SinoMab BioScience Limited
中國抗體製藥有限公司
(Incorporated in Hong Kong with limited liability)
(Stock code: 3681)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board (the "**Board**") of directors (the "**Directors**") of SinoMab BioScience Limited (中國抗體製藥有限公司) (the "**Company**", together with its subsidiaries, the "**Group**") hereby announces the unaudited interim condensed consolidated results of the Group for the six months ended 30 June 2025 (the "**Reporting Period**"), together with comparative figures for the corresponding period in 2024. The condensed consolidated financial statements of the Group for the Reporting Period, including the accounting principles adopted by the Group, have been reviewed by the audit committee of the Company (the "**Audit Committee**") in conjunction with the Company's external auditor. Unless otherwise specified, figures in this announcement are prepared under the HKFRS Accounting Standards.

In this announcement, "we", "us" and "our" refer to the Company and where the context otherwise requires, the Group.

BUSINESS HIGHLIGHTS

- The Board is excited to announce that, during the Reporting Period, we achieved significant progress with respect to the Group's clinical trial programs and pipeline development, including the following:

  - Our flagship product, SM03 (Suciraslimab), *a global first-in-class anti-CD22 monoclonal antibody* — Recently achieved groundbreaking preclinical results from *in vivo* studies for the treatment of systemic lupus erythematosus ("**SLE**"), showing promise in a murine model for alleviating proteinuria and potentially lupus nephrities (LN). The novel mechanism of Suciraslimab confers three key competitive advantages by "B Cell Modulation Without Depletion", "Dual Mechanism and Dual Regulation" and "Organ Protection" in the treatment of SLE. On 14 July 2025, the Company announced that, following the communications with the Center for Drug Evaluation (CDE) of the National Medical Products Administration of the People's Republic of China (NMPA) and the Company's internal assessment, the Company has strategically chosen to voluntarily withdraw the Biologics Licence Application ("**BLA**") application for the treatment of rheumatoid arthritis. The Company has decided to advance at full speed the clinical development of Suciraslimab for the treatment of SLE and has initiated planning for its Phase 2 clinical program.

  - Our key product, SM17, *a global first-in-class humanised monoclonal antibody targeting the receptor for IL-25* — Positive topline results for a Phase 1b study on moderate-to-severe atopic dermatitis ("**AD**") patients were published on 7 April 2025. Clinical data demonstrated SM17 delivers a faster and deeper itch relief with superior skin healing effect compared to anti-IL-4/13 agents and has a safer profile than Janus Kinase inhibitors (JAK inhibitors), positioning SM17 as a potential first-in-class and best-in-class treatment for AD. Based on the topline results, SM17 demonstrates its competitive advantages as the first AD biologics with dual efficacy in pruritus relief and skin-healing. The Company has launched the clinical bridging study for the dosage formulation conversion of SM17 and is expected to be completed by the first quarter of 2026.

  - Our other drug candidate, anti-CGC Antibody, *an in-house developed, first-in-class humanised anti-γc antibody* — Initiated Investigational New Drug ("**IND**") application for the treatment of alopecia areata and expected to be submitted by 2026 at the earliest.

- During the Reporting Period, the Company has made two scientific publications in leading international journals.

  In March 2025, an article titled "Discovery of a new anti-γc antibody in clinical development for the treatment of autoimmune diseases" unveiling hC2, a humanised anti-γc antibody, in addressing autoimmune diseases and demonstrating its potential to address unmet clinical needs in autoimmune diseases, including but not limited to alopecia areata and vitiligo, was published in *The Journal of Immunology* (Impact Factor: Five year: 6.173). In February 2025, an article titled "CD22 modulation alleviates amyloid β-induced neuroinflammation" revealing the dual mechanism of action of Suciraslimab in addressing Alzheimer's disease, was published in the *Journal of Neuroinflammation* (Impact Factor: 9.3).

FINANCIAL HIGHLIGHTS

- Loss for the period decreased by RMB40.8 million from RMB90.6 million for the six months ended 30 June 2024 to RMB49.8 million for the six months ended 30 June 2025, which was mainly attributed to (i) a decrease in spending of laboratory consumables and experiment costs in research and development ("**R&D**") for the preparation of BLA and commercialisation of SM03 (Suciraslimab) and (ii) a decrease in employment costs of R&D and administrative employees.

- As at 30 June 2025, total funding available to use including cash and cash equivalents, pledged and restricted deposits and wealth management products is RMB125.7 million, compared to RMB141.4 million as at 31 December 2024.

- The Company completed subscriptions of 112,810,817 new shares in May 2025 and 182,072,400 new shares in August 2025 under general mandate, raised net proceeds of approximately of HK$124.0 million and HK$369.5 million respectively.

- The Directors have resolved not to declare an interim dividend for the Reporting Period.

BUSINESS OVERVIEW

The biotechnology and biopharmaceutical industries are undergoing a profound transformation. Building on traditional expertise in experimental medicine and breakthroughs in molecular biology (molecular medicine), the industry is now entering its third revolution — the "**Biotech 3.0 Era**". This new phase is characterised by innovation-driven development, multidisciplinary integration, and intelligent, precision-driven processes across the entire supply chain.

We are well-positioned to leverage this era's opportunity for strategic growth. Since our establishment, we have been adhering to the principle of differentiated innovation, prioritising our R&D efforts on "first-in-class" and "best-in-class" novel therapeutics for immunological diseases. During the Reporting Period, the Company achieved breakthrough progress in two key product pipelines, SM03 (Suciraslimab) and SM17.

Our flagship product, Suciraslimab, is a first-in-class monoclonal antibody ("**mAb**") targeting CD22. Recently, Suciraslimab achieved groundbreaking preclinical results from *in vivo* studies for the treatment of systemic lupus erythematosus ("**SLE**"). Leveraging its unique mechanism: modulating the autoimmune networks through B cell regulation and interaction, with multi-organ protective effects, Suciraslimab not only significantly reduces serum levels of anti-double-stranded DNA (anti-dsDNA) antibodies but also demonstrates superiority over existing drugs in improving proteinuria and renal pathology in lupus nephritis ("**LN**").

Currently, there are over 5 million SLE patients worldwide, with over 1 million in the People's Republic of China ("**China**"). Approximately 50% of these patients may develop LN, a complication that is the leading cause of end-stage renal disease and death. Existing treatment options either fail to improve kidney damage or have limited efficacy for LN, and long-term medication poses infection risk. This breakthrough in the treatment of SLE with Suciraslimab is expected to address the unmet needs in SLE treatment, addressing the safety risks of long-term medication and delivering protective benefit without actual organ damage, providing a new, more effective and safer treatment option for the over 5 million SLE patients worldwide.

The Biologics Licence Application ("**BLA**") for Suciraslimab for the treatment of rheumatoid arthritis ("**RA**") was accepted by the National Medical Products Administration ("**NMPA**") of China in September 2023. The unblinded pivotal Phase 3 data demonstrated Suciraslimab's clear and significant therapeutic efficacy in RA patients. The primary endpoint (ACR20 response rate at Week 24 of the double-blind phase) achieved an approximately 50% response rate and showing statistically significant differences versus the control group. With long-term treatment, ACR20 response rates continued to improve over time and exceeded 65% at Week 52 and surpassed 70% through Week 104 of the extension period, with no new safety risks revealed. Based on the clinical data from the Phase 3 clinical study and extension study, Suciraslimab demonstrated good long-term efficacy and safety.

Taking into account the advantages of SLE as the product's first indication, and based on discussions with the NMPA and the Company's internal evaluation of existing data, the Company has strategically chosen to voluntarily withdraw the BLA application for Suciraslimab in the treatment of RA. Meanwhile, the Company has decided to advance at full speed the clinical development of Suciraslimab for the treatment of SLE.

Furthermore, Suciraslimab modulates microglial function by targeting CD22 and demonstrates potential in treating Alzheimer's disease. It intervenes in the Alzheimer's disease pathology through a dual mechanism: restoring microglial clearance of amyloid β (Aβ), while also downregulating microglial inflammatory signalling pathways to protect neurons. This dual mechanism addresses both Aβ deposition and neuroinflammation, two core pathologies, and has the potential to become the world's first effective and safe immunotherapy for Alzheimer's disease. The Company has initiated planning for a Phase 2 clinical program in the treatment of SLE and is working to enable an Investigational New Drug ("**IND**") application for treating Alzheimer's disease.

Another key product in our pipeline, SM17, is a global first-in-class humanised monoclonal antibody targeting the receptor of interleukin 25 (IL-25). It achieves rapid onset of action on pruritic relief, and skin healing, by simultaneously inhibiting downstream factors of the type II inflammatory pathway and directly blocking the IL-25 receptor secreted by traumatic inflamed skin, thereby disrupting downstream itch signalling. During the Reporting Period, a Phase 1b proof-of-concept study for SM17 for the treatment of moderate-to-severe atopic dermatitis ("**AD**") was completed and achieved breakthrough topline results: 91.7% of patients achieved pruritus relief (NRS-4), 75% achieved skin healing (EASI 75), and 41.7% achieved clear or almost clear signs of AD (IGA0/1) for the high dose group. This data significantly outperforms IL-4/IL-13 monoclonal antibodies and demonstrates a significantly better safety and tolerability profile than Janus Kinase inhibitors ("**JAK inhibitors**") inhibitors. This makes it potentially the first treatment to simultaneously achieve rapid onset of action on pruritic relief, skin healing with a good safety profile.

There are over 230 million people who suffer from AD globally, including over 70 million in China, 28% of whom suffer from moderate to severe AD. Existing treatment options struggle to achieve a balanced combination of rapid itch relief, skin healing as well as a good safety profile. The results of our SM17 demonstrate its triple advantages in treating AD: rapid pruritic relief, potent skin healing effect as well as a good safety profile. Phase 1 clinical data from the United States and the results of a Phase 1a bridging study in healthy subjects in China of SM17 have been published simultaneously, paving its way for global multicenter development and potential international collaborations. The Company is advancing the clinical bridging study for the dosage formulation conversion of SM17 and expects to complete it by the first quarter of 2026.

In addition, anti-CGC antibodies and bispecific antibodies are also key areas of our future research and development, as well as potential business development (BD) licencing opportunities. Anti-CGC antibodies are another humanised anti-γc antibody developed independently by the Company. They can modulate immune cell proliferation, autoreactivity, and tissue infiltration, potentially offering therapeutic potential for alopecia areata, vitiligo, and other autoimmune diseases. Bispecific antibody targets receptor activator of nuclear factor kappa-B ligand (RANKL) and sclerostin, thereby achieving the therapeutic effect of osteoporosis. We are advancing preclinical preparations for these two products and expect to submit the IND applications in 2026.

During the Reporting Period, the Company raised approximately HK$124.0 million through a share subscription and allocated the majority of the proceeds for SM17's advancement and new drug candidates' development, strengthening its clinical value-driven pipeline expansion. The success of share subscription reflects the capital market's recognition of the Company's R&D capabilities and commercialisation prospects. In August 2025, the Company completed another round of share subscriptions, raising approximately HK$369.5 million. With these two rounds of financing this year, the Company will have adequate funds to advance the R&D and clinical development of its pipeline.

