维亚生物科技控股集团
VIVA BIOTECH HOLDINGS

(Incorporated in the Cayman Islands as an exempted company with limited liability)

(Stock code: 1873)

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

The board (the "**Board**") of directors (the "**Directors**") of Viva Biotech Holdings (the "**Company**" and, together with its subsidiaries, collectively the "**Group**" or "**Viva**") is pleased to announce the unaudited condensed consolidated financial results of the Group for the six months ended June 30, 2025 (the "**Reporting Period**").

FINANCIAL HIGHLIGHTS

	Six months ended June 30,	
	2025	2024
	RMB million	*RMB million*
	Unaudited	Unaudited
Revenue	**831.9**	981.8
Gross Profit	**339.4**	339.1
Gross Profit Margin	**40.8%**	34.5%
Net Profit	**148.6**	144.2
Adjusted Non-IFRS Net Profit	**183.5**	168.2
Adjusted Non-IFRS Net Profit Margin	**22.1%**	17.1%
	RMB	*RMB*
Earnings per share attributable to ordinary equity holders of the parent		
– Basic	**0.06**	0.05
– Diluted	**0.05**	0.05
Adjusted Non-IFRS Earnings per share attributable to ordinary equity holders of the parent		
– Basic	**0.07**	0.06
– Diluted	**0.06**	0.06

NON-IFRS MEASURE

To supplement the Group's unaudited condensed consolidated financial statements which are presented in accordance with the IFRS Accounting Standards, the Company has provided adjusted non-IFRS net profit, adjusted non-IFRS net profit margin, and adjusted non-IFRS earnings per share as additional financial measures, which are not required by, or presented in accordance with, the IFRS Accounting Standards.

The Company believes that the adjusted non-IFRS financial measures are useful for understanding and assessing underlying business performance and operating trends, and that the Company'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 business. However, the presentation of these non-IFRS financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with IFRS Accounting Standards. You should not view the adjusted results on a stand-alone basis or as a substitute for results under IFRS Accounting Standards.

Additional information is provided below to reconcile adjusted non-IFRS net profit.

Adjusted Non-IFRS net profit

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Net Profit	**148,637**	144,237
Add: amortization of acquired assets	**23,919**	23,990
Add: subsidiary's share incentive expenses	**10,912**	–
Adjusted Non-IFRS Net Profit *(Note i)*	**183,468**	168,227
Adjusted Non-IFRS Net Profit Margin	**22.1%**	17.1%

Note:

i. In order to better reflect the key performance of the Group's current business and operations, the adjusted Non-IFRS net profit is calculated on the basis of net profit, excluding:

   a) Amortization of fair value increment in acquired assets, which the management believes is non-cash item;

   b) Subsidiary's share incentive expenses, which the management believes are non-recurring items or have no direct correlation to the our business.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In terms of medium-to-long-term development trends, the global biopharmaceutical industry has maintained steady growth in original innovation and production, which remains the primary direction for the future. In the short-to-medium term, since the first half of 2025, benefiting from the recovery in global investment and financing sentiment last year and the booming BD transactions of innovative drugs domestically, the pipeline progression and R&D investments of drug development companies have been gradually rebounding. This has, to some extent, driven the restorative positive growth in the Group's CRO revenue. Additionally, the Group's CDMO business has seen a significant improvement in profitability due to the optimization and refinement of its product structure. In the future, it will further benefit from the successive launch of two commercialized products. The Group's CRO and CDMO businesses, rooted in innovative drug R&D, are committed to innovation and in-depth resource integration, thereby continuously providing clients with comprehensive one-stop services from early-stage structure-based drug development to commercialized drug production.

During the Reporting Period, the cumulative number of clients served by the Group increased to 2,574; the Group's revenue during the Reporting Period amounted to RMB831.9 million, and our gross profit amounted to RMB339.4 million. The Group's gross profit margin was 40.8%, an increase of 6.3 percentage points from the corresponding period of last year, primarily attributable to the optimization and adjustment of Langhua's business structure, improved operational efficiency in CRO business, and contributions from new business segments. In the first half of 2025, the Group's net profit amounted to RMB148.6 million, representing a year-over-year increase of 3.1% compared to the net profit of RMB144.2 million for the corresponding period of last year; adjusted non-IFRS net profit improved from RMB168.2 million for the corresponding period of last year to an adjusted non-IFRS net profit of RMB183.5 million, representing a year-on-year increase of nearly 9.1%. This was mainly driven by the positive growth in both revenue from CRO business and adjusted non-IFRS net profit, as well as enhanced profitability resulting from the optimization of Langhua's business structure.

In addition, during the Reporting Period, the Group's management and strategic investors launched a range of collaborations based on mutual trust, leveraging strengths of the strategic investors in global vision, capital market and strategic resources to empower continuous enhancement in the Group's corporate governance, business operations, investment, financing and strategic planning.

CRO Revenue Returned to Positive Growth, with a Significant Recovery in Domestic Growth

In the first half of 2025, the Company's revenue from CRO business increased by approximately 9.6% from RMB385.9 million for the corresponding period of last year to RMB422.8 million, and the adjusted gross profit from such business increased by approximately 16.4% from RMB167.2 million for the corresponding period of last year to RMB194.6 million. The growth in CRO revenue during the first half of 2025 was primarily attributable to the recovery in global biopharmaceutical investment and financing in 2024, which boosted overseas business, as well as the surge in domestic innovative drug BD transactions this year, which significantly drove revenue in China. Although global investment and financing experienced a temporary minor fluctuation starting in the second quarter of 2025, the CRO business has accumulated a relatively robust order backlog, coupled with expectations of future Fed rate cuts and the strong recovery of CRO revenue in China. These factors are expected to sustain the full-year growth rate above current levels. Meanwhile, the Company has maintained high profitability in its CRO business through a series of effective measures aimed at improving operational efficiency.

The cumulative number of CRO clients increased to 1,669, including all of the top 10 global pharmaceutical companies (based on total revenue in the 2025 interim report), with revenue from the top 10 clients accounting for 25.9%. The CRO business maintains a diversified client base geographically, with overseas revenue contributing approximately 85.0%, and recording a year-over-year increase of 4.9%, while revenue from mainland China clients accounted for approximately 15.0%, and registered a year-over-year growth of approximately 46.6%. The high growth in revenue from mainland China during the Reporting Period was driven by the boom in domestic innovative drug BD transactions, which has heightened R&D enthusiasm among pharmaceutical companies, further boosting front-end drug development investments.

As at June 30, 2025, the Company has cumulatively delivered more than 90,739 protein structures to our clients, approximately 8,023 of which were newly delivered in the first half of 2025. Our R&D has accumulated over 2,187 independent drug targets, 89 of which were newly delivered in the first half of 2025. Additionally, the utilization of synchrotron radiation source reached 834 hours. The Company established long-term cooperation with 13 synchrotron radiation source centers around the world, which are distributed in ten countries/regions, i.e., Shanghai, China, the United States, Canada, Japan, Australia, the United Kingdom, France, Germany, Switzerland and Taiwan, China, thus guaranteeing uninterrupted data collection all year round. Currently, the Company remains the global industry leader in protein structure determination. Moreover, during the Reporting Period, new modalities (including peptides, antibodies, XDCs, PROTACs/molecular glues, etc.) accounted for approximately 15.0% of CRO revenue, growing nearly 19.0% year-on-year. This indicates that new modalities are gradually becoming a new growth driver for CRO revenue.

For market promotion and business development, on one hand, the Company leverages the synergistic development of biology and chemistry to secure integrated full-service project orders. On the other hand, it continues to strengthen the integration of online digital marketing and offline BD efforts to further expand and deepen its international collaboration network. Additionally, the Company recognizes the critical role of AI in drug discovery. The improved efficiency and success rates through a combined dry/wet experiment approach, it drives continuous growth in the number and scale of new projects. As of June 30, 2025, AIDD has been applied in 175 projects, with 67 clients purchasing CADD/AIDD. AI-enabled projects have contributed to nearly 10.0% of the total revenue of CRO business, and the Company has reached well-known collaboration cases on packaged AI discovery solutions in certain niche segments, along with strategic partnerships with domestic pharmaceutical companies.

For technology platform development and expansion, through years of accumulation and development, Viva's AI technology is now empowering its entire drug discovery platform. Its current AI capabilities cover the full workflow of FIC drug discovery, gradually transforming the logic of drug discovery through end-to-end capability integration. Focusing on New Target, Novel MOA and New Modality, Viva has developed unique AI capabilities, advancing its one-stop innovative drug R&D service platform from "AI-assisted" to "AI-driven" development. Furthermore, in May 2025, the Group successfully held the "Enchantment of Drug Discovery" launch event, where it unveiled its self-developed AIDD platform for the first time. The event provided in-depth insights into the platform's unique advantages, its disruptive innovation to traditional drug discovery workflows, and its three core functional modules of V-Scepter, V-Orb and V-Mantle. Through case demonstrations, the Company further showcased the platform's boundless potential in real-world applications.

New CDMO Commercialization Projects Showed Promise with Significant Profitability Improvement in CMC Business

The Group is committed to building a one-stop service platform for global innovative drugs from research and development to production, and improved the production layout through acquisition of the entire equity interests in Zhejiang Langhua Pharmaceutical Co., Ltd. ("**Langhua Pharmaceutical**"). During the Reporting Period, active preparations were made for the implementation of new CDMO commercialization projects, with PPQ production already initiated within the Reporting Period. In addition, the Company has achieved significant improvement of profitability of its CMC business.

In the first half of 2025, Langhua Pharmaceutical's revenue amounted to RMB409.0 million, representing a year-on-year decrease of approximately 31.4%; and its adjusted gross profit amounted to RMB155.1 million, representing a year-on-year decrease of nearly approximately 13.4%. The decrease in revenue was mainly due to the fact that (i) to better meet FDA audit requirements for new commercialization projects, upgrades were made to existing workshops, temporarily affecting revenue from generic drug products during the Reporting Period; (ii) the supply chain business (intermediates and formulations) experienced fluctuations due to geopolitical factors in Southeast Asia, India and Pakistan; and (iii) new CDMO commercialization projects, based on client schedules, are set to commence delivery and generate revenue in the second half of 2025.

