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四环医药
SihuanPharm

Sihuan Pharmaceutical Holdings Group Ltd.
四環醫藥控股集團有限公司
(incorporated in Bermuda with limited liability)
(Stock Code: 0460)

VOLUNTARY ANNOUNCEMENT
SIHUAN PHARMACEUTICAL SIGNS COOPERATION AGREEMENT WITH U.S.-BASED ABALONE BIO TO JOINTLY DEVELOP A NEW-GENERATION INNOVATIVE THERAPY FOR WEIGHT LOSS AND MUSCLE GAIN, FURTHER DEEPENING ITS LAYOUT IN THE GPCR TARGET FIELD

The board of directors (the "**Board**") of Sihuan Pharmaceutical Holdings Group Ltd. (the "**Company**" or "**Sihuan Pharmaceutical**", together with its subsidiaries, collectively referred to as the "**Group**") hereby announces that the Group has formally signed a cooperation agreement with Abalone Bio ("**Abalone**"), a U.S.-based biotechnology company. Pursuant to the terms of the agreement, the two parties will carry out collaboration on a global scale to jointly advance the research and development (R&D) of a new-generation innovative drug for obesity treatment.

The core objective of this R&D project is to achieve safe and effective improvement in energy expenditure by targeting and activating metabolism-related G protein-coupled receptors (GPCRs), while maintaining or increasing muscle mass. It aims to address the limitations of current weight loss therapies, meet the unmet clinical needs in the global obesity treatment field, and promote the optimization and upgrading of treatment regimens in this area.

GPCRs belong to a large and dynamic family of membrane proteins, and their activity regulation has extremely high requirements for the precision of structural changes. Therefore, the R&D of agonist antibodies targeting such receptors has long been recognized as a technical challenge in the pharmaceutical industry. Relying on its proprietary functional antibody screening technology platform, Abalone focuses on overcoming the regulatory challenges of undruggable membrane proteins (especially GPCRs). It has the capability to measure antibody functional activity data on a large scale and can conduct the discovery and design of agonist antibodies by relying on artificial intelligence (AI) technology, with a clear technical route and prominent core capabilities.

This cooperation will strictly adhere to the principle of "complementing each other's advantages and advancing in synergy": Abalone will provide its core technology and platform support in the field of GPCR antibody discovery; the Group will invest its R&D accumulation in the field of metabolic diseases, full-chain industrialization resources, and the mature business system established in the Greater China markets. The two parties will jointly promote the efficient advancement of the R&D project, reduce R&D risks, and ensure the standardization and feasibility of the project from R&D to subsequent transformation.

The Group's cooperation with Abalone has a preliminary foundation – the Group has completed a strategic investment in Abalone at the beginning of this year. The signing of this cooperation agreement marks the extension of the cooperation between the two parties from the capital level to the business execution level, which will further consolidate the Group's innovative layout in the weight loss field. By leveraging Abalone's technological advantages, it will also accelerate the R&D progress of the new-generation weight loss and muscle gain therapy, providing support for the Group's long-term strategic development.

In addition, this cooperation also serves as a key measure for the Group to deepen its layout in the GPCR target field. Prior to this, the Group had participated in the investment in DJS Antibodies, a company based in Oxford, the United Kingdom. The core business of DJS Antibodies is the development of GPCR target antibodies based on its self-developed technology platform. Its technical value and R&D capabilities have been recognized by the industry, and it was fully acquired by AbbVie for a cash consideration of USD 255 million in 2022. The relevant investment experience also provides a reference for the Group's continuous layout in the GPCR field.

ABOUT ABALONE BIO

Abalone Bio is committed to solving the most difficult problem in drug development -functional regulation (especially activation) of difficult to drug membrane proteins (especially G protein-coupled receptors, GPCRs) to revolutionize the discovery paradigm of antibody drugs. With its unique Functional Antibody Selection Technology (FAST), Abalone Bio is currently the only one capable of measuring functional activity data on a large scale, and use this to drive AI discovering core GPCRs functional active antibodies therapy. The new generation of biological therapies will start from the fields of metabolic diseases and inflammation, unlocking breakthrough treatment methods.

ABOUT SIHUAN PHARMACEUTICAL

Founded in 2001 and listed on the Main Board of The Stock Exchange of Hong Kong Limited in 2010, Sihuan Pharmaceutical is an international medical aesthetic and pharmaceutical company led by innovation, with an independent and leading research and development technology platform, a rich global product pipeline, strong product registration capability, a full dosage form production platform with high efficiency and low cost and a mature and excellent sales system. Adhering to the overall strategic goal for the "full promotion of a two-wheel drive strategy of its medical aesthetics and biopharmaceutical businesses", Sihuan Pharmaceutical endeavors to build itself into a leading medical aesthetics and biopharmaceutical company in China.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio under Rule 14.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") in respect of the transaction contemplated under the cooperation agreement is below 5%, the entering into of the cooperation agreement does not constitute the notifiable transaction under Chapter 14 of the Listing Rules. Furthermore, the transaction does not constitute the connected transaction under Chapter 14A of the Listing Rules.

This announcement is being made by the Company on a voluntary basis to update the investing public on the Group's latest business development, and does not constitute, and is not intended to be, an advertisement regarding the use of any medicine, surgical appliance, treatment or orally consumed product.

By order of the Board
Sihuan Pharmaceutical Holdings Group Ltd.
Dr. Che Fengsheng
Chairman and Executive Director

Hong Kong, 30 October 2025

As at the date of this announcement, the executive directors of the Company are Dr. Che Fengsheng (Chairman), Dr. Guo Weicheng (Deputy Chairman and Chief Executive Officer), Dr. Zhang Jionglong, Ms. Chen Yanling and Ms. Miao Guili; and the independent non-executive directors of the Company are Mr. Tsang Wah Kwong, Dr. Zhu Xun and Mr. Wang Guan.