In August this year, we entered into a comprehensive strategic cooperation agreement with Sun Yat-sen University Institute of Advanced Studies Hong Kong Limited ("**SYSU-IAS**"). Through this agreement, we have established a mutually beneficial framework to accelerate the development of innovative drugs and promote the translation of scientific research into clinical applications worldwide. Under the cooperation agreement, the Company will have direct access to SYSU-IAS's comprehensive laboratory facilities and valuable data resources, as well as access to primate and non-primate animal studies supply resources. Please refer to the sub-section headed "Collaboration — SYSU-IAS" under the "Management Discussion and Analysis" section below. These are key elements in promoting novel drug innovation and the Company's R&D development sustainability. Furthermore, to improve new drug R&D efficiency and shorten the development cycle, we are actively exploring the feasibility of using artificial intelligence (AI) technology for new target identification.

OUTLOOK

In the first half of 2025, China's total licence-out transactions for innovative drugs reached US$66 billion, representing an approximately 27.2% increase over the full-year total of US$51.9 billion in 2024. Over 50% of the licenced projects involved preclinical or Phase 1 clinical trials, reflecting international pharmaceutical companies' recognition of China's early-stage innovation.

Furthermore, the NMPA has shortened the approval time for clinical trials of novel drugs from 14 months to 30 days. The National Healthcare Security Administration's (NHSA) "16 Measures for Innovative Drugs" supports reimbursement coverage, further revitalising China's novel drug market. The Central Government's "New Quality Productive Forces" strategy has also provided a favourable environment for our innovative R&D. As the first 18A biopharmaceutical company based in Hong Kong, we will steadfastly uphold innovation as our core competitive advantage, driving forward both the commercialisation of our existing product pipeline and the development of new investigational therapies. We also believe that Suciraslimab and SM17 will further demonstrate their best-in-class potential in subsequent clinical trials, addressing unmet medical needs for patients with SLE and AD.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in research and development of pharmaceutical products.

The operating performance and the progress of the Group's clinical projects during the period under review and future prospects are contained in the sections headed "Business Overview" and "Outlook" above as well as in this sub-section.

The Group has no immediate plan for material investments or capital assets, other than as disclosed in the above section headed "Business Overview" and this sub-section.

A review of the business operation and clinical projects currently being undertaken by the Group is set out below.

Overview

We are the first Hong Kong-based listed biopharmaceutical company dedicated to the research, development, manufacturing and commercialisation of therapeutics, primarily first-in-class mAb-based biologics, for the treatment of immunological diseases. We strive to become a leading global biopharmaceutical company for the development of novel drugs to fulfil unmet medical needs through the integration of our Hong Kong-based innovative research and development ("**R&D**") team and PRC-based manufacturing capabilities. We have been dedicated to R&D since our inception, and have built a pipeline of mAb-based biologics and new chemical entities addressing a plethora of immunological diseases.

Our flagship product, SM03 (Suciraslimab), is a potential global first-in-class (FIC) anti-CD22 mAb for the treatment of rheumatoid arthritis ("**RA**") and other immunological and neuro-immunological diseases such as systemic lupus erythematosus ("**SLE**"), Sjogren's syndrome ("**SS**"), mild cognitive impairment ("**MCI**") due to Alzheimer's disease, as well as Alzheimer's disease. Recently, Suciraslimab has achieved breakthrough in preclinical results from *in vivo* studies for the treatment of SLE. As a monoclonal antibody targeting CD22 — a sialic acid-binding transmembrane protein primarily expressed on B cells (with high neurological expression, including in microglia, and links to MCI, Alzheimer's disease and other autoimmune conditions) — Suciraslimab leverages its unique mechanism: modulating the autoimmune network through B cell regulation and interaction with other immune effectors like T cells, with multi-organ benefits. It addresses unmet needs in SLE treatment, such as long-term safety and organ protection, particularly showing promise in a murine model for alleviating proteinuria and potentially lupus nephritis ("**LN**"). This positions it to offer patients a safer, more effective option, and delivering possible differentiation beyond current therapies. As previously disclosed, Suciraslimab met its primary endpoint in a Phase 3 clinical study for the treatment of RA in China and its Biologics Licence Application ("**BLA**") was accepted by the National Medical Products Administration of the People's Republic of China (the "**NMPA**") in September 2023. Based on the clinical data from the Phase 3 clinical study and extension study, Suciraslimab demonstrated good long-term efficacy and safety. As announced by the Company on 14 July 2025, following communications with the Center of Drug Evaluation ("**CDE**") of NMPA and the Company's internal assessment, the Company has strategically chosen to voluntarily withdraw the BLA application for Suciraslimab in the treatment of RA. Meanwhile, the Company has decided to advance at full speed the clinical development of Suciraslimab for the treatment of SLE based on the encouraging pre-clinical results.

Our key product, SM17, is a global first-in-class (FIC), humanised mAb targeting the receptor for IL-25. The compound has the potential for treating atopic dermatitis ("**AD**"), asthma, idiopathic pulmonary fibrosis ("**IPF**") and other immunological disorders. R&D work on SM17 was carried out in both the U.S. and China. SM17 obtained the Investigational New Drug ("**IND**") application for the treatment of asthma from the U.S. Food and Drug Administration ("**FDA**") in March 2022. The clinical report for the U.S. first-in-human (FIH) Phase 1 clinical study was obtained in the first quarter of 2024, data from which demonstrated an overall favourable safety, tolerability and pharmacokinetics ("**PK**") profile for SM17. In April 2024, study results of SM17 pre-clinical work, demonstrating SM17 to be as effective as Janus Kinase 1 inhibitor ("**JAK1 inhibitor**") in treating AD in mice, were published in *Allergy*, an official journal of the European Academy of Allergy and Clinical Immunology (EAACI). In China, SM17 obtained the IND approvals for the treatment of asthma and AD from the NMPA on 11 August 2023 and 8 September 2023, respectively. Phase 1b positive topline results for SM17 for the treatment of moderate to severe AD patients were published by the Company on 7 April 2025. Topline results highlight SM17's strong potential as a novel biologic for AD, demonstrating superior pruritic relief effects and skin clearance comparable to or exceeding leading AD therapies. Notably, SM17 delivers faster and

more robust itch relief than other targeted biologics, along with a favourable safety profile that avoids the safety risks associated with Janus Kinase inhibitors ("**JAK inhibitors**"). These advantages position SM17 as a promising first-in-class and best-in-class treatment for AD, offering patients both rapid symptom relief and durable skin improvement with an excellent benefit-risk profile.

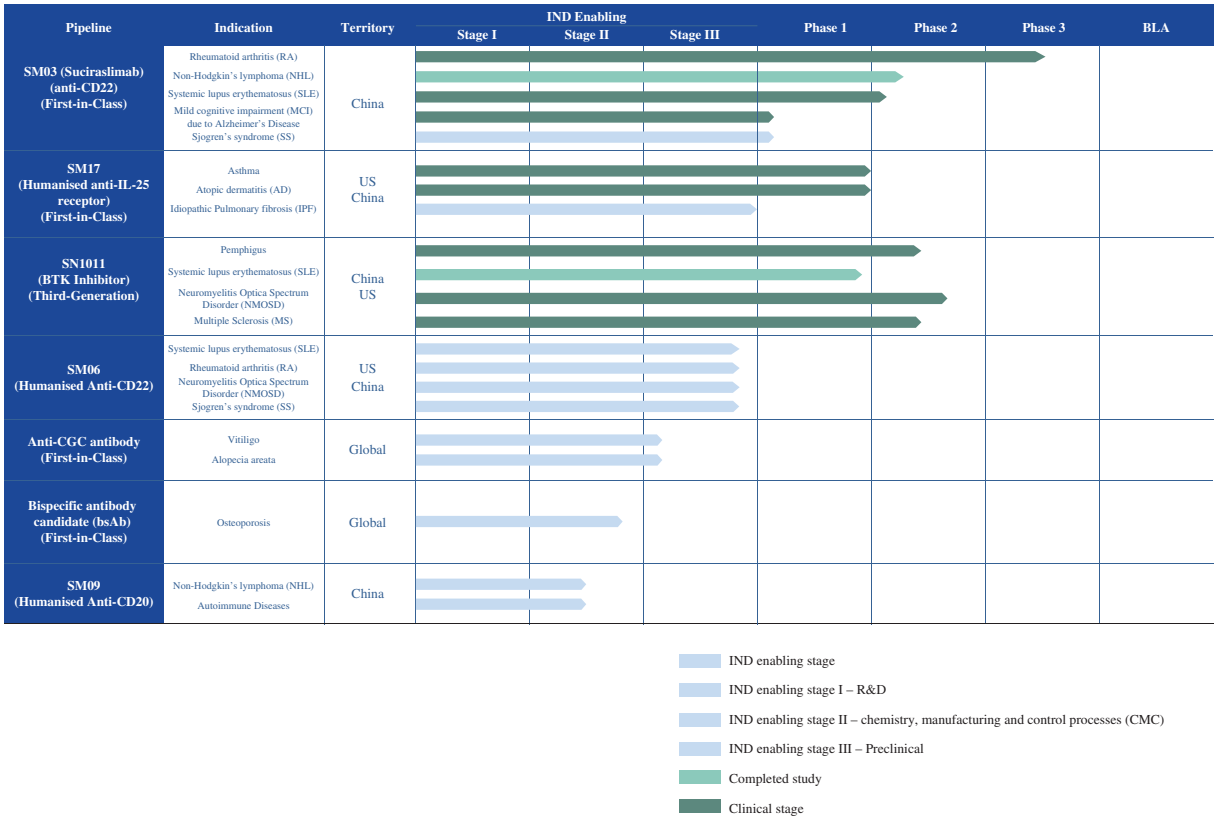
Our other drug candidates, anti-CGC antibody and bispecific antibody candidates are currently in the process of chemistry, manufacturing and control processes (CMC) optimisation and toxicology studies. We are advancing preclinical preparations for these two products and expect to submit IND applications in 2026.

Our other drug candidate, SM06, is a second-generation humanised anti-CD22 antibody derived from Suciraslimab with a similar mechanism of action. Our in-house *in vitro* studies demonstrated SM06 to have potentially enhanced efficacy in enacting immunomodulatory effects and drug half-life. The compound is at the IND enabling stage, and is currently in the process of optimisation for clinical studies.

Another key product, SN1011, is a third generation covalent reversible Bruton's tyrosine kinase ("**BTK**") inhibitor. SN1011 was designed to exhibit high selectivity with prolonged but controlled drug exposure to achieve superior efficacy and good safety profile for the potentially long-term treatment of patients with chronic immunological disorders. SN1011 obtained four IND approvals from the NMPA for the treatment of SLE, pemphigus, multiple sclerosis ("**MS**") and neuromyelitis optica spectrum disorders ("**NMOSD**"). In 2021, we entered into a licence agreement with Everest Medicines Limited ("**Everest Medicines**", as licensee), to out-licence the right to develop and commercialise SN1011 globally for the treatment of renal diseases. Subsequent to the positive results in preliminary analysis announced by Everest Medicines in December 2024 of its ongoing Phase 1b/2a clinical trial of EVER001 (known as SN1011 in the Company's product pipeline) for the treatment of primary membranous nephropathy (pMN) in China, Everest Medicine further announced on 2 July 2025 of its updated positive results based on its data analysis as of 21 March 2025.

Progress of clinical projects

Product pipeline



Flagship product

SM03 (Suciraslimab)

Our self-developed SM03 (Suciraslimab) is a potential global first-in-class anti-CD22 mAb for the treatment of rheumatoid arthritis (RA) and other immunological and neuro-immunological diseases, such as systemic lupus erythematosus (SLE), Sjogren's syndrome (SS), mild cognitive impairment (MCI) due to Alzheimer's disease, as well as Alzheimer's disease. Suciraslimab adopts a novel mechanism of action, which differentiates itself from the current treatments available in the market.