As at June 30, 2025, Langhua Pharmaceutical had served a total of 905 clients, with the top ten clients accounting for 68.3% of its total revenue and a 100.0% retention rate of top ten clients. In addition to revenue contribution from its existing commercialization projects, Langhua Pharmaceutical's CDMO business has two important new commercialization projects currently in the process performance qualification (PPQ) stage, which are expected to be commercially launched in 2026 and 2027 respectively, providing a new growth driver to its CDMO business in the future. During the Reporting Period, in respect of production capacity, our current available total capacity has reached 860 cubic meters, which is sufficient to support the production needs of new commercialization projects over the next two years. Additionally, Langhua Pharmaceutical is constructing a new production capacity of 400 cubic meters to meet future demand for increased volume of commercial production of new molecules. The civil engineering work and internal fire control facilities have been completed. For equipment procurement, it is in process of equipment selection, while procurement for certain equipment has started. This endeavor will provide sufficient assurance for the Company's revenue growth with the launch of new products and release of reserved capacity.

In addition, during the Reporting Period, the Group adjusted its CMC business structure, focusing more on synthesis and analysis operations. We continued to strengthen our BD efforts to overseas customers, while leveraging cost efficiency initiatives and customer mix optimizations to improve profitability sustainably. Since its establishment, CMC has completed and is currently progressing with a total of 279 new drug projects, driven by a CMC R&D team of 100 members. During the Reporting Period, the profitability of CMC business has shown significant improvement following adjustments. In addition, the projects channeled by the Group progressed smoothly, and one pipeline has rapidly advanced to Phase III clinical trials, showcasing the success of the Group's integrated strategy. In the future, the Group plans to strengthen BD and channeling efforts for acquiring high-quality CMC projects. By fully utilizing internal project resources and implementing cost reduction and efficiency enhancement measures, the Group aims to boost revenue growth and enhance profitability of its CMC business. During the Reporting Period, in terms of the number of customer orders, external BD accounted for nearly 55.0%, while channeled accounts from Viva represented approximately 45.0%. In terms of order amount, external BD contributed 56.0%, while channeled accounts from Viva contributed 44.0%. Based on these figures, it is evident that both our internal channeling and external BD capabilities have played an important role in growing the CMC business.

Exit of Incubation Portfolio Companies to Realize Partial Investment Returns and Successfully Participation in Establishing and Investing in an RMB-denominated Fund

During the Reporting Period, the Company achieved investment exits from various portfolio companies, realizing corresponding investment returns and generating total proceeds of nearly RMB76.5 million. As at June 30, 2025, the Group had invested in a total of 93 portfolio companies. The portfolio companies are mainly from the United States, Canada, Europe and China. 67.7% of the portfolio companies are from North America and 25.8% are from China.

As at June 30, 2025, 8 of our portfolio companies completed or were close to completing a new round of financing, raising approximately US$293.6 million in total. The R&D efforts of the portfolio companies were advancing smoothly, with the total number of pipeline projects reaching close to 228, of which 186 pipelines are in the preclinical stage and 42 pipelines are in the clinical stage. So far, the Group has successfully realized 18 investment exits or partial exits. Furthermore, Group may have several potential exits of our portfolio companies, which are expected to be gradually realized in the future.

As at the end of the Reporting Period, Viva has successfully invested in a series of high-quality assets, including portfolio companies such as Haya, Mediar, Nerio, Full-Life, Absci, Dogma, Arthrosi, Basking, Cybrexa and FuseBio. In the future, as these portfolio companies continue to develop successfully, secure ongoing financing, and realize exits, the initial investments will gradually enter the harvesting phase, providing sustained cash returns and investment income for the Group.

In addition, on May 28, 2025, Hangzhou Viva Zongchen (a wholly-owned subsidiary of the Company) participated as a limited partner in the establishment and investment of an RMB-denominated fund, and is expected to contribute RMB25.0 million. The fund aims to seek investment with a focus on biopharmaceutical businesses to incubate and develop high quality pharmaceutical ventures, and further enable the Company to seek potential strategic partners and create synergies.

TECHNOLOGICAL HIGHLIGHTS AND R&D BREAKTHROUGHS

SBDD (Structure-based Drug Discovery) is a mainstream technology of modern drug discovery and the core principle of modern rational drug design strategies. The basis of this technology is to understand the interaction between drugs and targets at the molecular level, i.e. observing the interaction between drug molecules and target proteins by analyzing their complex structure, so as to carry out rational drug design, followed by compound synthesis and various biological tests and evaluations and to finally find out clinical candidate drug molecules. SBDD technology provides theoretical guidance for drug design, which greatly reduces the number of synthetic compounds and greatly accelerates R&D efficiency of innovative drugs. Its application in the drug R&D process has successfully contributed to the launch and marketing of many drugs. Riding on the rapid development of artificial intelligence (AI) technology recently, Viva has further introduced AI technology on the basis of SBDD technology, focusing on new targets, novel mechanisms of action (MOA) and new modalities to develop a unique AI-enabled SBDD one-stop R&D service platform for innovative novel drugs.

Firstly, from the perspective of current research on new targets, new targets are the most important source of original innovation. During the Reporting Period, our R&D has accumulated over 2,187 independent drug targets, 89 of which were newly delivered in the first half of 2025. So far, the Company has delivered to clients a series of target protein structures that have not been reported in the PDB Protein Structure Database, and clarified the structural principles of these proteins in functioning, laying a solid foundation for subsequent drug molecular design. For example, in the cancer therapeutic area, industry players are still searching for new targets as breakthroughs, in addition to traditional target proteins such as kinases, proto-oncogenes/tumor suppressor genes, immune checkpoints, etc. In the fields of new tumor target proteins related to cell division control and mRNA stability, we successfully analyzed many previously unreported protein structures and complex structures of proteins and drug candidate molecules, and explained structural details of the interaction between target proteins and compounds, which provide clear guidance for designing more effective compounds and lead to the emergence of a range of new drug candidate molecules. Besides, the Company contributed a number of new structures in the molecular glue protein complex structural analysis field, which further provides effective clues for rational design and improvement of molecular glue drugs.

Secondly, regarding novel MOA research progress, our CRO business has successfully established a one-stop platform for novel MOA-based drug discovery and research, and set up relevant technical platforms covering protein production, preparation and structure research, Cryo-EM technology, membrane protein research technology, drug screening technology, bioassay and so on. Moreover, based on the validation and tests of hit compounds, the Company can rely on its strong pharmaceutical chemistry team and computing team to help clients further optimize hit compounds until they reach the milestone of candidate compounds. Meanwhile, the Company's pharmacology and pharmacokinetics platform can also provide clients with systematic compound druggability evaluation services for the development of novel MOA-based compounds.

In terms of protein production, preparation and structural research as well as membrane protein research technology, the Company has established various mature recombinant protein expression systems, including prokaryotic expression system, insect baculovirus expression system, mammalian cell expression system and yeast expression system, which can meet customer needs for customized production and expression of various recombinant proteins. Regarding special membrane proteins that are difficult to prepare, such as GPCR, ion channel proteins, transport proteins, etc., the Company has established its patented membrane protein expression technology and nano-phospholipid disc packaging technology, which can successfully prepare a large number of target proteins of difficult-to-prepare membrane proteins.

In terms of our Cryo-EM Single Particle Analysis (SPA) technology, we have now accumulated extensive experience in efficiently resolving high-resolution structures of various samples, including protein degradation complexes, autoimmune targets, ligand complexes and membrane proteins. This capability significantly accelerates integration into the early stages of drug discovery. Cryo-EM technology effectively complements traditional methods such as X-ray crystallography (XRD) and Nuclear Magnetic Resonance (NMR), forming a synergistic approach to provide clients with comprehensive structure-based drug design services in a one-stop solution.

Drug screening technology is one of the core technologies for exploring novel MOA-based molecules. In terms of drug screening technology, the Company has successfully established an affinity-prioritized, highly differentiated and highly competitive early drug screening platform. In particular, the V-DEL technology platform has introduced novel library construction strategies and innovative DNA-compatible reactions. Leveraging Viva's extensive experience in non-commercial building block molecules, it has launched various 100-billion grade DNA-encoded libraries covering cyclic peptides, molecular glues, covalent fragment compounds and fragment compounds, as well as corresponding screening strategies at the cellular level, among others. In addition, the Company continued to optimize and expand its compound libraries for high-throughput screening of structural diversity, GPCR specific selection, covalent fragments, non-covalent fragments, etc. Our self-built screening technology platforms for ASMS, SPR, crystal immersion and Intact mass spectrometry can fully utilize these characteristic compound libraries to screen various target types such as proteins or nucleic acids. The hit compounds obtained from these screening technologies can be further analyzed through Viva's computational chemistry and artificial intelligence platform, selected, optimized and even predicted through modeling, and verified on Viva's biological testing platforms such as Bioassay platform, ASMS platform, SPR platform, electron microscopy platform, HDX-MS platform, and X-ray crystallography platform. These modern novel drug screening and validation technologies complement, validate and synergize with each other, which jointly provide clients with the optimal overall solutions for discovering novel MOA-based compounds, and have greatly improved innovation, efficiency and success rate of projects.

Additionally, the pharmacology and pharmacodynamics platform has now expanded to multiple areas, including animal immunity, tumor efficacy, autoimmune efficacy evaluation, antibody pharmacokinetics, toxicology and safety assessment, immune analysis and in vitro mechanisms. The team has accumulated extensive experience in advancing the drug development projects of domestic and international clients with molecular modalities mainly including small molecules, peptides, monoclonal antibodies, single-domain antibodies, bispecific antibodies and ADCs. The main scope of coverage includes: cell biology and immunology, tumor immunology, inflammatory responses, autoimmune diseases, and the therapeutic drug evaluation. Overall, the pharmacology and pharmacodynamics platform has evolved into a one-stop service platform integrating in vitro and in vivo macromolecule PK detection, in vitro efficacy analysis and identification, efficacy evaluation for tumors, autoimmune diseases and weight-loss drugs, and preclinical safety assessment.

