listing"	the initial public offering or initial listing of our Shares on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules
"NMPA"	the National Medical Products Administration of China (國家藥品監督管理局) or, where the context so requires, its predecessor, the China Food and Drug Administration (國家食品藥品監督管理總局), or CFDA

"Placee(s)"	professional, institutional or other investor(s) selected and procured by the Placing Agent to subscribe for the Placing Shares pursuant to the Placing Agreement
"Placing"	the placing of the Placing Shares by the Placing Agent to the Placees at the Placing Price pursuant to the Placing Agreement
"Placing Agent"	Credit Suisse (Hong Kong) Limited, incorporated in Hong Kong with limited liability and a registered institution under the SFO to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities, each as defined under the SFO
"Placing Agreement"	the placing agreement entered into between the Company and the Placing Agent dated December 6, 2022 in respect of the Placing
"Placing Price"	HKD3.95 per Placing Share
"Placing Shares"	128,000,000 new Shares were allotted and issued by the Company pursuant to the Placing Agreement
"PreF"	a fusion (F) antigen in its native prefusion and trimeric conformation
"Prospectus"	the prospectus issued by the Company dated October 25, 2021
"R&D"	research and development
"Reporting Period"	the six months ended June 30, 2025
"RMB"	Renminbi Yuan, the lawful currency of China
"RSV"	Respiratory Syncytial Virus
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary shares in the share capital of our Company, with a nominal value of USD0.0001 each
"Shareholder(s)"	holder(s) of the Share(s)

"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it in section 15 of the Companies Ordinance
"treasury shares"	has the meaning ascribed to it under the Listing Rules
"United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"USD"	United States dollars, the lawful currency of the United States

By order of the Board
Clover Biopharmaceuticals, Ltd.
Dr. Peng LIANG
Chairman of the Board

Shanghai, PRC, August 27, 2025

As of the date of this announcement, the Board comprises Dr. Peng LIANG and Mr. Joshua G LIANG as executive Directors; Dr. Xiaodong WANG and Dr. Donna Marie AMBROSINO as non-executive Directors; and Dr. Xiaobin WU, Mr. Xiang LIAO, Mr. Jeffrey FARROW and Mr. Thomas LEGGETT as independent non-executive Directors.