In July 2025, Suciraslimab achieved breakthrough preclinical results from *in vivo* studies for the treatment of SLE. As a monoclonal antibody targeting CD22 — a sialic acid-binding transmembrane protein primarily expressed on B cells (with high neurological expression, including in microglia, and links to MCI, Alzheimer's disease and other autoimmune conditions) — Suciraslimab leverages its unique mechanism: modulating the autoimmune network through B cell regulation and interaction with other immune effectors like T cells, with multi-organ benefits. It addresses unmet needs in SLE treatment, such as long-term safety and organ protection, particularly showing promise

in a murine model for alleviating proteinuria and potentially lupus nephritis (LN). This positions it to offer patients a safer, more effective option, and delivering possible differentiation beyond current therapies. The novel mechanism of Suciraslimab confers three key competitive advantages in the treatment of SLE.

Suciraslimab met its primary endpoint in a Phase 3 clinical study for the treatment of RA in China in April 2023 and its BLA for the treatment of RA was accepted by the NMPA in September 2023. The unblinded pivotal Phase 3 data demonstrated Suciraslimab's clear and significant therapeutic efficacy in RA patients. The primary endpoint (ACR20 response rate at Week 24 of the double-blind phase) achieved an approximately 50% response rate and showed statistically significant differences versus the control group. With long-term treatment, ACR20 response rates continued to improve over time and exceeded 65% at Week 52 and surpassed 70% through Week 104 of the extension period, with no new safety risks revealed. Based on the clinical data from the Phase 3 clinical study and extension study, Suciraslimab demonstrated good long-term efficacy and safety. On 14 July 2025, the Company announced that, following recent communications with the CDE of the NMPA and the Company's internal assessment, the Company has strategically chosen to voluntarily withdraw the BLA application for Suciraslimab in the treatment of RA. Meanwhile, the Company has decided to advance at full speed the clinical development of Suciraslimab for the treatment of SLE.

B Cell Modulation Without Depletion:

Unlike traditional B cell depletion therapies (BCDTs) such as anti-CD20 agents, Suciraslimab specifically modulates autoreactive B cells without depleting normal B cells, thereby reducing infection risks and preserving immune surveillance.

Dual Mechanism and Dual Regulation:

Suciraslimab acts through a dual mechanism involving both upstream inhibition of autoreactive B cell activation and autoantibody production, which addresses humoral immune dysregulation (humoral immune axis), while also modulating B cell interactions with other immune cells. This dual regulation of both the humoral immune axis and the broader immune network leads to systemic control of autoreactive inflammation.

Organ Protection:

Suciraslimab offers a unique advantage among competitors by reducing proteinuria and mitigating immune complex-mediated glomerular tissue damage, which is critical in LN. Furthermore, through its dual-regulation effects, Suciraslimab alleviates immune-driven pulmonary complications in SLE, such as recurrent alveolar hemorrhage or pulmonary arterial hypertension. These organ-protective effects have clinical significance and are vital for treatment prognosis in SLE.

By utilising a humanised animal (murine) model that closely recapitulates key pathological features of human systemic lupus erythematosus (SLE) — including the production of pathogenic autoantibodies, multi-organ immune complex deposition, and progressive tissue damage — Suciraslimab treatment demonstrated distinct and favourable immunomodulatory properties. Suciraslimab selectively inhibits activated B cell subsets (e.g., $CD27^+/CD38^+$) while sparing the overall B cell population, marking a significant differentiation from prevailing immunosuppression therapies induced by commercially available drugs. Notably, Suciraslimab significantly reduces serum levels of anti-double-stranded DNA (anti-dsDNA) antibodies. These findings hold clinical significance, as anti-dsDNA antibodies are highly prevalent, found in approximately 70% of SLE patients. These autoantibodies not only serve as biomarkers for disease activity but also contribute directly to organ damage by forming immune complexes in tissues such as kidneys, skin, and joints. These complexes activate the complement cascade and drive progressive organ injury, playing a particularly critical role in the pathological deterioration of LN.

Current B cell-targeted therapies in clinical use can reduce autoantibody levels but often fail to significantly improve end-organ damage — an issue particularly prominent in LN, which affects approximately 50% of SLE patients. Moreover, systemic complications such as pulmonary interstitial disease also lack effective therapies. In contrast, Suciraslimab has demonstrated breakthrough organ-protective effects in preclinical studies: it restored proteinuria to levels comparative to those in healthy animals while significantly reducing the intensity of glomerular immune complex deposition. Additionally, Suciraslimab suppressed pulmonary inflammatory infiltration and fibrosis progression, with histopathological improvements surpassing those observed with comparator drugs.

This differentiated advantage stems from Suciraslimab's novel mechanism of action: by regulating autoreactive B cell function in a non-depleting manner, it modulates autoantibody production while enhancing B cell interactions with other immune cells to regulate immune cell interaction networks, thereby suppressing downstream immune cell activation cascades. This enables coordinated protection across multiple organs. Given its clearly demonstrated *in vivo* efficacy and favourable safety profile, Suciraslimab is expected to be a superior therapeutic option for LN and multi-organ damage in SLE.

Beyond its potential therapeutic effects in SLE, Suciraslimab has also shown promise as a candidate for treating neurodegenerative diseases, particularly Alzheimer's disease. A paper titled "CD22 modulation alleviates amyloid β-induced neuroinflammation" unveiling the dual mechanism of action of Suciraslimab in simultaneously promoting amyloid-beta clearance and exerting anti-inflammatory effects was published in the *Journal of Neuroinflammation* in February 2025.

The Company has initiated planning for a Phase 2 clinical program for Suciraslimab in the treatment of SLE and is working to enable an IND application for using Suciraslimab for treating Alzheimer's disease.

Key products

SM17

SM17 is a global, first-in-class, humanised, IgG4-κ mAb which is capable of modulating Type II allergic reaction by targeting the receptor of a critical "alarmin" molecule interleukin 25 (IL-25). SM17 could suppress T helper 2 (Th2) immune responses by binding to IL-25 receptor (also known as IL-17RB) on Type 2 Innate Lymphoid cells (ILC2s) and Th2 cells, blocking a cascade of responses induced by IL-25 and suppressing the release of the downstream Th2 cytokines such as IL-4, IL-5, IL-9 and IL-13. IL-25 is classified as "alarmin" which is overexpressed in biopsy tissues of patients with asthma, atopic dermatitis (AD) and idiopathic pulmonary fibrosis (IPF). Our *in vitro* studies clearly demonstrated that SM17 can suppress IL-25 induced type 2 immunity and the underlying mechanism supports its potential benefits in treating allergic and autoimmune diseases, such as AD, asthma and IPF.

When we evaluated SM17 in two murine asthma models induced by ovalbumin or house dust mite, blockage of IL-25 signalling pathway by SM17 offered protection against airway resistance and type 2 immune response in the lungs. SM17 also significantly reduced immune cell infiltration into the lung and serum levels of IgE. In another 1-Fluoro-2, 4-dinitrobenzene (DNFB) driven murine atopic dermatitis model, SM17 administration could attenuate epidermal thickening and improve skin condition by suppressing Th2 immune responses and immune cell infiltration into the skin layers. We expect that targeting upstream mediators of the Th2 inflammatory cascade, such as the receptor for IL-25, will have a broader effect on reducing airway resistance as well as skin inflammation.

R&D work of SM17 was carried out in both the U.S. and China. In the U.S., an IND application for asthma was submitted in February 2022 and approved by the FDA in March 2022. The first healthy subject was successfully dosed in a first-in-human Phase 1 clinical trial (NCT05332834) in the U.S. in June 2022. The Phase 1 clinical study consisting of single ascending dose and multiple ascending dose cohorts to evaluate its safety, tolerability and PK profile in healthy subjects was completed in 2023 with the Last Subject Last Visit (LSLV) completed in September 2023. The total number of healthy subjects enrolled in this Phase 1 study was 77. The clinical report was obtained in the first quarter of 2024, data from which demonstrated an overall favourable safety, tolerability and PK profile for SM17. Study results of SM17 pre-clinical work, demonstrating SM17 to be as effective as JAK1 inhibitor in treating AD in mice, were published in *Allergy*, an official journal of the European Academy of Allergy and Clinical Immunology (EAACI), on 9 April 2024. Results from pre-clinical models and Phase 1 clinical study of SM17 on healthy participants were also published in *Frontiers in Immunology*, on 9 December 2024.

In China, an IND application for asthma was submitted in May 2023 and was approved by the NMPA on 11 August 2023, while another IND application for AD was submitted in June 2023 and was approved by the NMPA on 8 September 2023. A bridging Phase 1a clinical trial to evaluate the safety, tolerability and PK profile in the Chinese population was completed in China in May 2024. Results indicated SM17 to have good tolerability and safety profile and comparable PK profile as in Caucasian population. A proof-of-concept Phase 1b clinical trial was initiated to evaluate the preliminary efficacy of SM17 in moderate to severe AD patients in China. A total of 32 moderate-to-severe AD patients were enrolled in this Phase 1b study, and positive topline results for this Phase 1b clinical trial were published by the Company on 7 April 2025. Clinical data demonstrated that a high dose of SM17 achieved promising results, showing obvious improvement from baseline in all other secondary endpoints, including skin healing effect (EASI50, 75, 90, BSA, SCORAD) and patients' quality of life (DLQI). For the high dose group, 91.7% of patients achieved pruritus relief (NRS-4), 75% achieved skin healing (EASI 75), and 41.7% achieved clear or almost clear signs of AD (IGA0/1). A low dose of SM17, albeit not as effective as the high dose group, also showed a dose-response trend in alleviating pruritus symptoms, as well as improvement in skin healing by comparing with placebo. Based on the topline results, SM17 demonstrates its competitive advantage as the first AD biologic with dual efficacy in pruritus relief and skin-healing. It delivers faster and deeper itch relief compared to anti-IL-4/13 agents and has a safer profile than JAK inhibitors, positioning SM17 as a potential first-in class and best-in-class treatment for AD. The Company is advancing the clinical bridging study for the dosage formulation conversion of SM17 and is expected to be completed by the first quarter of 2026.

The strong topline results from SM17's Phase 1b proof-of-concept study in AD give us a solid basis to move our clinical program forward. We plan to advance to later-stage development in a way that fits our strategy, financial means, and global goals.

The compound has the potential for treating AD, asthma, IPF, chronic rhinosinusitis with nasal polyps (CRSwNP), and other immunological disorders.

Please also refer to the Company's announcements dated 16 February 2022, 14 March 2022, 15 June 2022, 22 May 2023, 12 June 2023, 14 August 2023, 11 September 2023, 27 November 2023, 11 June 2024 and 7 April 2025 for further information about the latest R&D progress of SM17.

SN1011

SN1011 is a third-generation, covalent reversible BTK inhibitor designed to exhibit high selectivity with prolonged but controlled drug exposure to achieve superior efficacy and good safety profile for the potentially long-term treatment of systemic lupus erythematosus (SLE), pemphigus, multiple sclerosis (MS), neuromyelitis optica spectrum disorder (NMOSD) and other rheumatology or neuro-immunological diseases. SN1011 differentiates from existing BTK inhibitors currently available in the market, such as Ibrutinib, in terms of mechanism of action, affinity, selectivity and safety.

The Phase 1 study (first-in-human) in Australia was conducted in 2019 while Phase 1 study (first-in-human) in China was conducted and completed in 2021. The studies demonstrated a good safety and PK profile. SN1011 obtained four IND approvals from the NMPA for the treatment of SLE, pemphigus, MS and NMOSD on 27 August 2020, 23 June 2021, 19 April 2022 and 22 August 2022, respectively. Please also refer to the Company's announcements dated 14 November 2019, 29 January 2020, 29 June 2020, 1 September 2020, 15 January 2021, 24 June 2021, 23 July 2021, 7 February 2022, 20 April 2022, 9 June 2022 and 23 August 2022 for further information about the latest R&D progress of SN1011.