Thirdly, regarding current progress of new modality-related technology platforms, during the Reporting Period, Viva Biotech drew upon a wealth of projects completed over the years to gradually integrate its macromolecular drug/antibody platform, peptide platform and micromolecule drug platform into a cross-field XDC platform. Deeply integrating computational chemistry and artificial intelligence technology with XDC technology, the Company explored in a wide range of innovative fields such as coupling site screening design, linker-drug payload design, overall hydrophobicity and stability modification of XDC drugs, and development of novel coupling reactions, expanding new directions for XDC drug R&D. On this basis, the Company further integrated the XDC platform with DNA encoded library (DEL) technology, leveraging strong screening capabilities of the Viva DEL platform to help screen special micromolecule linkers and drugs, and relying on its team's unique experience in nucleic acid conjugation to establish an antibody-oligonucleotide conjugate (AOC) platform. Meanwhile, based on Viva's powerful preclinical research platform, we have gradually accumulated in vivo and in vitro XDC related toxicology, pharmacology and other research cases, providing more comprehensive data support for subsequent development. So far, based on full integration of our existing technology platforms across multiple fields, Viva has established a powerful, comprehensive and one-stop XDC technology service platform.

Regarding the development of the antibody macromolecule platform, the Company continued to advance the in-depth integration of the antibody macromolecule platform with CADD/AIDD technologies, consistently tackled high-difficulty projects in macromolecule design, and successfully delivered multiple complex tasks, including precise regulation of antibody affinity, breakthroughs in antibody patents, and optimization of Fc-fusion protein enzyme activity, which significantly expanded the application boundaries of AIDD technology in drug design. Furthermore, the large volume of high-quality data accumulated through the macromolecule platform has effectively supported the steady improvement of the AIDD team's algorithm performance. It has also progressively established platforms for druggability prediction and antibody expression prediction, thereby continuously driving the refinement and upgrading of the macromolecule R&D platform.

In terms of construction progress in the peptide technology platform, the Company has initially established an AI-driven peptide R&D technology platform. In the peptide discovery end, we have developed a new peptide generation method based on AI and a peptide screening strategy that combines DEL/phage display screening data with AI analysis capabilities. As such, we are able to draw upon multi-dimensional peptide R&D technologies to help our clients improve the success rate peptide R&D comprehensively. The computing platform supports structure-based rational design based on screening, through the introduction of non-natural amino acids and various cyclic peptide cyclization design methods. Meanwhile, the Company can provide one-stop peptide R&D and partial production services for synthesis, biological detection and PK research in respect of various peptides. Regarding peptide synthesis, particularly the challenging and technologically advanced peptide chains, the Company has accumulated extensive research and technical expertise in peptide coupling, PDC, RDC, monocyclic peptides, bicyclic peptides, stapled peptides and other complex peptides, biotin-labeled peptides and fluorescent-labeled peptides, providing strong technical support for the success of peptide development projects of our clients. The platform has also introduced a microwave-assisted fully automatic peptide synthesizer system to provide rapid synthesis services for conventional peptides. In terms of peptide coupling, our peptide platform works with the antibody department to expand the peptide platform to the field of peptide antibody coupled APC, and has delivered relevant products. Furthermore, the DEL peptide library has further expanded the number of molecules in the single-cycle library, with the ring size increasing from the original 4-12aa to 4-17aa and the quantity growing to 5 trillion. At the same time, a bicyclic peptide library has been newly established, further diversifying the structural types of peptide molecules and expanding the chemical space coverage.

Last but not least, regarding our AI-enabled SBDD one-stop R&D service platform for innovative novel drugs, our computer-aided drug discovery (CADD) and artificial intelligence drug discovery (AIDD) platforms employ physical chemistry models and artificial intelligence algorithms to enable the development of various modalities and help advance drug R&D projects rapidly and efficiently, based on a deep understanding of structures and MOAs to truly practice computation-driven drug R&D. Structures and MOAs, as unique technological strengths of Viva's AIDD platform, can play a significant role in the research of new targets, complex MOAs and various drug modalities. Our computing platform has developed a series of advanced algorithms specific to challenges in project development to solve practical problems in drug design such as covalent and non-covalent free energy perturbations, resulting in higher computational accuracy and larger adjustable parameter range. Addressing gaps in traditional computational chemistry methodology, the computing platform introduced generative artificial intelligence algorithms, which break through the limitation of chemical space with ab initio generation, enabling drug design to achieve the breakthrough from zero to one with the aid of computation. Furthermore, ADME/PK prediction models were developed under the platform, enabling comprehensive coverage of various drug R&D stages and systematic integration of computing tools. The methods developed under the computational chemistry and artificial intelligence platform have been applied in the R&D of various drug modalities, such as micromolecule, antibody, peptide, PROTAC and molecular gels, and targeted RNA micromolecule drugs. In the process of algorithm development, our platforms maintain the linkage of dry and wet experiments and the computational results are verified through experimental validation, during which computational models are iteratively optimized to ultimately achieve breakthroughs. Generally, Viva's CADD and AIDD platforms have the capability to develop proprietary algorithms and enhance platforms and the experience in exploring various drug modalities, and fully leverage our advantages in structure-based drug discovery, which can comprehensively empower various early drug R&D aspects with the computing power supported by Viva Shanghai's supercomputing cluster.

Regarding the evolution stage of artificial intelligence platforms, Viva is shifting from empowering various drug development stages with computing methods to a new stage of AI-driven drug design, i.e. leveraging AI-driven experiments to redefine the paradigm of drug design. So far, our artificial intelligence platform has realized a wholly new design process with interlinked dry and wet experiments, breaking the restrictions from the original R&D cycle and providing a new impetus to innovative drug design, and has reached well-known collaboration cases on packaged AI discovery solutions in certain niche segments. Furthermore, in May 2025, the Group successfully held the "Enchantment of Drug Discovery" launch event, where it unveiled its self-developed AIDD platform for the first time. The event provided in-depth insights into the platform's unique advantages, its disruptive innovation to traditional drug discovery workflows, and its three core functional modules of V-Scepter, V-Orb and V-Mantle. Through case demonstrations, the Company further showcased the platform's boundless potential in real-world applications, laying a solid foundation for securing major AI-related orders in the future.

Overall, based on the existing technology platforms, the Company aims to serve the increasing demands of additional customers, and consistently invest in establishing, expanding, optimizing and deeply integrating emerging technology platforms. With an aim to establish "new targets, novel MOAs and new modalities and the AI-enabled SBDD one-stop R&D service platform for innovative novel drugs", the Company is committed to achieving channeling and synergy among different technology platforms, driving continuous growth in CRO revenue.

STAFF AND FACILITIES

As at June 30, 2025, the Group had a total of 2,085 employees, of whom the number of CRO R&D personnel reached 1,098, and the headcount of Langhua Pharmaceutical was 753. Remuneration of our employees is determined with reference to market conditions and individual employees' performance, qualification and experience. In line with the performance of the Group and individual employees, a competitive remuneration package is offered to retain employees, including salaries, discretionary bonuses, employee benefits, employee share option scheme and restricted share unit scheme. During the Reporting Period, the relationship between the Group and our employees had been stable, and we had not experienced any strikes or other labor disputes that materially affected our business activities. We provide training programs to employees, including new hire orientation and continuous on-the-job training, in order to accelerate the learning progress and improve the knowledge and skill levels of our employees. The Company has well-established office and laboratory facilities in line with its workforce expansion plans, and is expanding production capacity to meet the fast-growing business needs, including:

- The Group's new headquarters in Zhoupu, Shanghai with a total area of approximately 40,000 square meters had been put into full operation.

- The incubation center located in Faladi Road, Shanghai has an actual usable area of approximately 7,576 square meters, including 5,552 square meters of laboratory area.

- The park in Chengdu has a GFA of approximately 64,564 square meters, of which 12,210 square meters of properties had been put into use as at June 30, 2025, including 10,800 square meters of laboratory area.

- A park in Suzhou with a total GFA of approximately 7,545 square meters, including nearly 5,305 square meters of laboratory area.

- A park in Jiaxing with a GFA of approximately 6,362 square meters, including nearly 5,335 square meters of laboratory area.

- Shanghai Supercomputing Center has been officially put into operation. At present, it can support computer-aided drug discovery (CADD) computation, artificial intelligence drug discovery (AIDD) related computation, and crystal structure and Cryo-EM (Micro-ED) computation.

- The factory of Langhua Pharmaceutical in Taizhou, Zhejiang has a GFA of approximately 35,168 square meters, and the Taizhou R&D center has an area of approximately 2,500 square meters. The R&D center and office in Ningbo have an area of approximately 2,800 square meters.

FUTURE STRATEGIES AND OUTLOOK

With unique advantages in structure-based drug discovery (SBDD), the Company will increase the cross-sell between biological and chemical businesses, continue to strengthen the construction of its one-stop innovative novel drug R&D platform and manufacturing service platform, deepen the synergy between CRO and CDMO business, improve the capacity building for front-end services and drive business to back-end services to further enhance the business funnel effect. The Company is committing effort to establish an open eco-system for global biopharma innovators.

Discussion of Result of Operation

Revenue

The Group's revenue in the Reporting Period was approximately RMB831.9 million, representing a decrease of approximately 15.3% as compared to approximately RMB981.8 million in the corresponding period last year. The decrease in revenue was primarily due to the decline in CDMO revenue, which is attributable to three factors: (i) upgrades were implemented in existing workshops to better comply with FDA audit requirements for new commercialization projects, which temporarily affected revenue from generic drug products during the Reporting Period; (ii) the supply chain business, including intermediates and formulations, experienced disruptions due to geopolitical fluctuations in Southeast Asia, India, and Pakistan; and (iii) new CDMO commercialization projects are scheduled to begin delivery and generate revenue in the second half of 2025, based on client timelines.

The following table sets forth a breakdown of the Group's revenue by respective types of goods or services during the Reporting Period and the corresponding period last year.