Other drug candidates

SM06

SM06 is a second-generation, anti-CD22 antibody that is humanised using our proprietary framework-patching technology. SM06 is a humanised version of SM03 (Suciraslimab), with a similar mechanism of action. Our in-house *in vitro* studies demonstrated SM06 to have potentially enhanced efficacy in enacting immunomodulatory effects and drug half-life. We are currently in the process of optimising the chemistry, manufacturing and control processes (CMC) for SM06.

Anti-CGC Antibody

Anti-CGC antibody is an in-house developed, first-in-class, humanised anti-γc antibody. Our *in vitro* assays suggested that our antibody could suppress inflammation and autoimmunity driven B, T and NK cell activation. Animal studies demonstrated that our antibody could be a potential therapeutic agent for the treatment of vitiligo, alopecia areata and possibly other autoimmune diseases through the modulation of immune cell expansion, autoreactivity and tissue infiltration. We are currently in the process of CMC optimisation and toxicology studies for our antibody and plan to submit our IND application for the treatment of alopecia areata by 2026 at the earliest.

Bispecific Antibody Candidate (bsAb)

Bispecific antibody candidate is a novel, bispecific antibody targeting Receptor activator of the nuclear factor kappa-B ligand (RANKL) and sclerostin for bone-related indications. bsAb processes differential mechanisms of action tailored for the treatment of osteoporosis. Our in-house *in-vitro* and *in vivo* studies demonstrated our candidate to have enhanced efficacy over market-approved antibodies such as Denosumab and Romosozumab. We are currently in the process of CMC optimisation and testing its toxicity in non-human primates and plan to submit our IND application by 2026.

SM09

SM09 is a framework-patched, humanised anti-CD20 antibody that targets an epitope different from that of other market-approved anti-CD20 antibodies such as rituximab, obinutuzumab and ofatumumab for the treatment of non-Hodgkin's lymphoma (NHL) and other auto-immune diseases.

Information to Voluntary Announcement — Comprehensive Strategic Cooperation Agreement

Reference is made to the voluntary announcement of the Company dated 12 August 2025 in relation to the entering into of the Comprehensive Strategic Cooperation Agreement with Sun Yat-sun University Institute of Advanced Studies Hong Kong Limited ("**SYSU-IAS**") SYSU-IAS ("**Cooperation Agreement**"). The Company wishes to provide further details regarding the Cooperation Agreement.

(i) Role of the University of Oxford and the Joint Laboratory

The University of Oxford ("**Oxford**") is not a signatory to the Cooperation Agreement, its involvement is facilitated by a partnership with SYSU-IAS (the "**Oxford Partnership**"), which includes similar cooperation on joint research efforts, usage of facilities/laboratories, drug development, training and knowledge exchange, such cooperation collectively named 基礎生物學及免疫學聯合實驗室 Joint Laboratory — Fundamental Biology and Immunology ("**SYSU-IAS — Oxford Joint Laboratory**"). Under the Oxford Partnership, Oxford will send scientists, professors and/or experts to SYSU-IAS — Oxford Joint Laboratory to provide technical guidance and training.

The physical facilities/laboratories named "基礎生物學及免疫學聯合實驗室" is the same physical facilities/laboratories as the "SYSU-IAS — SinoMab BioScience Limited Joint Laboratory" (the "**Joint Laboratory**"). Since the physical facilities are wholly-owned by SYSU-IAS, the Company's access to the physical facilities/ laboratories through the Cooperation Agreement will provide the Company's access to the expertise provided by Oxford under the Oxford Partnership, whereas the Company will be able to leverage the resources of SYSU-IAS — Oxford Joint Laboratory, and be able to further establish connections and foster collaborations among the three parties of the Company, SYSU-IAS and Oxford.

As disclosed in the voluntary announcement, the Cooperation Agreement grants the Company access to the Joint Laboratory's expertise and specialised resources, enabling it to leverage Oxford's world-leading research capabilities to advance its strategic objectives in biomedical innovation. Key elements include: (i) utilisation of the Joint Laboratory's advanced facilities, such as specialised animal models, for

pre-clinical studies and collaborative new drug development; (ii) joint development of training programs by SYSU-IAS and the Company, which include featuring expert-led workshops and seminars from Oxford to enhance all parties' research and development capabilities; and (iii) personnel exchanges, which include allowing Oxford professors, researchers, and students to visit Hong Kong for direct collaboration with the Company and SYSU-IAS, thereby promoting knowledge transfer and building a global talent network (the "**Key Elements**").

Furthermore, the collaboration supports the translation of research findings into clinical applications by drawing on Oxford's expertise in translational medicine, thereby enhancing the Company's drug development pipeline through expedited timelines and access to specialised resources. Through these initiatives, the Company is expected to gain core benefits, including strengthened early-stage drug discovery via collaborative pre-clinical studies, improved clinical research strategies with expert input, and a bolstered talent pipeline from personnel exchanges and training. These advantages position the Company for cost-effective innovation, mitigated R&D risks, and expansion into international markets with competitive therapeutic solutions.

(ii) Basis and Rationale for Payments

Under the Cooperation Agreement, the Company shall provide SYSU-IAS with funding of HK$1,000,000 per calendar quarter for the Key Elements, where out of the aforesaid funding, SYSU-IAS will make annual payment of HK$1,000,000 to the University of Oxford under the Oxford Partnership. As the Company is aware, this payment from SYSU-IAS to Oxford supports Oxford's contributions to the Joint Laboratory, including funding for its research activities within the Joint Laboratory to maintain the viability of joint initiatives and for costs associated with Oxford's experts, professors, and students travelling to Hong Kong for exchanges. As part of this framework, the parties shall facilitate training programs and personnel exchanges to enhance expertise in the research and development of therapeutics for debilitating diseases. The Directors believe these efforts will foster collaborations and enable connections be established among the Company, SYSU-IAS, and Oxford for further biomedical research innovation and facilitating the Company's expansion of academic collaborations with prominent international institutions.

(iii) Information about SYSU-IAS

SYSU-IAS is wholly-owned by the Education Development Foundation (Hong Kong) of Sun Yat-sen University Limited (中山大學(香港)教育發展基金會有限公司), which is, in turn, wholly-owned by the Sun Yat-sen University Education Development Foundation (Guangdong)* (廣東省中山大學教育發展基金會) ("**SYSU Guangdong Foundation**"). The SYSU Guangdong Foundation is a charity organisation registered with the Department of Civil Affairs of Guangdong Province (廣東省民政廳) of the People's Republic of China, which is also the business supervising unit (業務主管單位) of SYSU Guangdong Foundation.

Collaboration

We are committed to collaborating with our partners to develop the most innovative therapies to address unmet medical needs in the area of immunological diseases. Given our strong in-house research and development capabilities, we have established global collaboration relationships with reputable companies and scientific research institutions.

SYSU-IAS

SYSU-IAS is a research institution established by the Sun Yat-sen University. On 12 August 2025, a comprehensive strategic cooperation agreement was entered into between the Company and SYSU-IAS for the purpose to accelerate the development of innovative drugs and promote the translation of scientific research into clinical applications worldwide. Pursuant to the agreement, SYSU-IAS and the Company shall cooperate in five main areas, including, (i) joint research efforts; (ii) joint usage of facilities, the Sun Yat-sen University Institute of Advanced Studies Hong Kong — SinoMab BioScience Limited Joint Laboratory located at Shenzhen Futian International Biomedical Industry Park, Shenzhen, China; (iii) technical support; (iv) drug development; and (v) training and knowledge exchange. Please also refer to the Company's announcement dated 12 August 2025 and the above paragraph headed "Supplementary Information to Voluntary Announcement — Comprehensive Strategic Cooperation Agreement" for more details.

LifeArc

LifeArc is a United Kingdom-based medical research charity, whose mission is to pioneer new ways to turn great science into great patient impact. We have been entrusted by LifeArc to further develop and commercialise SM17 in all fields and worldwide. According to public information, LifeArc provides intellectual property identification, technology development, early stage drug discovery and antibody humanisation services for academia, biotechnology and pharmaceutical organisations and charities, aiming to propel promising medical researches into viable and accessible patient treatments.

* *For identification purposes only*

Everest Medicines

Everest Medicines Limited ("**Everest Medicines**") is a listed biopharmaceutical company (stock code: 1952.HK) that integrates discovery, licencing, clinical development, commercialisation and manufacturing of potentially novel or differentiated therapies to address critical unmet medical needs in initially Asia Pacific markets, and eventually around the world. In 2021, we entered into a licence agreement with Suzhou Sinovent Pharmaceuticals Co., Ltd.* (蘇州信諾維醫藥科技股份有限公司), (now known as Evopoint Biosciences Co., Ltd.* (蘇州信諾維醫藥科技股份有限公司)), together with the Company as licensor), and Everest Medicines II (HK) Limited, a wholly owned subsidiary of Everest Medicines, as licensee, to out-licence the right to develop and commercialise SN1011 globally for the treatment of renal diseases. In July 2025, Everest Medicines announced updated positive results in preliminary analysis of its Phase 1b/2a clinical trial of EVER001 (known as SN1011 in the Company's product pipeline) for the treatment of primary membranous nephropathy based on its data analysis as of 21 March 2025.

Production

We have a production base in Haikou, Hainan Province, and are also constructing our second production base in Suzhou, Jiangsu Province.

We are also assessing the feasibility of transitioning to a light-asset model. Although our existing facilities were essential under earlier regulatory frameworks, the current trend toward outsourcing production to contract development and manufacturing organisations (CDMOs) offers cost advantages and operational flexibility. Depending on market demand and partnership opportunities, we may consider transitioning manufacturing to external providers to optimise resource allocation.

Haikou Production Base

We carry out our manufacturing activities at our Haikou production base, where we manufacture our drug candidates for pre-clinical research, clinical trials and future large-scale production. The Haikou production base occupies a total operational area of approximately 19,163 square metres with a production capacity of 1,200 litres. The plant has an operational area consisting of a clean area for processing, a controlled-not-classified (CNC) area for supporting activities, utility rooms, quality control laboratories, warehouse and administrative offices and R&D laboratories for on-going and new product development projects. Good Manufacturing Practice (GMP) inspection at our Haikou production base, a necessary requirement for BLA approval, was completed in January 2024.

* *for identification purposes only*

Suzhou Production Base

We purchased a piece of land of 43,158 square metres in Suzhou Dushu Lake Higher Education Town, China, in June 2020. The total floor area would be approximately 75,000 square metres. The new production base is designed as commercial-scale manufacturing facilities. The construction works were completed in late 2024. Completion inspection is expected to be approved in late 2025 for the grant of Real Estate Ownership Certificate.

Intellectual property

Core technology of main drugs (products)

For SM03 (Suciraslimab), the Group has four invention patents granted and registered in the PRC, one of which is also applicable to SM06, four invention patents which are granted and registered in the United States, all of which are also applicable to SM06, and one invention patent granted and registered in South Africa.

For SN1011, the Group has one invention patent granted and registered in the United States, one invention patent granted and registered in the European Union and one invention patent granted and vested in Australia.

For SM09, the Group has two invention patents granted and registered in the PRC, three invention patents granted and registered in the United States, and one in each of various jurisdictions, including the European Union, India, Singapore and Japan.