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Types of goods or services		
Drug discovery services		
– Full-time-equivalent ("**FTE**")	**326,902**	309,018
– Fee-for-service ("**FFS**")	**95,611**	73,602
– Service-for-equity ("**SFE**")	**313**	3,315
CDMO and commercialization services		
– Sale of products	**398,286**	577,229
– FFS	**10,762**	18,660
	831,874	981,824

While the Group's operations are located in China, it has a global customer base with a majority of our customers located in the USA and Europe. An analysis of the Group's revenue from customers, analyzed by their respective country/region of operation, is detailed below:

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
USA	**429,749**	375,734
Europe	**202,797**	337,059
Mainland China	**114,902**	111.946
Other Asia countries and regions out of Mainland China	**38,728**	109,464
Africa	**7,171**	19,015
Others	**38,527**	28,606
	831,874	981,824

The decrease in revenue in the Reporting Period as compared to the corresponding period last year was primarily due to a decrease in the revenue of the Group's customers headquartered in the Europe, other Asia countries and regions out of Mainland China.

Cost of Sales

Cost of Sales primarily consists of direct labor costs, cost of materials and overhead. Direct labor costs primarily consist of salaries, bonus, welfare, social security costs and share-based compensation for our R&D talents, excluding the costs allocated to research and development expenses, as well as those capitalized in contract costs. Cost of Sales in the Reporting Period was approximately RMB492.4 million, representing a decrease of approximately 23.4% as compared to approximately RMB642.7 million in the corresponding period last year. The decrease was consistent with the overall revenue trend and can also be attributed to the improvement in gross profit margin.

Gross Profit and Gross Profit Margin

During the Reporting Period, the Group's gross profit was approximately RMB339.4 million, representing an increase of approximately 0.1% as compared to approximately RMB339.1 million in the corresponding period last year. Gross margin was approximately 40.8% for the Reporting Period, as compared to approximately 34.5% for the corresponding period last year. The increase was primarily driven by the optimization and strategic adjustment of Langhua's business structure, enhanced operational efficiency in the CRO business, as well as contributions from newly developed business segments.

Other Income and Gains

Other income and gains consist primarily of interest income, government grants and subsidies, net foreign exchange gain, gain on derivative financial instruments. During the Reporting Period, the Group recorded a gain of approximately RMB24.9 million, representing a decrease of approximately 43.8% as compared to approximately RMB44.3 million in the corresponding period last year. The decrease was primarily due to a decrease in foreign exchange gain and a decrease in government grants and subsidies.

Selling and Distribution Expenses

Selling and distribution expenses primarily consist of staff cost, amortisation of customer relationship, travelling expenses and others. During the Reporting Period, the Group's selling and distribution expenses were approximately RMB57.7 million, representing an increase of approximately 0.2% as compared to approximately RMB57.6 million in the corresponding period last year. The slight increase was mainly attributed to the expansion of the business development team and offset by the decreasing selling expenses due to lower CDMO revenue.

Administrative Expenses

Administrative expenses primarily consist of administrative staff costs, audit and consultancy fees, office administration expense, depreciation and amortization, travelling and transportation expenses and others. During the Reporting Period, the Group's administrative expenses were approximately RMB126.0 million, representing an increase of approximately 7.5% as compared to approximately RMB117.2 million in the corresponding period last year. The increase was mainly due to an increase in the subsidiary's share incentive expenses.

Research and Development Expenses

R&D expenses mainly consist of labor costs, cost of materials, depreciation and others. During the Reporting Period, the Group's R&D expenses were approximately RMB40.3 million, representing a decrease of approximately 5.8% as compared to approximately RMB42.8 million in the corresponding period last year. The decrease reflected the effective cost control measures.

Fair Value Gains on Financial Assets at Fair Value through Profit or Loss ("FVTPL")

Fair value gains on FVTPL mainly consists of fair value gains from the fair value change of the interests in the Group's incubation portfolio companies.

The Group's EFS model features sharing of the changes in our customers' intellectual property values, which is primarily reflected by the gains/losses from the fair value change of the interest in the Group's incubation portfolio companies. Such fair value gains/losses are recorded as fair value gains/losses on financial assets at FVTPL in the Group's financial statements. As at 30 June, 2025, no individual interests in the Group's incubation portfolio companies accounted for more than 5% of the Group's total assets.

The Group recorded gains arising from fair value change of the interests in the Group's incubation portfolio companies designated at FVTPL of a gain of approximately RMB52.6 million for the Reporting Period, primarily reflecting the increase in the fair value of the Group's interests in certain incubation portfolio companies, as compared to a gain of approximately RMB64.4 million for the corresponding period last year.

Impairment Losses on Financial Assets, Net

Impairment losses under the expected credit model, net of reversal, reflects impairment loss on trade receivables and other receivables. The Group recorded a reversal of impairment losses of approximately RMB0.4 million for the Reporting Period, as compared to approximately RMB4.7 million of impairment losses for the corresponding period last year.

Other Expenses

For the Reporting Period, the Group recorded other expenses of approximately RMB2.6 million, representing a decrease of approximately as compared to approximately 69.8%, as compared to approximately RMB8.7 million for the corresponding period last year. The decrease is primarily due to the decrease in downtime loss and a decrease in impairment loss on inventories and contract costs.

Finance Costs

Finance costs primarily consist of interest expenses on loans from banks and interest on lease liabilities. For the Reporting Period, the Group's finance costs were approximately RMB18.5 million, representing a decrease of approximately 40.9%, as compared to approximately RMB31.4 million for the corresponding period last year. The decrease was primarily due to the repayment of the bank loans.

Income Tax Expense

The Group's income tax expense was approximately RMB23.1 million, representing a decrease of approximately 44.1% from approximately RMB41.3 million for the corresponding period last year. The decrease was primarily due to the reversal of deferred tax.

Net Profit

As a result of the foregoing, the Group's net profit for the Reporting Period was approximately RMB148.6 million, as compared to a profit of approximately RMB144.2 million for the corresponding period last year.

The adjusted non-IFRS net profit of the Group was approximately RMB183.5 million for the Reporting Period, as compared to an adjusted non-IFRS net profit of approximately RMB168.2 million for the corresponding period last year.

Such an increase in net profit and the increase in adjusted non-IFRS net profit of the Group for the Reporting Period were primarily attributable to the sustained positive growth in both revenue and profit from the CRO business, as well as to the improved profitability resulting from the strategic optimization of Langhua's business structure.

Liquidity and Financial Resources

As at June 30, 2025, the Group's total cash and cash equivalents amounted to approximately RMB904.5 million, representing a decrease of approximately 3.9% as compared to approximately RMB941.6 million as at December 31, 2024. Such minor decrease was primarily due to the net repayment of bank borrowings of approximately RMB126.3 million during the Reporting Period.

As at June 30, 2025, current assets of the Group amounted to approximately RMB1,746.1 million, including cash and cash equivalents of approximately RMB904.5 million. Current liabilities of the Group amounted to approximately RMB991.7 million, including bank borrowings of approximately RMB601.0 million.

As at June 30, 2025, the gearing ratio, calculated as total liabilities over total assets, was approximately 43.2%, as compared with approximately 45.9% as at December 31, 2024. As at June 30, 2025, the Group had approximately RMB736.8 million of secured bank borrowings and RMB392.2 million of unsecured bank borrowings. Secured bank borrowings decreased by approximately RMB129.6 million as compared to approximately RMB866.4 million as at December 31, 2024.

Pledge of Assets

As at June 30, 2025, the building, the right-of-use assets, construction in progress and certain time deposits with a carrying amount of approximately RMB198.4 million, RMB188.1 million, RMB0.5 million and RMB30.7 million, respectively, were pledged to secure certain bank borrowings, letters of credit and notes payable of the Group.

Capital Expenditure

For the Reporting Period, the Group's capital expenditure amounted to approximately RMB38.7 million, which was mainly used for construction of facilities and equipment purchases, as compared to approximately RMB82.7 million for the corresponding period last year. The Group funded its capital expenditure by using cash flow generated from its operations and financing.

Contingent Liabilities

The Group had no material contingent liabilities as at June 30, 2025.

Material Acquisition and Disposal, Future Plan for Material Investment and Capital Assets

Save as disclosed in this announcement and other announcements and circulars published by the Company up to the date of this announcement, the Group does not have other plans for material investments and capital assets for Reporting Period and up to the date of this announcement.

The Group did not have material acquisitions or disposals of subsidiaries, associates and joint ventures or other significant investments with a value of 5% or more of the Group's total assets during the Reporting Period.