During the Reporting Period, the Group filed one Patent Cooperation Treaty ("**PCT**") application for SM06, one PCT application for SM17 and one PCT application for Suciraslimab. In addition, one invention patent was granted and registered in the PRC during the Reporting Period.

As at 30 June 2025, the Group had six pending patent applications in the United States, seven pending patent applications in the PRC, six pending patent applications in the European Union, and six pending PCT patent applications.

Well-known or famous trademarks

The Company conducts its business under the brand name of "SinoMab" ("**中國抗體**"). As at the end of the Reporting Period, the Group had various registered trademarks in Hong Kong and Mainland China, with multiple trademark applications pending approval in Mainland China.

Patents

Item	As at 30 June 2025	As at 31 December 2024
Number of invention patents owned by the Group*	**92**	91

* *including patents pending applications and granted patents*

R&D personnel

Education level	Number at the end of the Reporting Period	Number at the beginning of the Reporting Period
Ph.D.	**5**	6
Master	**21**	24
Undergraduate or below	**7**	10
Total number of R&D personnel	**33**	**40**

The above number of R&D personnel does not include our employees in manufacturing, quality assurance or quality control for the clinically related operation.

Future prospects

We strive to become a leading global biopharmaceutical company for the development of novel drugs to fulfil unmet medical needs through our Hong Kong-based innovative R&D team and PRC-based manufacturing capabilities. Our vision is to become a global leader in the innovation of therapeutics for immunological and other debilitating diseases.

Our portfolio of drug candidates spans multiple therapeutic areas across the immunological field which, we believe, will enable us to provide comprehensive treatment options for field-wide indications to patients. We believe our dedication, experience and achievements in the field of immunology have expedited the process, and elevated the industry standard, for the discovery and development of novel therapeutics against a variety of immunological diseases. We have accumulated significant experience in the discovery of new treatment modalities for immunological diseases, which will allow us to better capture a substantial share of the immunological disease market. We believe that our strategic specialisation and dedicated focus on immunological diseases is an effective way to differentiate ourselves from our peers. By specialising in innovative treatments of immunological diseases, we seek to solidify our leading position in the field, thereby creating a higher barrier to entry for our peers to compete with us in the development of first-in-class drug candidates.

Further, our product pipeline is backed by our established full-spectrum platform integrating in-house capabilities across the industry chain, from our strong and independent target identification, drug candidate development, pre-clinical research, clinical trials, clinical production, quality control, quality assurance, regulatory approval and commercial-scale production up to the commercialisation stage, as well as all other processes in the discovery and development of our drug candidates. We believe that this full-fledged capability is matched by only a few biopharmaceutical companies in the Greater China region. With a diverse and expanding product pipeline, we believe that we are well positioned to become an industry leader in the development of treatments for immunological diseases.

The Group will continue to focus on exploring international partnerships for our pipeline product, especially for our SM17, anti-CGC antibody and bispecific antibody candidates, further develop our existing product pipeline, discover and develop novel drugs for the treatment of immunological diseases by leveraging our R&D capabilities and strengthen our global presence through leveraging our position as a Hong Kong-based biopharmaceutical company.

Apart from continuously expanding our product pipeline and advancing our clinical development, we will also continue to actively explore strategic collaboration opportunities. We have developed a pipeline of pre-clinical, clinical and pre-registration stage first-in-class assets addressing various inflammatory and immunological diseases. To maximise the commercial values of our assets as well as to accelerate the development of our innovative drug candidates, we are open to collaboration, partnerships and licencing agreements with partners worldwide.

Clinical development plan

We will advance clinical trials for SM03 (Suciraslimab) for SLE and other autoimmune diseases to broaden its therapeutic uses for addressing other unmet medical needs. Regulatory pathways to extrapolate the clinical indications of neuro-immunological diseases, Alzheimer's disease, for Suciraslimab will also be sought. The initiation of an IND application for Alzheimer's disease and proof-of-concept Phase 2 clinical study for SLE in China are also in our plans.

In respect of SM17, the first-in-human Phase 1 clinical trial in the U.S. was completed in 2023. The Last Subject Last Visit (LSLV) was completed in September 2023 and the total number of healthy subjects enrolled in the Phase 1 clinical trial was 77. The clinical report was obtained in the first quarter of 2024 which demonstrated an overall favourable safety, tolerability and PK profile for SM17. Two additional IND submissions, for the treatment of asthma and AD were filed with the NMPA in the first half of 2023 and were subsequently approved by the NMPA on 11 August 2023 and 8 September 2023, respectively. A bridging Phase 1a clinical trial to evaluate the safety, tolerability and PK profile in the Chinese population was completed in China in May 2024. A total of 32 moderate-to-severe AD patients were enrolled in a Phase 1b study, and positive topline results for this Phase 1b clinical trial were published by the Company on 7 April 2025. The Phase 1b clinical trial aims to explore the preliminary efficacy of SM17 in moderate to severe AD patients, as well as to study safety, tolerability and PK profile of SM17. We also plan to submit IND applications in both the U.S. and China for the treatment of IPF with SM17. The Company is advancing the clinical bridging study for the dosage formulation conversion of SM17 and expects to complete it by the first quarter of 2026.

Pre-clinical R&D

We have built a pre-clinical R&D platform for studying pathogenesis of autoimmune diseases, as well as exploring and identifying treatments for them. Our internal R&D team will continue to discover novel mechanisms for treatments of multiple autoimmune disease areas for rheumatology, neuro-immunology, respiratory and dermatology. Our R&D team possesses the capability of generating pre-clinical pharmacology internally and is developing in-depth collaboration with well-known clinical KOLs from our on-going clinical programs. By utilising its established business and cooperation relationships with vendors and partners, the Company is in the process of generating and collecting the IND-enabling data package for our products under pre-clinical development, such as SM06, and will thereafter conduct pre-clinical studies to test their efficacies, safety and PK/pharmacodynamics, and fulfil other regulatory requirements.

Our SM06 is currently at the IND enabling stage and is in the process of optimisation for clinical trials. We will advance the first IND application process, aiming for a bio-better product development for known indications based on the good therapeutic potential of Suciraslimab, as well as further exploration into other immunological diseases.

Our anti-CGC antibody and bispecific antibody candidates are currently in the process of CMC optimisation and toxicology studies.

Novel drug targets identification

The Company has been actively exploring novel targets identification and has developed a strong team of R&D talents with a mix of resources that instil an innovative culture at all levels. Led by the Chief Executive Officer of the Company, who also undertakes the function of the Chief Scientific Officer, the research team has established five strategic in-house platforms, namely, the "B-cell Therapeutic Platform", "Alarmins-pathway Therapeutic Platform", "Selective-T Cell Therapeutic Platform", "Neurological Disease Platform" and "Antibody Framework-Patching Humanisation Platform" that allow the Company to continuously identify novel drug targets and develop new antibody candidates, broadening and enriching our product pipelines for other autoimmune diseases with unmet medical needs.

Production

As previously reported, the Group purchased a piece of land of 43,158 square metres in Suzhou Dushu Lake Higher Education Town in China in June 2020. The total floor area would be approximately 75,000 square metres. This new Suzhou campus consists of commercial manufacturing facilities, a pilot plant, an R&D centre, a quality control centre, a clinical study centre and an administration building. The construction works were completed in late 2024. Completion inspection is expected to be approved in late 2025 for the grant of Real Estate Ownership Certificate.

Commercialisation and Partnerships

As of the Reporting Period, we have established a marketing team. In addition, we are actively exploring and identifying opportunities for collaboration and/or partnership, including but not limited to licencing in or licencing out, to enhance our commercialisation and business development capabilities.

MARKET OVERVIEW

Systemic Lupus Erythematosus (SLE)

SLE treatment refers to a range of medical interventions aimed at managing and alleviating the symptoms of the disease. SLE is a chronic autoimmune disorder characterised by the immune system attacking the body's own tissues and organs, resulting in widespread inflammation and tissue damage. In recent years, the incidence of SLE has been rising globally, and the SLE treatment market is experiencing unprecedented rapid expansion. According to a report by Frost & Sullivan, there are currently approximately 1.0349 million SLE patients in China, a figure projected to increase to 1.0947 million by 2030. Research Nester estimates that the global SLE treatment market exceeded USD2.4 billion in 2024 and is forecasted to grow at a compound annual growth rate ("**CAGR**") of more than 7.8%, reaching over USD6.37 billion by 2037.

Atopic Dermatitis (AD)

As a long-standing chronic disease, new cases of AD are growing rapidly globally with broad market potential. Patients with AD have an increasing all-cause mortality rate and disease-specific mortality rate in diseases, such as infections, respiratory diseases, gastrointestinal diseases, and oncological diseases. Currently approved therapies for AD, including biologics, can significantly improve eczema area and severity index and patient's quality of life. However, there is still an unmet medical need for patients showing irresponsiveness to those approved therapies. According to Frost & Sullivan, there were approximately 65.7 million AD patients in China in 2019 with an expected growth to 81.7 million in 2030, of which 30% being moderate-to-severe patients. The AD medicine market in China was valued at US$600 million in 2019, and has reached US$1.5 billion in 2024, further increasing to US$4.3 billion in 2030. According to a report by Grand View Research, Inc., the global market size for AD is estimated to reach US$27.7 billion by 2030. We believe the mechanism of action of SM17 by targeting upstream of the Th2 inflammatory cytokine pathway, such as IL-25 receptor, will have broad effects on skin inflammation, implicating a great potential for SM17 to be a differentiating, safer and more effective product for the treatment of AD.

Asthma

The number of asthma patients worldwide is increasing year by year, and a large patient base is in urgent need of effective therapeutic drugs. According to Frost & Sullivan, the number of asthma patients worldwide is expected to increase to approximately 860 million in 2030, of which 78.1 million will be in China, a country with a higher growth rate than that for the global patient population. Severe, uncontrolled asthma patients are at risk of recurrent asthma exacerbations and hospitalisations, and uncontrolled severe asthma is associated with increased mortality/morbidity, diminished quality of life and increased health expenditures. Current approved therapies for severe asthma, including biologics, can reduce asthma exacerbations to a certain extent. However, there is still an unmet medical need for additional effective therapies, particularly for patients who do not respond to current treatments. We believe the mechanism of action of SM17 by targeting upstream of the Th2 inflammatory cytokine pathway, such as IL-25 receptor, will have broad effects on airway inflammation, which is expected to provide a new therapeutic channel with efficacy and safety for asthma diseases and bring relief and treatment to asthma patients.

Rheumatoid Arthritis (RA)

According to Frost & Sullivan, the global market for autoimmune disease drugs is expected to increase from US$120.5 billion in 2020 to US$163.8 billion in 2030, at a CAGR of 3.1%. The overall scale of existing patients with autoimmune diseases in China is huge. According to "*Rheumatoid Arthritis in China: A National Report of 2020*" issued by the National Clinical Research Center for Dermatologic and Immunologic Diseases in October 2021, there are about 5 million RA patients in China. With the continuous improvement of the diagnosis and treatment rate of autoimmune diseases in China and the continuous progress of related medical technologies, the market size of RA in China is expected to expand rapidly. According to Frost & Sullivan, the RA therapeutics market in PRC is expected to reach RMB83.3 billion by 2030, or at a CAGR of 16.8%. The biologics market share in the RA therapeutics market in the PRC is expected to increase from 43.4% in 2024 to 59.8% in 2030. We have been focusing on the R&D of mAb drugs in the field of autoimmune diseases for more than 20 years and our existing product pipeline covers all indications in the field of autoimmune diseases. We are one of a few biopharmaceutical companies in China with full-fledged capability that integrates all-industry functionalities, including R&D, production and commercialisation.