Currency Risk

Certain entities in our Group have foreign currency sales and purchases, which exposes us to foreign currency risk. In addition, certain entities in our Group also have other payables and receivables which are denominated in currencies other than their respective functional currencies. We recorded a net foreign exchange gain of approximately RMB6.2 million and a net foreign exchange gain of approximately RMB10.1 million for the Reporting Period and the corresponding period last year, respectively. We are exposed to the foreign currency of U.S. dollars as part of our revenue was generated from sales denominated in U.S. dollars. We purchased various bank foreign exchange wealth management products to hedge against our exposure to currency risk during the Reporting Period. Our management will continue to evaluate the Group's foreign exchange risk and take actions as appropriate to minimize the Group's exposure whenever necessary.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended June 30, 2025

	Notes	**2025** ***RMB'000*** **(Unaudited)**	2024 *RMB'000* (Unaudited)
REVENUE	*4*	**831,874**	981,824
Cost of sales		**(492,447)**	(642,679)
Gross profit		**339,427**	339,145
Other income and gains	*5*	**24,873**	44,260
Selling and distribution expenses		**(57,681)**	(57,559)
Administrative expenses		**(126,036)**	(117,208)
Research and development expenses		**(40,331)**	(42,826)
Fair value gain on financial assets at fair value through profit or loss ("**FVTPL**")	*12*	**52,575**	64,431
Impairment losses on financial assets, net		**422**	(4,691)
Other expenses		**(2,622)**	(8,685)
Share of losses of an associate		**(418)**	–
Finance costs	*6*	**(18,514)**	(31,351)
PROFIT BEFORE TAX	*7*	**171,695**	185,516
Income tax expense	*8*	**(23,058)**	(41,279)
PROFIT FOR THE PERIOD		**148,637**	144,237
Attributable to:			
Owners of the parent		**121,805**	116,808
Non-controlling interests		**26,832**	27,429
		148,637	144,237
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*9*	***RMB***	*RMB*
Basic		**0.06**	0.05
Diluted		**0.05**	0.05

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended June 30, 2025

	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
PROFIT FOR THE PERIOD	**148,637**	144,237
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**(2,604)**	4,954
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**(2,604)**	4,954
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**146,033**	149,191
Attributable to:		
Owners of the parent	**118,937**	121,917
Non-controlling interests	**27,096**	27,274
	146,033	149,191

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

June 30, 2025

	Notes	**June 30, 2025** ***RMB'000*** **(Unaudited)**	December 31, 2024 *RMB'000* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	*11*	**1,271,455**	1,304,455
Right-of-use assets		**300,988**	292,863
Goodwill		**2,156,419**	2,156,419
Other intangible assets		**338,833**	366,049
Equity investments designated at fair value through other comprehensive income		**500**	500
Investments in an associate		**46,390**	46,808
Financial assets at FVTPL	*12*	**935,749**	941,241
Contract assets		**3,271**	3,505
Rental deposits, other receivables and prepayments		**39,414**	12,186
Deferred tax assets		**34,152**	21,801
Amounts due from related parties		**9,605**	28,169
Total non-current assets		**5,136,776**	5,173,996
CURRENT ASSETS			
Inventories		**317,074**	272,700
Trade and bills receivables	*13*	**305,745**	420,464
Contract costs		**18,595**	12,605
Prepayments, other receivables and other assets		**47,697**	79,630
Pledged deposits		**30,880**	27,689
Cash and cash equivalents		**904,452**	941,581
		1,624,443	1,754,669
Assets classified as held for sale		**121,654**	121,929
Total current assets		**1,746,097**	1,876,598

	Notes	**June 30, 2025** ***RMB'000*** **(Unaudited)**	December 31, 2024 *RMB'000* (Audited)
CURRENT LIABILITIES			
Trade and bills payables	*14*	**181,256**	309,355
Other payables and accruals	*15*	**142,866**	184,907
Contract liabilities		**44,228**	50,982
Interest-bearing bank borrowings	*16*	**600,971**	549,390
Lease liabilities		**2,668**	3,094
Income tax payable		**19,648**	28,873
		991,637	1,126,601
Liabilities directly associated with the assets classified as held for sale		**41**	54
Total current liabilities		**991,678**	1,126,655
NET CURRENT ASSETS		**754,419**	749,943
TOTAL ASSETS LESS CURRENT LIABILITIES		**5,891,195**	5,923,939
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings	*16*	**528,058**	705,921
Deferred income		**30,472**	32,995
Lease liabilities		**24,526**	25,646
Deferred tax liabilities		**71,985**	73,847
Other non-current liabilities		**1,328,678**	1,269,309
Total non-current liabilities		**1,983,719**	2,107,718
Net assets		**3,907,476**	3,816,221
EQUITY			
Equity attributable to owners of the parent			
Share capital	*17*	**361**	367
Treasury shares	*17*	**(129,129)**	(157,670)
Reserves		**4,021,562**	3,959,680
		3,892,794	3,802,377
Non-controlling interests		**14,682**	13,844
Total equity		**3,907,476**	3,816,221

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended June 30, 2025

	Attributable to owners of the parent										
	Share capital *RMB'000*	Treasury shares *RMB'000*	Share premium *RMB'000*	Exchange fluctuation reserve *RMB'000*	Share option reserve *RMB'000*	Other reserve *RMB'000*	Statutory reserve *RMB'000*	Accumulated loss *RMB'000*	Total *RMB'000*	Non-controlling interests *RMB'000*	Total equity *RMB'000*
At January 1, 2025 (audited)	367	(157,670)	3,874,168	(38,797)	109,940	141,583	159,101	(286,315)	3,802,377	13,844	3,816,221
Profit for the period	-	-	-	-	-	-	-	121,805	121,805	26,832	148,637
Other comprehensive income for the period											
Exchange differences related to foreign operations	-	-	-	(2,868)	-	-	-	-	(2,868)	264	(2,604)
Total comprehensive income for the period	-	-	-	(2,868)	-	-	-	121,805	118,937	27,096	146,033
Put option over non-controlling interests	-	-	-	-	-	(32,652)	-	-	(32,652)	(29,255)	(61,907)
Share repurchase and cancellation *(note 17)*	(6)	22,932	(28,006)	-	-	-	-	-	(5,080)	-	(5,080)
Exercise of RSU scheme	-	5,609	(5,138)	-	-	-	-	-	471	-	471
Recognition of equity-settled share-based payment	-	-	-	-	8,741	-	-	-	8,741	2,997	11,738
At June 30, 2025 (unaudited)	361	(129,129)	3,841,024	(41,665)	118,681	108,931	159,101	(164,510)	3,892,794	14,682	3,907,476

For the six months ended June 30, 2025

	Attributable to owners of the parent										
	Share capital *RMB'000*	Treasury shares *RMB'000*	Share premium *RMB'000*	Exchange fluctuation reserve *RMB'000*	Share option reserve *RMB'000*	Other reserve *RMB'000*	Statutory reserve *RMB'000*	Accumulated loss *RMB'000*	Total *RMB'000*	Non-controlling interests *RMB'000*	Total equity *RMB'000*
At January 1, 2024 (audited)	367	(134,651)	3,874,168	(50,783)	107,270	186,049	124,013	(418,521)	3,687,912	–	3,687,912
Profit for the period	–	–	–	–	–	–	–	116,808	116,808	27,429	144,237
Other comprehensive income for the period											
Exchange differences related to foreign operations	–	–	–	5,109	–	–	–	–	5,109	(155)	4,954
Total comprehensive income for the period	–	–	–	5,109	–	–	–	116,808	121,917	27,274	149,191
Put option over non-controlling interests	–	–	–	–	–	(26,611)	–	–	(26,611)	(29,897)	(56,508)
Capital injection from non-controlling shareholders of subsidiaries	–	–	–	–	–	12,642	–	–	12,642	17,374	30,016
Recognition of equity-settled share-based payment	–	–	–	–	(7,169)	–	–	–	(7,169)	(1,751)	(8,920)
At June 30, 2024 (unaudited)	367	(134,651)	3,874,168	(45,674)	100,101	172,080	124,013	(301,713)	3,788,691	13,000	3,801,691

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2025

	Notes	**2025** ***RMB'000*** **(Unaudited)**	2024 *RMB'000* (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**171,695**	185,516
Adjustments for:			
Finance costs	*6*	**18,514**	31,351
Share of losses of an associate		**418**	–
Interest income	*5*	**(9,429)**	(9,005)
Loss on disposal of items of property, plant and equipment	*7*	**521**	241
Fair value gains, net:			
Derivative financial instruments	*7*	**–**	(4,239)
Financial assets at FVTPL	*12*	**(52,575)**	(64,431)
Foreign exchange loss		**260**	3,626
Income from government grants and subsidies related to assets		**(2,813)**	(10,558)
Revenue from service-for-equity ("**SFE**")	*4*	**(313)**	(3,315)
Equity-settled share-based payment expense	*7*	**11,738**	(8,920)
Depreciation of property, plant and equipment	*7*	**70,898**	70,794
Amortization of other intangible assets	*7*	**27,940**	27,807
Depreciation of right-of-use assets	*7*	**8,928**	5,376
Impairment losses under expected credit model, net of reversal	*7*	**(422)**	4,691
Impairment losses on non-financial assets, net of reversal	*7*	**(847)**	2,741
		244,513	231,675
(Increase)/decrease in inventories		**(43,575)**	33,021
Increase in contract costs		**(5,942)**	(2,838)
Decrease/(increase) in trade and bills receivables		**115,141**	(44,001)
Decrease in prepayments, other receivables and other assets		**23,587**	21,425
Increase in pledged time deposits for notes payable		**(3,191)**	(12,463)
(Decrease)/increase in trade and bills payables		**(128,099)**	1,724
Decrease in other payables		**(17,091)**	(26,286)
(Decrease)/increase in other non-current liabilities		**(2,538)**	125
(Decrease)/increase in contract liabilities		**(6,754)**	4,684
Cash generated from operations		**176,051**	207,066
Income tax paid		**(46,228)**	(54,736)
Net cash flows from operating activities		**129,823**	152,330

	Notes	**2025** ***RMB'000*** **(Unaudited)**	2024 *RMB'000* (Unaudited)
Net cash flows from operating activities		**129,823**	152,330
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		**9,070**	8,976
Purchases of items of property, plant and equipment		**(74,826)**	(128,352)
Purchase of intangible asset		**(724)**	(437)
Proceeds from disposal of items of property, plant and equipment		**233**	125
Receipt of government grants and subsidies related to assets		**290**	3,154
Withdraw in pledged deposits		**–**	130,000
(Repayment)/advance of intention payment on potential disposal of a subsidiary		**(15,000)**	12,000
Advances of loans to an employee		**–**	(2,000)
Repayment from related parties		**–**	78,113
Advances of loans to related parties		**–**	(34,216)
Capital injection in an associate		**–**	(4,500)
Purchase of financial assets at FVTPL		**(9,713)**	(8,769)
Proceeds from disposal of financial assets at FVTPL		**76,521**	144,062
Settlement of derivative financial instruments		**–**	3,434
Net cash flows (used in)/from investing activities		**(14,149)**	201,590
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of bank borrowings		**(554,297)**	(1,332,678)
Interest paid		**(18,880)**	(31,246)
Proceeds from bank borrowings		**428,015**	972,426
Repayment of lease liabilities		**(2,163)**	(2,640)
Proceeds from exercise share option		**416**	–
Capital injection from non-controlling shareholders of of a subsidiary		**–**	39,526
Payment for repurchase of shares		**(5,080)**	–
Net cash flows used in financing activities		**(151,989)**	(354,612)

	Notes	**2025** ***RMB'000*** **(Unaudited)**	2024 *RMB'000* (Unaudited)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(36,315)**	(692)
Cash and cash equivalents at beginning of period		**941,710**	1,036,322
Effect of foreign exchange rate changes, net		**(881)**	611
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**904,514**	1,036,241
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents as stated in the consolidated statement of financial position		**904,452**	1,035,834
Cash and cash equivalents reclassified as assets held for sale		**62**	407
CASH AND CASH EQUIVALENTS AT END OF YEAR		**904,514**	1,036,241

1. CORPORATE INFORMATION AND BASIS OF PREPARATION

1.1 Corporate information

Viva Biotech Holdings (the "**Company**") was incorporated in the Cayman Islands as an exempted company with limited liability on August 27, 2008, and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since May 9, 2019. The address of the registered office and the principal place of business of the Company are PO Box 309, Ugland House, Grand Cayman, KYI-1104, Cayman Islands and Room 1901, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong, respectively.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the "**Group**") are principally engaged in the following activities:

- providing the structure-based drug discovery services to biotechnology and pharmaceutical customers worldwide for their pre-clinical stage innovative drug development;
- contract development and manufacturing services for small molecule active pharmaceutical ingredients ("**APIs**") and intermediates and trading of APIs, intermediates and formulations.
- making strategic investments in biotechnology startup companies.

1.2 Basis of preparation

The interim condensed consolidated financial information for the six months ended June 30, 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 December 31, 2024.

The functional currency of the Company is Renminbi ("**RMB**"), which is the same as the presentation currency of the interim condensed consolidated financial statements, and all values are rounded to the nearest thousand except when otherwise indicated.

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 December 31, 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

The Group conducted its drug discovery services, contract development manufacture organization ("**CDMO**") and commercialisation services, and made its strategic investments in the biotechnology startup companies with potentials for future cooperation ("**Viva BioInnovator**") through separate groups of subsidiaries. And the key management, being the chief operating decision maker, monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Accordingly, the Group presented the segment performance results separately by the categories of drug discovery services, CDMO and commercialization services, and Viva BioInnovator.

	Drug discovery Services *RMB'000* (Unaudited)	CDMO and commercialisation services *RMB'000* (Unaudited)	Viva BioInnovator *RMB'000* (Unaudited)	Elimination *RMB'000* (Unaudited)	Total *RMB'000* (Unaudited)
Six months ended June 30, 2025					
Segment revenue					
Sales to external customers	**415,040**	**409,048**	**7,786**	**–**	**831,874**
Intersegment sales	**8,479**	**4,493**	**–**	**(12,972)**	**–**
Total revenue	**423,519**	**413,541**	**7,786**	**(12,972)**	**831,874**
Segment results	**191,818**	**147,546**	**(14)**	**77**	**339,427**
Reconciliation:					
Other income and gains					**24,873**
Selling and distribution expenses					**(57,681)**
Administrative expenses					**(126,036)**
Research and development expenses					**(40,331)**
Fair value gain on financial assets at FVTPL					**52,575**
Impairment losses on financial assets, net					**422**
Other expenses					**(2,622)**
Finance costs					**(18,514)**
Share of losses of an associate					**(418)**
Group's profit before tax					**171,695**

3. OPERATING SEGMENT INFORMATION (Continued)

	Drug discovery Services *RMB'000* (Unaudited)	CDMO and commercialisation services *RMB'000* (Unaudited)	Viva BioInnovator *RMB'000* (Unaudited)	Elimination *RMB'000* (Unaudited)	Total *RMB'000* (Unaudited)
Six months ended June 30, 2024					
Segment revenue					
Sales to external customers	375,632	595,889	10,303	–	981,824
Intersegment sales	15,817	1,077	–	(16,894)	–
Total revenue	391,449	596,966	10,303	(16,894)	981,824
Segment results	169,174	172,020	(1,158)	(891)	339,145
Reconciliation:					
Other income and gains					44,260
Selling and distribution expenses					(57,559)
Administrative expenses					(117,208)
Research and development expenses					(42,826)
Fair value gain on financial assets at FVTPL					64,431
Impairment losses on financial assets, net					(4,691)
Other expenses					(8,685)
Finance costs					(31,351)
Group's profit before tax					185,516

4. REVENUE

An analysis of revenue is as follows:

	For six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	**831,874**	981,824

4. REVENUE (Continued)

(a) Disaggregated revenue information

For the six months ended June 30, 2025

Segments	Drug discovery services *RMB'000* (Unaudited)	CDMO and commercialisation services *RMB'000* (Unaudited)	Viva BioInnovator *RMB'000* (Unaudited)	Total *RMB'000* (Unaudited)
Types of goods or services				
Revenue from non-investees:				
Full-time-equivalent ("**FTE**") services	**315,071**	**–**	**–**	**315,071**
Fee-for-service ("**FFS**") services	**87,999**	**10,751**	**–**	**98,750**
Sale of products	**–**	**398,286**	**–**	**398,286**
Subtotal	**403,070**	**409,037**	**–**	**812,107**
Revenue from investees:				
FTE services	**9,517**	**–**	**2,314**	**11,831**
FFS services	**2,453**	**11**	**5,159**	**7,623**
SFE services	**–**	**–**	**313**	**313**
Subtotal	**11,970**	**11**	**7,786**	**19,767**
Total revenue from contracts with customers	**415,040**	**409,048**	**7,786**	**831,874**
Geographical markets				
United States of America ("**USA**")	**316,445**	**111,131**	**2,173**	**429,749**
European Union	**17,263**	**185,534**	**–**	**202,797**
Mainland China	**63,295**	**51,607**	**–**	**114,902**
Other Asian countries and regions out of Mainland China	**3,011**	**35,717**	**–**	**38,728**
Africa	**–**	**7,171**	**–**	**7,171**
Other countries/regions	**15,026**	**17,888**	**5,613**	**38,527**
Total revenue from contracts with customers	**415,040**	**409,048**	**7,786**	**831,874**
Timing of revenue recognition				
Goods/services transferred at a point in time	**90,452**	**409,048**	**5,159**	**504,659**
Services transferred over time	**324,588**	**–**	**2,627**	**327,215**
Total revenue from contracts with customers	**415,040**	**409,048**	**7,786**	**831,874**

4. REVENUE (Continued)

(a) Disaggregated revenue information (Continued)

For the six months ended June 30, 2024

Segments	Drug discovery services *RMB'000* (Unaudited)	CDMO and commercialisation services *RMB'000* (Unaudited)	Viva BioInnovator *RMB'000* (Unaudited)	Total *RMB'000* (Unaudited)
Types of goods or services				
Revenue from non-investees:				
FTE services	286,886	–	–	286,886
FFS services	69,383	7,032	–	76,415
Sale of products	–	577,229	–	577,229
Subtotal	356,269	584,261	–	940,530
Revenue from investees:				
FTE services	15,234	–	6,898	22,132
FFS services	4,129	11,628	90	15,847
SFE services	–	–	3,315	3,315
Subtotal	19,363	11,628	10,303	41,294
Total revenue from contracts with customers	375,632	595,889	10,303	981,824
Geographical markets				
USA	298,920	69,543	7,271	375,734
European Union	18,706	318,353	–	337,059
Mainland China	43,164	68,782	–	111,946
Other Asian countries and regions out of Mainland China	5,263	104,201	–	109,464
Africa	–	19,015	–	19,015
Other countries/regions	9,579	15,995	3,032	28,606
Total revenue from contracts with customers	375,632	595,889	10,303	981,824
Timing of revenue recognition				
Goods/services transferred at a point in time	73,512	595,889	90	669,491
Services transferred over time	302,120	–	10,213	312,333
Total revenue from contracts with customers	375,632	595,889	10,303	981,824

(b) Information about a major customer

Revenue of approximately RMB221,640,000 during the reporting period was derived from sales by the CDMO and commercialisation services segment to a single customer, including sales to a group of entities which are known to be under common control with that customer (six months ended June 30, 2024: RMB243,659,000).

5. OTHER INCOME AND GAINS

	For the six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Other income		
Interest income		
– banks	**9,070**	8,976
– imputed interest income on rental deposits	**1**	1
– deemed interest income from loans to an employee	**35**	9
– deemed interest income from the loans to related parties	**323**	19
Government grants and subsidies	**7,866**	18,751
Total other income	**17,295**	27,756
Gains		
Net foreign exchange gain	**6,166**	10,060
Gain on derivative financial instruments	**–**	4,239
Others	**1,412**	2,205
Total gains	**7,578**	16,504
Total other income and gains	**24,873**	44,260

6. FINANCE COSTS

	For the six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Interest on lease liabilities	**617**	686
Interest expenses on bank loans	**18,300**	31,721
Total interest expense	**18,917**	32,407
Less: Interest capitalized	**403**	1,056
Total	**18,514**	31,351

7. PROFIT BEFORE TAX

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

	For the six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cost of inventories sold	**224,995**	390,220
Cost of services provided	**50,469**	45,034
Depreciation of property, plant and equipment	**70,898**	70,794
Depreciation of right-of-use assets	**8,928**	5,376
Amortisation of other intangible assets	**27,940**	27,807
Less: capitalised in contract costs	**(90)**	(1,576)
Less: capitalised in inventories	**(230)**	(800)
	107,446	101,601
Staff cost (including directors' emoluments):		
– Salaries and other benefits	**274,872**	265,166
– Retirement benefit scheme contributions	**25,642**	25,711
– Share-based payment expenses	**11,738**	(8,920)
	312,252	281,957
Less: capitalised in contract costs	**(6,209)**	(5,061)
Less: capitalised in inventories	**(2,075)**	(1,289)
	303,968	275,607
Foreign exchange gain, net	**(6,166)**	(10,060)
Fair value gain on derivative financial instruments	**–**	(4,239)
Impairment losses on financial assets, net	**(422)**	4,691
Impairment losses of inventories and contract costs, net	**(847)**	2,741
Loss on disposal of items of property, plant and equipment	**521**	241
Auditors' remuneration	**1,200**	1,200

8. 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.