STRATEGIC IN-HOUSE PLATFORMS FOR ESTABLISHING STRONG PIPELINE

We have developed several proprietary, innovative technological and therapeutic platforms, allowing us to identify novel antibody candidates that are specific for novel targets and have the potential to achieve therapeutic effects via novel mechanisms of actions.

B-cell Therapeutic Platform

The Company was established with an initial focus on developing therapeutics that target B cells. With the accumulation of substantial data and the functions of these B cell antigens/targets and the roles of B cells played in the immune system were better understood, B cells' potential for treating autoimmune diseases has become prominent — forming our bases for "B cell therapy approach". There are possibilities of use in combination of our different products developed on our B cell therapeutic platform in the future. These antigens and targets include:

a. CD22 — our SM03 (Suciraslimab) and SM06, each an anti-CD22 antibody, were developed under our B-cell therapeutic platform.

b. CD20 — our SM09, a novel, framework-patched, humanised anti-CD20 antibody, was developed under our B-cell therapeutic platform.

c. BTK — our SN1011, a third-generation covalent reversible BTK inhibitor, was developed to maximise the therapeutic benefits of B cell therapy.

Alarmins-pathway Therapeutic Platform

The immune system is an interplay between different cell lineages and factors, but the majority of which include B cells, T cells and cytokines. Albeit our good coverage on B cell specific targets, there are other areas we need to fill in order to address other immune related ailments. While most cytokines are well studied, and products against which have been approved, there emerges a new class of factors known as alarmins that are upstream of the immune pathway and have not been well studied. These alarmins play crucial roles in autoimmune diseases involving the respiratory tract and dermatological tissues such as asthma, AD, IPF, and so on.

IL-25 is one of the three alarmins that targets a particular receptor called IL-17RB. Our SM17 is a humanised, IgG4-κ monoclonal antibody targeting the receptor for IL-25 (also known as IL-17RB), which was developed under our alarmins-pathway therapeutic platform.

Selective-T Cell Therapeutic Platform

Our pipeline covers B cells, alarmins/cytokines, and another major piece in the immunotherapy portfolio — T cells. The T-cell associated receptor is not well researched in the biopharma area as its function is promiscuous. We have developed a platform to isolate antibodies that have selective binding to T-cell associated receptors, resulting in the identification of a battery of antibodies with differentiated functionality covering a wide range of immunological diseases. Our anti-CGC antibody, humanised anti-γc antibody, was developed under our selective T-cell therapeutic platform.

A paper titled "*Discovery of a New Anti-γc Antibody in Clinical Development for the Treatment of Autoimmune Diseases*" revealing our study on hC2, a humanised anti-γc antibody, in addressing autoimmune diseases, was published in *The Journal of Immunology* in March 2025. The study demonstrates that hC2 specifically targets the γc receptor, offering global suppression on Signal Transducer and Activator of Transcription (STAT) phosphorylation and cellular activities in all studied immune cell types. Combined with the efficacies observed *in vitro* assays and graft-versus-host disease (GvHD) animal studies, the current data support the clinical development of hC2 for the treatment of autoimmune diseases in the future.

Neurological Disease Platform

In 2019, there was a paper published in the journal *Nature* that demonstrated that anti-CD22 antibodies would have therapeutic effects on degenerative neurological disease in a murine model. We researched the possibility of using SM03 (Suciraslimab) for treating MCI due to Alzheimer's disease and Alzheimer's disease and found that CD22 is significantly expressed in microglia and other neurological cells.

The discovery that our anti-CD22 antibody can induce the internalisation of Aβ protein has led to the development of bispecific antibodies that target anti-inflammatory cell surface antigens and Aβ protein for treating Alzheimer's disease and other neurological diseases.

A paper titled "*CD22 modulation alleviates amyloid β-induced neuroinflammation*" revealing Suciraslimab's dual mechanism of action in combating Alzheimer's disease, was published in the *Journal of Neuroinflammation* in February 2025.

Product candidates are descendants of the SM03 (Suciraslimab)/SM06 lineage.

Antibody Framework-Patching Humanisation Platform

Most antibodies are produced in a murine background, and antibody humanisation (a genetic engineering approach) is needed to convert the murine sequence into human sequence without affecting the affinity and specificity of the original antibody (parent antibody). We employ a novel approach known as "framework-patching" to introduce "human-ness" in a functional perspective (functional humanisation). Our SM06 and SM09 antibodies were humanised using this novel, proprietary technology unique to the Company.

FINANCIAL REVIEW

Other income and gains

Our other income and gains consist primarily of bank interest income, changes in fair value on financial assets at fair value through profit or loss, government grants and foreign exchange gain. Total other income and gains were approximately RMB9.8 million for the Reporting Period, representing an increase of approximately RMB5.5 million from the six months ended 30 June 2024, mainly due to (i) an increase of foreign exchange gain of approximately RMB7.4 million; (ii) an increase in government grants amounting to approximately RMB1.0 million; offset by (iii) a decrease in bank interest income amounting to approximately RMB2.9 million.

R&D costs

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Laboratory consumables and experiment costs	**13,737**	26,120
Employment costs	**9,613**	18,984
Others	**9,390**	9,931
	32,740	55,035

Our R&D costs mainly include laboratory consumables and experiment costs, employment costs of R&D employees, depreciation of right-of-use assets relating to leases of research facilities and depreciation of research and testing equipment.

For the six months ended 30 June 2025 and 2024, we incurred R&D costs of approximately RMB32.7 million and RMB55.0 million, respectively. The decrease in R&D costs during the Reporting Period was mainly attributable to (i) a decrease in spending of laboratory consumables and experiment costs in R&D for the preparation of BLA and commercialisation of SM03 (Suciraslimab) of approximately RMB12.4 million and (ii) a decrease in employment costs of R&D employees of approximately RMB9.4 million mainly due to optimisation of our R&D team compared with first half of 2024 for better efficiency.

Administrative expenses

Our administrative expenses primarily consist of employee costs of administrative personnel, depreciation of right-of-use assets relating to leases of office space, depreciation and amortisation, rental and property management fees, consulting and auditing fees, legal and other professional advisory service fees, office expenses, transportation costs and others.

For the six months ended 30 June 2025 and 2024, our total administrative expenses were approximately RMB23.7 million and RMB34.2 million, respectively. The decrease was mainly attributable to (i) a decrease of approximately RMB5.7 million due to optimisation of company administrative staff cost and (ii) a reversal of non-cash share-based payments of approximately RMB3.4 million for the lapse and cancellation of share options during the Reporting Period.

Other expenses

For the six months ended 30 June 2024, there was a foreign exchange loss of approximately RMB2.9 million. During the Reporting Period, most of the Group's cash and cash equivalents were denominated in RMB. The majority of the exchange loss, which was caused by the difference of the functional currency of the Hong Kong headquarters in HKD and the presentation currency of the Group in RMB, did not represent the Company's actual loss.

Liquidity and capital resources

The Group has always adopted a prudent treasury management policy. The Group places strong emphasis on having funds readily available and accessible and is in a stable liquidity position with sufficient funds in standby banking facilities to cope with daily operations and meet its future development demands for capital.

The following table sets forth a condensed summary of the Group's interim condensed consolidated statement of cash flows for the periods indicated and analysis of balances of cash and cash equivalents for the periods ended indicated:

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Net cash flows used in operating activities	**(26,906)**	(70,587)
Net cash flows generated from/(used in) investing activities	**35,230**	(76,390)
Net cash flows generated from financing activities	**38,263**	93,446
Net increase/(decrease) in cash and cash equivalents	**46,587**	(53,531)
Cash and cash equivalents at the beginning of the period	**61,900**	203,664
Effect of foreign exchange rate changes, net	**(7,453)**	3,484
Cash and cash equivalents at the end of the period	**101,034**	153,617

As at 30 June 2025, cash and cash equivalents were mainly denominated in Renminbi, Hong Kong dollars and United States dollars.

As at 30 June 2025, total funding available to use including cash and cash equivalents, pledged and restricted deposits and wealth management products is RMB125.7 million.

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Cash and cash equivalents	**101,034**	61,900
Pledged and restricted deposits	**13,879**	66,002
Wealth management products (included in the financial assets at fair value through profit or loss)	**10,738**	13,523
Total funding available to use	**125,651**	141,425

The net decrease in total funding available to use of approximately RMB15.7 million was mainly due to (i) the net proceeds from issue of shares of approximately RMB108.2 million; offset by (ii) the net repayment of bank borrowings of approximately RMB57.0 million; (iii) the spending on capital expenditures of approximately RMB13.1 million; (iv) the net cash flows used in operating activities of approximately RMB26.9 million in the Reporting Period.

Bank borrowings and gearing ratio

As at 30 June 2025, the Group's outstanding borrowings of RMB354.4 million (31 December 2024: RMB419.3 million) were denominated in RMB and at the effective interest rate ranging from 3.00% to 3.90% (31 December 2024: 3.15% to 3.90%) per annum.

As at 30 June 2025, the amount of unutilised banking facilities of the Group is approximately RMB321.7 million.

The Group monitored capital using gearing ratio. Gearing ratio is calculated using interest-bearing bank borrowings less cash and equivalents divided by total equity and multiplied by 100%. As at 30 June 2025, the gearing ratio was 104.1% (31 December 2024: 185.3%).

Pledge of assets

As at 30 June 2025, the Group had mortgaged its land use right and construction in progress with a carrying value of RMB338.2 million (31 December 2024: RMB334.3 million), and did not pledge any of its deposit (31 December 2024: RMB45.0 million) for the purpose of securing bank loans. In accordance with the agreement with the bank, the maximum mortgage amount of land use right and construction in progress is RMB158.4 million.

Significant investments held and disposed

The Group did not have any significant investment which accounted for more than 5% of the Group's total assets as at 30 June 2025.

Material event — Subscriptions of new shares under general mandate

2025 May Share Subscriptions

On 29 May 2025, the Company completed an issue of 112,810,817 new ordinary shares at a subscription price of HK$1.10 per share to twenty-six subscribers and raised net proceeds of approximately HK$123,956,911, representing a net subscription price of approximately HK$1.10 per subscription share (the "**2025 May Subscription**").

References are made to the Company's announcements dated 13 May 2025 and 29 May 2025. The net proceeds from the subscription of shares are being utilised in accordance with the purpose and allocation plan set out in announcements of the Company dated 13 May 2025 and 15 August 2025, respectively.

The following table sets out the planned applications of the net proceeds from the 2025 May Subscriptions and the actual usage up to 30 June 2025:

Use of proceeds		**Planned application** *(HK$ million)*	**Actual utilisation up to 30 June 2025** *(HK$ million)*	**Unutilised net proceeds as at 30 June 2025** *(HK$ million)*	**Expected timeline for full utilisation of the unutilised net proceeds**[(Note 1)]
(i)	For R&D and clinical programmes and potential global cooperations of SM17, especially for the subcutaneous bridging study and Phase 2 clinical study of atopic dermatitis in China, for the trial expense, related production cost and related employment cost	55.781	8.375	47.406	By the end of 2026
(ii)	For pre-clinical research, clinical trials, related production, preparation for registration filings and related employment cost of new drug candidates not currently in our pipeline to diversify our product portfolio, as well as for IND enabling of new drug candidates, especially for pre-clinical studies, production cost and related employment cost. Specifically to fund the development of SM18, one of the Company's drug candidates. The Company is currently in the process of CMC optimisation and toxicology studies for SM18 ("**IND Enabling Stage**")	24.791	–	24.791	By the end of 2026
(iii)	For the Group's working capital, the expansion of internal capabilities and other general corporate purposes. Specifically, for near-term operational cash flow needs for the year 2025	43.385	10.726	32.659[(Note 2)]	By the end of 2025
	Total	123.957	19.101	104.856	

Notes:

1. The expected timeline for utilisation of the unutilised net proceeds is based on the estimation made by the Group and is subject to change based on the future development and events which may be outside the Group's control.

2. The unutilised proceeds of approximately HK$32.659 million as at 30 June 2025 are earmarked for near-term operational cash flow needs for the year 2025. The utilised funds have been deployed across the Group's ongoing operational cycles in accordance with our treasury management policies, reflecting the dynamic nature of the Group's cash flow requirements, which are inherently tied to operational cycles and mainly include (i) staff remuneration; (ii) overhead expenses including legal, audit and rental costs; and (iii) the significantly increased patent-related expenses including related legal costs.

Such utilisation of the net proceeds was in accordance with the planned applications as set out in the above. The unutilised portion of the net proceeds will be applied in a manner consistent with the above planned applications.

Saved as disclosed in this section headed "Material event — Subscriptions of new shares under general mandate" in this announcement, the Company has not conducted any equity fund raising activities during the Reporting Period.

Use of proceeds from new share subscriptions under general mandate

2023 Share Subscriptions

The Company completed an issue of 48,322,093 new ordinary shares and 8,512,626 new ordinary shares at a subscription price of HK$1.29 per share on 12 January 2024 and 31 January 2024, respectively, and raised net proceeds of approximately HK$73,181,794 (the "**2023 Subscriptions**").

Details of the planned applications of the net proceeds from the 2023 Subscriptions were disclosed in the Company's announcements dated 14 December 2023, 12 January 2024, 31 January 2024 and subsequently revised and disclosed in the Company's announcement dated 31 March 2025. The following table sets out the planned applications of the net proceeds and the actual usage up to 30 June 2025:

Use of proceeds	**Planned application**[Note 1] *(HK$ million)*	**Utilised amount of net proceeds during the Reporting Period** *(HK$ million)*	**Actual utilisation up to 30 June 2025** *(HK$ million)*	**Unutilised net proceeds as at 30 June 2025** *(HK$ million)*	**Expected timeline for full utilisation of the unutilised net proceeds**[Note 2]
For marketing and commercialisation, including establishment of a sales and marketing team, post commercialisation medical activities and marketing and academic promotion activities for Susciralimab	25.6	18.5	20.5	5.1	By the end of 2025
For commercial production and post-launch site transfer for Suciraslimab	14.6	–	–	14.6	By the end of 2025
For BLA commercialisation application and extension study for Suciraslimab	11.0	9.9	11.0	–	N/A
For clinical studies for SM17 for the treatment of atopic dermatitis	22.0	15.1	22.0	–	N/A
Total	73.2	43.5	53.5	19.7	

Notes:

1. Planned applications as revised and disclosed in the Company's announcement dated 31 March 2025.
2. The expected timeline for utilisation of the unutilised net proceeds is based on the best estimation made by the Group and is subject to change based on the future development and events which may be outside the Group's control.

Such utilisation of the net proceeds was in accordance with the planned applications as set out in the above. The unutilised portion of the net proceeds will be applied in a manner consistent with the above planned applications.

2022 Share Subscriptions

On 16 November 2022, the Company completed an issue of 28,680,000 new ordinary shares at a subscription price of HK$1.78 per share and raised net proceeds of approximately HK$50,890,400 (the "**2022 Subscriptions**").

References are made to the Company's announcements dated 2 November 2022, 7 November 2022, 16 November 2022 and 20 March 2023.

Details of the planned applications of the net proceeds from the 2022 Subscriptions were disclosed in the Company's announcement dated 7 November 2022 and subsequently revised and disclosed in the Company's announcement dated 20 March 2023. As at 30 June 2025, the net proceeds from 2022 Subscriptions has been fully utilised as intended. The following table sets forth the status of the use of the net proceeds as of 30 June 2025:

Use of proceeds	Planned application *(HK$ million)*	Details of usage	Utilised amount of net proceeds during the Reporting Period *(HK$ million)*	Actual utilisation up to 30 June 2025 *(HK$ million)*	Unutilised net proceeds as at 30 June 2025 *(HK$ million)*	Expected timeline for full utilisation of the unutilised net proceeds
(i) For the R&D and commercialisation of our drug candidate	39.6	For the R&D and commercialisation of our core product, SM03, to fund clinical trials for SM03 including (i) ongoing and planned clinical trials in the PRC; and (ii) New Drug Application registration filings and the commercial launch of SM03.	6.3	39.6	–	N/A
(ii) Further advance the Company's R&D programmes, expand its R&D team, build its commercialisation team, develop its proprietary technology and enhance its full-spectrum platform	0.2	For R&D programmes of SN1011, especially for the Phase 2 clinical study for neuromyelitis optica spectrum disorder (NMOSD) in China, for the trial expense and related production cost.	–	0.2	–	N/A
	4.0	To fund the expansion of R&D team.	1.7	4.0	–	N/A
	2.0	To build the Company's commercialisation team, develop its proprietary technology and enhance the Company's full-spectrum platform.	–	2.0	–	N/A
(iii) For general working capital purpose	5.1	For the general working capital of the Group, including but not limited to staff employment cost and rental and property management fees.	0.6	5.1	–	N/A
Total	50.9		8.6	50.9	–	

Note:

1. SM03 refers to SM03 (Suciraslimab), the flagship product of the Company.

Global offering and use of proceeds

On 12 November 2019, the Company's shares were listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (the "**Listing**") and the Company raised net proceeds of HK$1,272.8 million ("**Net Proceeds**").

Reference is made to the Company's prospectus dated 31 October 2019 (the "**Prospectus**") and subsequent changes in use of proceeds as disclosed in the announcements dated 22 July 2020, 14 August 2020, 21 March 2022, 20 March 2023, 25 March 2024, 19 August 2024 and 31 March 2025, the Net Proceeds has been fully utilised as intended as at 30 June 2025. The following table sets forth the status of the Company's use of Net Proceeds as of 30 June 2025:

Use of proceeds	**Planned applications** [(Note 1)] *(HK$ million)*	**Utilised amount of net proceeds during the Reporting Period** *(HK$ million)*	**Actual utilisation up to 30 June 2025** *(HK$ million)*	**Unutilised Net Proceeds as at 30 June 2025** *(HK$ million)*	**Expected timeline for full utilisation of the unutilised Net Proceeds**
For the R&D and commercialisation of our drug candidates					
For the R&D and commercialisation of our core product, SM03, to fund clinical trials for SM03 including (i) ongoing and planned clinical trials in the PRC; (ii) additional clinical trials to be initiated in the PRC for additional indications; (iii) clinical trials in Australia and the United States; and (iv) New Drug Application registration filings and the commercial launch of SM03	250.9	–	250.9	–	N/A
To fund pre-clinical research, clinical trials, production, preparation for registration filings and potential commercial launches of the other drug candidates in our pipeline	299.4	4.7	299.4	–	N/A
To further advance our R&D programmes, expand our R&D team, build our commercialisation team, develop our proprietary technology and enhance our full-spectrum platform	52.4	–	52.4	–	N/A
For the discovery and development of new drug candidates not currently in our pipeline to diversify our product portfolio	99.9	2.9	99.9	–	N/A
For the construction of our Suzhou production base primarily for the commercial-scale production of our core product SM03					
For the purchase of laboratory equipment, primarily for the R&D of SM03 and potentially for the R&D of other products in our pipeline	75.8	–	75.8	–	N/A
For the purchase of manufacturing equipment, primarily for the production of SM03	49.7	15.6	49.7	–	N/A

Use of proceeds	Planned applications (Note 1) *(HK$ million)*	Utilised amount of net proceeds during the Reporting Period *(HK$ million)*	Actual utilisation up to 30 June 2025 *(HK$ million)*	Unutilised Net Proceeds as at 30 June 2025 *(HK$ million)*	Expected timeline for full utilisation of the unutilised Net Proceeds
For the construction of the Suzhou production base					
For the construction of additional R&D facilities and purchase of laboratory equipment to aid the ongoing R&D of SM03 for the treatment of rheumatoid arthritis, systemic lupus erythematosus, non-Hodgkin's lymphoma and other potential indications, R&D of SM03 at commercialisation to enhance craftsmanship for large-scale production, as well as the development of other products in our pipeline	87.6	–	87.6	–	N/A
For the construction of an upstream production facility and downstream purification facility	23.2	–	23.2	–	N/A
For the purchase of land from the Suzhou Dushu Lake Higher Education Town and other expenses related to the expansion of our Suzhou production base	107.9	–	107.9	–	N/A
For our working capital, expanding internal capabilities and other general corporate purposes	187.2	20.4	187.2	–	N/A
Collaboration with D2M Group	38.8	–	38.8	–	N/A
Total	1,272.8	43.6	1,272.8	–	

Notes:

(1) Planned applications as revised and disclosed in the Company's announcements dated 22 July 2020, 14 August 2020, 21 March 2022, 20 March 2023, 25 March 2024, 19 August 2024 and 31 March 2025.

(2) SM03 refers to SM03 (Suciraslimab), the flagship product of the Company.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries with each of the Directors, all the Directors confirmed that they had complied with such code of conduct throughout the Reporting Period and to the date of this announcement.

PRELIMINARY ANNOUNCEMENT OF INTERIM RESULTS

The financial information relating to the year ended 31 December 2024 included in this preliminary results announcement does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "**Companies Ordinance**") is as follows:

- The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

- The Company's auditor has reported on the financial statements of the Group for the year ended 31 December 2024. The auditor's report was unqualified, included a reference to material uncertainty related to going concern to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Companies Ordinance.

EVENTS AFTER REPORTING PERIOD

2025 July Share Subscriptions

On 22 July 2025, the Company entered into twenty-three subscription agreements with twenty-three subscribers for the issuance of an aggregate of 182,072,400 new ordinary shares at a subscription price of HK$2.03 per share ("**2025 July Subscriptions**"). The Company completed an issue of 157,107,000 new shares on 15 August 2025 and 24,965,400 new shares on 29 August 2025, respectively, representing in total (i) approximately 15.12% of the issued shares of the Company immediately before the 2025 July Share Subscriptions; and (ii) approximately 13.13% of the issued shares of the Company as enlarged by the allotment and issuance of the subscription shares. The net proceeds from the 2025 July Subscriptions amounted to approximately HK$369,461,972.

Details of the planned applications of the net proceeds from the 2025 July Subscriptions together with the unutilised net proceeds from the 2025 May Subscriptions were disclosed in the Company's announcements dated 22 July 2025 and 15 August 2025.

Grant of Share Options

On 24 July 2025, the Company granted a total of 46,585,862 share options to twenty employees of the Company and two service providers of the Company (collectively the "**Grantees**") to subscribe for an aggregate of 46,585,862 new shares of the Company under the Company's share option scheme adopted at the extraordinary general meeting held on 26 October 2022 and subsequently amended at the annual general meeting held on 14 June 2024, subject to the acceptance of the Grantees. Please refer to the announcement of the Company dated 24 July 2025 for further details.

Save as disclosed in this announcement, there are no other significant events after the Reporting Period.

CORPORATE GOVERNANCE

The Board is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential to providing a framework for the Group to safeguard the interests of shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability. The Company has applied the principles and code provisions as set out in Part 2 of the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules during the six months ended 30 June 2025.