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The income tax expense of the Group for the period is analysed as follows:

	For the six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current tax	**37,003**	37,049
Deferred tax	**(13,945)**	4,230
Total	**23,058**	41,279

Cayman Islands/British Virgin Islands ("BVI")

Pursuant to the relevant rules and regulations of the Cayman Islands and the BVI, the Company and the subsidiaries of the Group incorporated therein are not subject to any income tax in the Cayman Islands and the BVI.

Hong Kong

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first Hong Kong Dollars ("**HK$**") 2,000,000 (2024: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Mainland China

The provision for Mainland China corporate income tax is based on the statutory rate of 25% of the assessable profits of certain Mainland China subsidiaries of the Group as determined in accordance with the Mainland China Corporate Income Tax Law which was approved and became effective on January 1, 2008, except for certain subsidiaries of the Group in Mainland China which are granted tax concession and are taxed at preferential tax rates.

Viva Biotech (Shanghai) Ltd. renewed its "High and New Technology Enterprise" qualification in 2022 and is entitled to the preferential tax rate of 15% from 2022 to 2024. As of the date of the issuance of these interim condensed consolidated financial statements, the renewal of the accreditation is in process and management of the Group expects the renewal will be completed before December 31, 2025. As such, the estimated corporate income tax rate of Viva Biotech Shanghai for the six-month period ended June 30, 2025 is 15%.

Zhejiang Langhua Pharmaceutical Co., Ltd. ("**Langhua Pharmaceutical**") renewed its "High and New Technology Enterprise" qualification in December 2024 and is entitled to the preferential tax rate of 15% from 2024 to 2026.

Xinshi Bio Medicine (Shanghai) Co., Ltd. ("**Synthesis Shanghai**") and Suzhou Xiangshi Medical Development Co., Ltd. ("**Synthesis Suzhou**") renewed their "Advanced Technology Enterprise" qualifications in 2022 and are entitled to the preferential tax rate of 15% from 2022 to 2024. As of the date of the issuance of these interim condensed consolidated financial statements, the renewal of the accreditation is in process and management of the Group expects the renewal will be completed before December 31, 2025. As such, the estimated corporate income tax rate of Synthesis Shanghai and Synthesis Suzhou for the six-month period ended June 30, 2025 is 15%.

8. INCOME TAX (Continued)

Mainland China (Continued)

Sichuan Viva Benyuan Biotech Limited obtained its "High and New Technology Enterprise" qualification in 2022 and is entitled to the preferential tax rate of 15% from 2022 to 2024. As of the date of the issuance of these interim condensed consolidated financial statements, the renewal of the accreditation is in process and management of the Group expects the renewal will be completed before December 31, 2025. As such, the estimated corporate income tax rate of Sichuan Viva Benyuan Biotech Limited for the six-month period ended June 30, 2025 is 15%.

Jiaxing Viva Biotech Limited obtained its "Advanced Technology Enterprise" qualification in 2024 and is entitled to the preferential tax rate of 15% from 2024 to 2026.

Pursuant to Caishui [2023] No.12 "Circular of the Ministry of Finance, the State Administration of Taxation Issued on the Tax Policies for Further Support the Development of Small Low-profit Enterprises and Self-employed Businesses" (財政部税務總局關于進一步支持小微企業和個體工商戶發展有關税費政策的公告), Shanghai Dancheng Entrepreneurship Incubator Management Limited ("**Shanghai Dancheng**"), whose annual taxable income is less than RMB1,000,000 will be included in the actual taxable income at 25%, based on which the enterprise income tax payable will be calculated at the reduced tax rate of 20%. This policy has taken effect on January 1, 2023 and will expire on December 31, 2027.

Australia

Under the Treasury Law Amendment (Enterprise Tax Plan Base Rate Entitles) Bill 2017 of Australia, the subsidiaries, incorporated in Australia, are subject to corporate tax at a rate of 30%.

USA

The subsidiary, incorporated in California, the United States, is subject to statutory United States federal corporate income tax at a rate of 21%. It is also subject to the state income tax in California at a rate of 8.84%.

United Kingdom

The subsidiary incorporated in the United Kingdom is subject to income tax at a rate of 19% on the estimated assessable profits.

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

The calculation of the basic earnings per share amounts 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 2,111,182,000 (2024: 2,141,766,000) outstanding during the period.

The calculation of the diluted earnings per share amount is based on the profit for the period ended June 30, 2025 attributable to ordinary equity holders of the parent, as used in the basic earnings per share calculation. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the period ended June 30, 2025, 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 or conversion of all dilutive potential ordinary shares into ordinary shares. The diluted earnings per share for the period ended June 30, 2025 did not assume the exercise of certain batch of share options and restricted share units as their inclusion would be anti-dilutive.

No adjustment has been made in the calculation of the diluted earnings per share amounts to the basic earnings per share amounts presented for the period ended June 30, 2024 in respect of a dilution as the impact of share options and restricted share units had an anti-dilutive effect on the basic earnings per share amounts presented.

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

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

	For the six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to equity holders of the parent, used in the basic and diluted profit per share	**121,805**	116,808

	Number of shares ('000)	
	For the six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	**2,111,182**	2,141,766
Effect of dilutive potential ordinary shares:		
Share options	**1,216**	–
Restricted share units scheme	**2,366**	–
Put option over non-controlling interests	**394,257**	–
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	**2,509,021**	2,141,766

10. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the six months ended June 30, 2025, nor has any dividend been proposed since the end of the reporting period (during the six months ended June 30, 2024: Nil).

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended June 30, 2025, the Group acquired property, plant and equipment at a cost of approximately RMB38,652,000 (June 30, 2024: RMB82,654,000).

Assets with a net book value of RMB754,000 were disposed by the Group during the six months ended June 30, 2025 (June 30, 2024: RMB366,000), resulting in a net loss on disposal of RMB521,000 (June 30, 2024: RMB241,000).

12 FINANCIAL ASSETS AT FVTPL

	June 30, 2025	December 31, 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Listed equity securities	**1,770**	1,811
Unlisted investments at FVTPL	**933,979**	939,430
Total	**935,749**	941,241
Analysed for reporting purposes as:		
Non-current assets	**935,749**	941,241

(a) Investments at FVTPL

The movements in the carrying value of investments at FVTPL for the reporting period are as follows:

	RMB'000
At January 1, 2025 (audited)	**941,241**
Acquired	**9,713**
Recognized from SFE revenue	**535**
Gain on fair value change	**52,575**
Disposal	**(66,290)**
Exchange adjustment	**(2,025)**
At June 30, 2025 (unaudited)	**935,749**
At January 1, 2024 (audited)	995,281
Acquired	8,769
Recognized from SFE revenue	2,533
Gain on fair value change	64,431
Disposal	(144,062)
Exchange adjustment	3,058
At June 30, 2024 (unaudited)	930,010

13. TRADE AND BILLS RECEIVABLES

	June 30, 2025	December 31, 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade receivables		
– third parties	**325,804**	443,780
Bills receivables	**2,629**	1,515
Impairment	**(22,688)**	(24,831)
Total	**305,745**	420,464

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:

	June 30, 2025	December 31, 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 6 months	**283,019**	402,305
6 months to 1 year	**17,009**	8,669
1 to 2 years	**4,328**	8,362
Over 2 years	**1,389**	1,128
Total	**305,745**	420,464

14. 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:

	June 30, 2025	December 31, 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 3 months	**82,152**	157,944
3 months to 1 year	**98,190**	149,246
Over 1 year	**914**	2,165
Total	**181,256**	309,355

15. OTHER PAYABLES AND ACCRUALS

	June 30, 2025 ***RMB'000*** **(Unaudited)**	December 31, 2024 *RMB'000* (Audited)
Other payables		
– Payable for construction in progress	**37,129**	46,512
– Advances of intention payment	**–**	15,000
– Others	**22,107**	25,440
Subtotal	**59,236**	86,952
Salary and bonus payables	**76,599**	87,245
Other taxes payable	**5,294**	8,393
Interest payable	**1,737**	2,317
Total	**142,866**	184,907

16. INTEREST-BEARING BANK BORROWINGS

	June 30, 2025			December 31, 2024		
	Effective interest rate *(%)*	**Maturity**	***RMB'000* (Unaudited)**	Effective interest rate *(%)*	Maturity	*RMB'000* (Audited)
Current						
Bank loans – unsecured	**One-year 1.08-3.6**	**2026**	**279,890**	One-year 0.8-3.60	2025	260,712
Current portion of long term bank loans – secured and guaranteed (a)	**One-year Loan prime rate ("LPR")-45 Basepoints ("bps")**	**2026**	**224,998**	One-year LPR-45bps	2025	224,998
Current portion of long term bank loans – secured (b)	**One-year LPR-40bps**	**2026**	**13,033**	–	–	–
Current portion of long term bank loans – secured (b)	**Five-year LPR+10bps**	**2026**	**35,000**	Five-year LPR+10bps	2025	34,140
bank loans – unsecured	**One-year LPR+5 bps**	**2026**	**19,800**	One-year LPR+5 bps	2025	400
bank loans – unsecured	**One-year LPR+0 bps**	**2026**	**14,900**	One-year LPR+0 bps	2025	200
Current portion of long term bank loans – unsecured	**One-year LPR+15 bps**	**2026**	**13,350**	One-year LPR+15 bps	2025	28,940
Subtotal			**600,971**			549,390

16. INTEREST-BEARING BANK BORROWINGS (Continued)

	June 30, 2025			December 31, 2024		
	Effective interest rate *(%)*	**Maturity**	***RMB'000* (Unaudited)**	Effective interest rate *(%)*	Maturity	*RMB'000* (Audited)
Non-current						
Bank loans – unsecured	**One-year LPR+5 bps**	**2026**	**49,500**	One-year LPR+5 bps	2026	69,100
Bank loans – unsecured	**One-year LPR+0 bps**	**2026**	**14,750**	One-year LPR+0 bps	2026	29,550
Bank loans – secured and guaranteed (a)	**One-year LPR-45 bps**	**2026-2028**	**312,500**	One-year LPR-45 bps	2025-2028	425,000
Bank loans – secured (b)	**Five-year LPR+10 bps**	**2026-2029**	**25,242**	Five-year LPR+10 bps	2026-2029	43,172
Bank loans – secured and guaranteed (b)	**One-year LPR-40 bps**	**2026-2029**	**126,066**	One-year LPR-40 bps	2026-2029	139,099
Subtotal			**528,058**			705,921
Total			**1,129,029**			1,255,311

16. INTEREST-BEARING BANK BORROWINGS (Continued)

	June 30, 2025 ***RMB'000*** **(Unaudited)**	December 31, 2024 *RMB'000* (Audited)
Analysed into:		
Bank loans and overdrafts repayable:		
Within one year or on demand	**600,971**	549,390
In the second year	**288,406**	484,728
In the third to sixth years, inclusive	**239,652**	221,193
Total	**1,129,029**	1,255,311

Notes:

(a) At June 30, 2025, the bank loans for financing the acquisition of the 20% equity interest in Langhua Pharmaceutical are pledged with the 100% equity interest in Langhua Pharmaceutical as collateral and guaranteed by the Company.

(b) At June 30, 2025, the property, plant and equipment and right-of-use assets with a carrying amount of approximately RMB198,904,000 (December 31, 2024: RMB196,269,000) and RMB188,062,000 (December 31, 2024: RMB191,014,000), respectively, were pledged to secure the bank borrowings of the Group.

17. SHARE CAPITAL/TREASURY SHARES

Shares

	June 30, 2025 ***RMB'000*** **(Unaudited)**	December 31, 2024 *RMB'000* (Audited)
Issued and fully paid:		
2,128,434,305 shares of US$0.000025 each (December 31, 2024: 2,161,366,305 shares of US$0.000025 each) ordinary shares	**361**	367

Share capital

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

	Number of shares in issue	**Share capital** *RMB'000*
At January 1, 2025 (Audited)	2,161,366,305	367
Share cancellation**	(32,932,000)	(6)
At June 30, 2025 (Unaudited)	2,128,434,305	361

17. SHARE CAPITAL/TREASURY SHARES (Continued)

Treasury shares

	Numbers of shares repurchased	Treasury shares *RMB'000*
At December 31, 2024 (Audited)	48,204,500	157,670
Share repurchase*	4,327,500	5,080
Share cancellation**	(32,932,000)	(28,012)
Exercise of RSU	(816,000)	(5,609)
At June 30, 2025 (Unaudited)	18,784,000	129,129

* The Company exercised its powers under the repurchase mandate passed on June 26, 2024 at the annual general meeting to repurchase shares of the Company. A total of 4,327,500 shares were repurchased and cancelled at a total consideration of HK$5,382,000 (equivalent to approximately RMB5,080,000) for the period ended June 30, 2025.

** An aggregate total of 32,932,000 shares were cancelled for the period ended June 30, 2025.

OTHER INFORMATION

Interim dividend

The Board does not recommend the distribution of an interim dividend for the six months ended June 30, 2025 (six months ended June 30, 2024: nil).

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

During the six months ended June 30, 2025, the Company repurchased 4,327,500 shares on the Stock Exchange for an aggregate consideration of approximately HK$5.4 million including expenses. The repurchased shares were cancelled. The repurchase was effected because the Board considered that the trading price of the Shares does not reflect their intrinsic value and this presents a good opportunity for the Company to repurchase the Shares, thereby enhancing the value of Shares and improving return to shareholders of the Company.

Details of the shares repurchased are as follows:

Month of repurchase	**No. of shares repurchased**	**Highest price paid per share** *(HK$)*	**Lowest price paid per share** *(HK$)*	**Aggregate Consideration[(1)]** *(HK$'000)*
January 2025	986,500	0.84	0.80	808
April 2025	900,000	1.17	1.14	1,038
May 2025	2,441,000	1.49	1.41	3,536
Total	4,327,500			5,382

(1) Aggregate consideration inclusive of expenses.

Save as disclosed above, neither the Company nor any member of the Group purchased, sold or redeemed any of the Shares during the six months ended June 30, 2025.

As of June 30, 2025, there are no treasury shares held by the Company. Treasury shares presented notes to the interim condensed consolidated financial information includes shares acquired by trustees of trusts set up in connection with share incentive schemes of the Group, and does not fall within the meaning of "treasury shares" under the Listing Rules.

Subsequent Event

As at the date of this announcement, the Group has no material subsequent events after June 30, 2025 which are required to be disclosed.

Employee Remuneration and Relations

As at June 30, 2025, the Group had a total of 2,085 employees and the total staff costs for the Reporting Period (including directors' emoluments) were RMB301.5 million. Remuneration of our employees is determined with reference to market conditions and individual employees' performance, qualification and experience. In line with the performance of the Group and individual employees, a competitive remuneration package is offered to retain employees, including salaries, discretionary bonuses, employee benefits, employee share option scheme and restricted share unit scheme. During the Reporting Period, the relationship between the Group and our employees has been stable. We had not experienced any strikes or other labor disputes that materially affected our business activities. We provide training programs to employees, including new hire orientation and continuous on-the-job training, in order to accelerate the learning progress and improve the knowledge and skill levels of our employees.

Share Incentive Schemes

The Group has adopted certain pre-IPO share incentive schemes (the "**Pre-IPO Share Incentive Schemes**") in 2009 and 2018 to provide incentives to eligible employees of the Group. During the Reporting Period, no share options were exercised by directors or employees of the Group. As at June 30, 2025, an aggregate of 3,665,141 outstanding share options were exercisable under the Pre-IPO Share Incentive Schemes. As at June 30, 2025, outstanding options granted under the Pre-IPO Share Incentive Schemes and shares issued pursuant to the exercise of pre-IPO share options were held by trustees of relevant trusts set up for administering the Group's employee incentive schemes.

The Group also adopted a post-IPO share option scheme (the "**Post-IPO Share Option Scheme**") on April 14, 2019. During the Reporting Period, no options were granted pursuant to the Post-IPO Share Option Scheme.

The Group further adopted a restricted share unit scheme (the "**Restricted Share Unit Scheme**") on June 5, 2020. The Company has appointed Tricor Trust (Hong Kong) Limited as trustee to assist with the administration and vesting of awards pursuant to the Restricted Share Unit Scheme. During the Reporting Period, 816,000 shares were exercised by employees of the Group.

On May 31, 2024, Viva Biotech (Shanghai) Ltd. (維亞生物科技(上海)有限公司) further adopted a phase I share option scheme and phase II share option scheme as further detailed in the Company's circulated dated December 28, 2023. As at June 30, 2025, 7,320,000 phase I share options and 7,320,000 phase II share options were awarded under the two share option schemes, respectively.

Corporate Governance Practices

The Company recognizes the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of its shareholders as a whole. The Company has adopted the code provisions as set out in the Corporate Governance Code (the "**CG Code**") as contained in Appendix C1 to the Listing Rules, as its own code to govern its corporate governance practices.

Under the code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Under the current organization structure of the Company, Mr. Mao Chen Cheney ("**Mr. Mao**") is the chairman and chief executive officer of the Company. With his extensive experience in the industry, the Board believes that vesting the roles of both chairman and chief executive officer in the same person provides the Company with strong and consistent leadership, allows for effective and efficient planning and implementation of business decisions and strategies, and is beneficial to the business prospects and management of the Group. Although Mr. Mao performs both the roles of chairman and chief executive officer, the division of responsibilities between the chairman and chief executive officer is clearly established. In general, the chairman is responsible for supervising the functions and performance of the Board, while the chief executive officer is responsible for the management of the business of the Group. The two roles are performed by Mr. Mao distinctly. We also consider that the current structure does not impair the balance of power and authority between the Board and the management of the Company given the appropriate delegation of the power of the Board and the effective functions of the independent non-executive Directors. However, it is the long-term objective of the Company to have these two roles performed by separate individuals when suitable candidates are identified.

Save as disclosed above, during the six months ended June 30, 2025, the Company has complied with the code provisions as set out in Part 2 of the CG Code.

The Board will continue to review and monitor the practices of the Company with an aim of maintaining a high standard of corporate governance.

Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding dealings in the securities of the Company by the Directors and the Group's senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Company or its securities.

Upon specific enquiry, all Directors confirmed that they had complied with the Model Code during the Reporting Period. In addition, the Company is not aware of any non-compliance with the Model Code by the senior management of the Group during the Reporting Period.

REVIEW OF FINANCIAL INFORMATION

Audit Committee

The audit committee of the Company, comprising Ms. Li Xiangrong, Mr. Wang Haiguang and Mr. Fu Lei, has discussed with the management and reviewed the unaudited interim financial information of the Group for the Reporting Period.

In addition, the Company's external auditor, Ernst & Young, has performed an independent review of the Group's interim financial information for the Reporting Period in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". Based on their review, Ernst & Young confirmed that nothing has come to their attention that causes them to believe that the condensed consolidated interim financial information for the Reporting Period is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.vivabiotech.com. The interim report of the Company for the Reporting Period containing all the information required by the Listing Rules will be dispatched to shareholders of the Company as per the Company's corporate communications arrangement and published on the above websites in due course.

APPRECIATION

On behalf of the Board, I would like to thank all our colleagues for their diligence, dedication, loyalty and integrity. I would also like to thank all our shareholders, customers, bankers and other business associates for their trust and support.

By order of the Board
Viva Biotech Holdings
Mao Chen Cheney
Chairman and Chief Executive Officer

Hong Kong, August 28, 2025

As at the date of this announcement, the Board comprises Mr. Mao Chen Cheney, Mr. Wu Ying and Mr. Ren Delin as executive directors; Mr. Wu Yuting and Mr. Wang Stephen Hui as non-executive directors; and Mr. Fu Lei, Ms. Li Xiangrong and Mr. Wang Haiguang as independent non-executive directors.