The Board is of the view that during the six months ended 30 June 2025, the Company has complied with all applicable code provisions as set out in the CG Code, save for the deviation as disclosed below.

Pursuant to code provision C.2.1 in the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Dr. Shui On LEUNG ("**Dr. Leung**") is currently both the chairman and the chief executive officer of the Company. The Board believes that Dr. Leung is the Director best suited, among all Directors, to identify strategic opportunities and focus in view of his extensive understanding of the Company's business as a founder and the chief executive officer. The Board further believes that the combined role of chairman and chief executive officer will not impair the balance of power and authority between the Board and the management of our Company, given that: (i) decisions to be made by the Board require approval by at least a majority of the Directors; (ii) Dr. Leung and the other Directors are aware of and have undertaken to fulfil their fiduciary duties as Directors, which require, amongst other things, that they act for the benefit and in the best interests of the Company as a whole and will make decisions for the Company accordingly; (iii) the balance of power and authority is protected by the operations of the Board, which consists of an executive Director (Dr. Leung), four non-executive Directors and five independent non-executive Directors, and has a fairly strong independence element; and (iv) the overall strategies and other key business, financial, and operational policies of the Company are made collectively after thorough discussions at both the Board and senior management levels. Therefore, the Board considers that it is in the best interests of the Group for Dr. Leung to take up both roles for business development and effective management, and the deviation from the code provision C.2.1 of the CG Code is appropriate in such circumstances.

Save as disclosed in this announcement, from 1 January 2025 to 30 June 2025, there were no other material changes in respect of the Company that needed to be disclosed under paragraph 46 of Appendix D2 to the Listing Rules.

INTERIM DIVIDENDS

The Directors have resolved not to declare an interim dividend for the six months ended 30 June 2025 (2024: Nil).

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

		For the six months ended 30 June	
		2025	2024
	Notes	***RMB'000***	*RMB'000*
		(unaudited)	(unaudited)
REVENUE	*3*	**–**	2,026
Cost of sales		**–**	(1,483)
Gross profit		**–**	543
Other income and gains		**9,802**	4,319
Research and development costs		**(32,740)**	(55,035)
Administrative expenses		**(23,734)**	(34,205)
Finance costs		**(2,990)**	(3,287)
Other expenses	*4*	**(159)**	(2,957)
LOSS BEFORE TAX		**(49,821)**	(90,622)
Income tax expense	*5*	**–**	–
LOSS FOR THE PERIOD		**(49,821)**	(90,622)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)	*7*	**(0.05)**	(0.08)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
LOSS FOR THE PERIOD	**(49,821)**	(90,622)
OTHER COMPREHENSIVE (LOSS)/INCOME		
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation to the presentation currency	**(7,577)**	3,664
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**(57,398)**	(86,958)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	**30 June 2025** ***RMB'000*** **(unaudited)**	31 December 2024 *RMB'000* (audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**482,506**	484,108
Right-of-use assets		**59,099**	66,614
Intangible assets		**520**	935
Deposits		**1,071**	801
Other non-current assets		**15,614**	15,305
Total non-current assets		**558,810**	567,763
CURRENT ASSETS			
Prepayments, deposits and other receivables		**6,307**	12,457
Financial assets at fair value through profit or loss	*8*	**42,063**	44,978
Pledged and restricted deposits		**13,879**	66,002
Cash and cash equivalents		**101,034**	61,900
Total current assets		**163,283**	185,337
CURRENT LIABILITIES			
Other payables and accruals		**70,691**	77,918
Lease liabilities		**12,641**	12,941
Interest-bearing bank borrowings	*9*	**105,156**	112,639
Total current liabilities		**188,488**	203,498
NET CURRENT LIABILITIES		**(25,205)**	(18,161)
TOTAL ASSETS LESS CURRENT LIABILITIES		**533,605**	549,602
NON-CURRENT LIABILITIES			
Lease liabilities		**41,107**	50,044
Interest-bearing bank borrowings	*9*	**249,209**	306,647
Total non-current liabilities		**290,316**	356,691
Net assets		**243,289**	192,911
EQUITY			
Equity attributable to owners of the parent			
Share capital	*10*	**1,898,332**	1,790,094
Reserves		**(1,655,043)**	(1,597,183)
Total equity		**243,289**	192,911

NOTES

1. BASIS OF PREPARATION

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

The financial information relating to the year ended 31 December 2024 that is included in the interim condensed consolidated statement of financial position as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to those statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance. The Company's auditor has reported on the financial statements for the year ended 31 December 2024. The auditor's report was unqualified; and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance.

Going concern basis

The Group had current assets of RMB163,283,000 and current liabilities of RMB188,488,000 as at 30 June 2025 and incurred a net loss of RMB49,821,000 during the six months ended 30 June 2025.

The financial statements of the Group are prepared based on the basic accounting assumption of going concern. Having taken into account the expected cash flows from the unused banking facilities and shares subscription in July 2025, it will enable the Group to fulfil its maturing debts and has adequate working capital in the foreseeable future to meet the needs of its daily operations.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period's financial information.

Amendments to HKAS 21	*Lack of Exchangeability*

The above amendments did not have any impact on the Group's interim condensed consolidated financial information.

3. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Revenue from contract with a customer	**–**	2,026

Disaggregated revenue information

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Type of goods		
Sales of capsules	**–**	2,026
Geographical market		
Mainland China	**–**	2,026
Timing of revenue recognition		
Goods transferred at a point in time	**–**	2,026

Notes:

(i) On 19 December 2022, the Company entered into a capsule sales agreement to sell the capsule which is the Bruton's tyrosine kinase ("**BTK**") inhibitor. In April 2024, the Company supplied capsules and recognised the corresponding revenue and costs separately.

(ii) The performance obligation is satisfied upon delivery of the capsule products.

4. OTHER EXPENSES

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Foreign exchange loss	**–**	2,890
Others	**159**	67
Total other expenses	**159**	2,957

5. INCOME TAX

No Hong Kong profits tax has been made as the Company did not generate any assessable profit during the period (six months ended 30 June 2024: Nil).

Under the Enterprise Income Tax Law of the People's Republic of China (the "**EIT Law**") and Implementation Regulation of the EIT Law, the estimated tax rate of the Group's subsidiaries in Mainland China is 25% during the periods presented in the interim condensed consolidated financial statements. No Enterprise Income tax under EIT Law was provided for as there was no estimated assessable profit of the Group's subsidiaries in Mainland China during the periods presented in the interim condensed consolidated financial statements.

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

Deferred taxation had not been recognised on the unused tax losses and deductible temporary differences due to the unpredictability of future profit streams.

6. DIVIDENDS

No dividend was paid or declared by the Company during the six months ended 30 June 2025 and 2024.

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

The calculation of the basic loss per share amounts is based on the loss for the period attributable to ordinary equity holders of the parent of RMB49,821,000 (six months ended 30 June 2024: RMB90,622,000), and the weighted average number of ordinary shares of 1,096,254,328 (six months ended 30 June 2024: RMB1,071,475,873) outstanding during the period, as adjusted to exclude the shares held under the share award scheme of the Company.

No adjustment has been made to the basic loss per share amounts presented for the six months ended 30 June 2025 and 2024 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic loss per share amounts presented.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Note	**30 June 2025** ***RMB'000*** **(unaudited)**	31 December 2024 *RMB'000* (audited)
Unlisted equity investment, at fair value		**31,325**	31,455
Wealth management products	*(i)*	**10,738**	13,523
Total financial assets at fair value through profit or loss		**42,063**	44,978

Note:

(i) The wealth management products were mandatorily classified as financial asset at fair value through profit or loss as its contractual cash flows are not solely payments of principal and interest. The Group has estimated the fair value of the wealth management products based on fair value provided by the financial institutions.

9. INTEREST-BEARING BANK BORROWINGS

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Non-current		
Unsecured bank borrowings	**105,925**	138,363
Secured bank borrowing	**143,284**	168,284
Total — non-current	**249,209**	306,647
Current		
Unsecured bank borrowings	**64,940**	41,624
Secured bank borrowings	**40,216**	71,015
Total — current	**105,156**	112,639
Total	**354,365**	419,286
Bank borrowings repayable analysed into:		
Within one year	**105,156**	112,639
In the second year	**103,370**	114,558
In the third to fifth years, inclusive	**145,839**	192,089
Total	**354,365**	419,286

Notes:

(a) The Group's overdraft facilities amounted to RMB697,555,000 (31 December 2024: RMB768,713,000), of which RMB375,839,000 (31 December 2024: RMB446,797,000) had been utilised as at the end of the reporting period.

(b) Certain of the Group's bank borrowings are secured by:

(i) mortgages over the Group's land use right and construction in progress, which had a net carrying value at the end of the reporting period of approximately RMB338,160,000 (31 December 2024: RMB334,261,000).

(ii) the Group does not pledge any of its deposits as at 30 June 2025 (31 December 2024: RMB44,993,000).

(c) All borrowings are denominated in RMB.

(d) The effective interest rates of the bank borrowings as at 30 June 2025 ranged from 3.00% to 3.90% (31 December 2024: 3.15% to 3.90%) per annum.

10. SHARE CAPITAL

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Issued and fully paid:		
1,204,565,936 (2024: 1,091,755,119) ordinary shares	**1,898,332**	1,790,094

Note:

On 13 May 2025, the Company entered into twenty-six subscription agreements with twenty-six subscribers for the issuance of an aggregate of 112,810,817 new ordinary shares at a subscription price of HKD1.10 per share. The Company completed an issue of 112,810,817 new ordinary shares for twenty-six subscription agreements on 29 May 2025. The net proceeds amounting to approximately RMB108,238,000 were settled.

An aggregate of 112,810,817 shares, represents (i) approximately 10.33% of the issued share capital of the Company immediately before the completion of the share subscription; and (ii) approximately 9.37% of the issued share capital of the Company as enlarged by the issue of the subscription shares.

REVIEW OF INTERIM RESULTS

The independent auditor of the Company, Ernst & Young, has reviewed the interim condensed consolidated financial information in accordance with the Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

The Audit Committee currently comprises five independent non-executive Directors being Mr. Ping Cho Terence HON (Chairman), Mr. George William Hunter CAUTHERLEY, Dr. Chi Ming LEE, Ms. Chi Sau Giselle LEE and Mr. Nan SHEN. The Audit Committee has jointly reviewed with the management and the independent auditor of the Company the accounting principles and policies adopted by the Company and discussed internal control and financial reporting matters (including the review of the unaudited interim results for the six months ended 30 June 2025) of the Group. The Audit Committee considered that the interim results are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

PUBLICATION OF CONDENSED CONSOLIDATED INTERIM RESULTS AND 2025 INTERIM REPORT ON WEBSITES OF STOCK EXCHANGE AND COMPANY

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.sinomab.com). The 2025 interim report of the Company containing all the information required by the Listing Rules will be despatched to the shareholders of the Company and/or published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board of
SinoMab BioScience Limited
Dr. Shui On LEUNG
Executive Director, Chairman and Chief Executive Officer

Hong Kong, 29 August 2025

As at the date of this announcement, the executive Director is Dr. Shui On LEUNG, the non-executive Directors are Dr. Haigang CHEN, Mr. Xun DONG, Ms. Xiaosu WANG and Dr. Jianmin ZHANG, and the independent non-executive Directors are Mr. George William Hunter CAUTHERLEY, Mr. Ping Cho Terence HON, Dr. Chi Ming LEE, Ms. Chi Sau Giselle LEE and Mr. Nan SHEN.