CF PharmTech, Inc.
長風藥業股份有限公司

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

(Stock Code: 2652)

INSIDE INFORMATION
PROFIT WARNING

This announcement is made by CF PharmTech, Inc. (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on a preliminary review of the unaudited consolidated management accounts of the Group and other information currently available to the Board, the Group expects to record (i) a revenue ranging from RMB410.0 million to RMB450.0 million in 2025 as compared to a revenue of approximately RMB607.75 million in 2024; (ii) a net profit attributable to the Shareholders ranging from RMB2.0 million to RMB3.0 million under IFRS Accounting Standards, as compared to a net profit attributable to the Shareholders of approximately RMB21.09 million in 2024 under IFRS Accounting Standards; and (iii) an adjusted net profit (non-IFRS measure) ranging from RMB30.0 million to RMB35.0 million in 2025, as compared to an adjusted net profit (non-IFRS measure) of approximately RMB51.87 million in 2024, after adding back (a) one-off listing expenses incurred in connection with the listing (the "**Listing**") of H Shares of the Company on the Stock Exchange in October 2025; and (b) share-based payment expenses.

Based on the information currently available, the Board considers that the expected decrease in revenue and/or net profit in 2025 is primarily attributable to the following:

(i) a reduction in the average selling price of the Group's principal product, CF017 (budesonide suspension for inhalation), which accounted for a majority of the Group's total revenue, following the renewal of the Volume-Based Procurement ("**VBP**") arrangements. In addition, the renewal and implementation schedule for national and certain provincial drug centralized procurement was delayed compared to expectations, and healthcare institutions adjusted their procurement schedules pending finalization of volume allocations under the new VBP plan, resulting in a temporary impact on the procurement and delivery pace of the relevant products during the transition period;

(ii) a decrease in the overall prevalence of respiratory infections in 2025 as compared to the prior year, which reduced market demand for the Group's inhaled formulation products;

(iii) the transitional impact on product sales and promotional activities arising from the Group's restructuring of its sales and distribution network in 2025, including the consolidation of sales and marketing and product delivery functions through increased collaboration with distributors and a reduction in the Group's engagement of third-party promoters;

(iv) the Group's continued increase in research and development investment in innovative drugs, resulting in higher research and development expenses, which compressed the Group's profit margins; and

(v) the recognition of one-off, non-recurring listing expenses incurred in connection with the Listing, which impacted the net profit under IFRS Accounting Standards in 2025 but did not affect the adjusted net profit (non-IFRS measure).

Notwithstanding the above, the Board wishes to reiterate that the Group's overall business operations remain normal. Since the Listing, the Group has achieved several certain milestones, including key progress in innovative drug filings and the completion of brand volume reporting at healthcare institutions for major national centralized procurement products, to address market challenges and drive sustainable growth:

(a) the marketing authorization application for budesonide nasal spray and the investigational new drug applications for ICF004 and ICF001 have been accepted by the National Medical Products Administration of the People's Republic of China, and the clinical trial application for olopatadine hydrochloride and mometasone furoate monohydrate nasal spray has been approved, strengthening the Group's product matrix in respiratory and nasal care;

(b) the brand volume reporting at healthcare institutions for CF017 (budesonide suspension for inhalation), under the national VBP renewal program has been completed, with hospital coverage expanded to nationwide and a procurement cycle extending through the end of 2028;

(c) the Company has been included in the Hang Seng Composite Index and the list of eligible securities for Southbound Trading under the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect, which is expected to enhance the trading liquidity of the H Shares; and

(d) the Company has conducted certain repurchases of H Shares pursuant to the general mandate granted in December 2025. The Company may, taking into account market conditions and capital arrangements, consider further H Share repurchases in compliance with the Listing Rules and applicable regulations.

The information contained in this announcement is based solely on a preliminary assessment of the unaudited consolidated management accounts and relevant estimates made available to the Board as at the date of this announcement and which have not been audited or reviewed by the Company's auditors or reviewed by the audit committee of the Board. The Company is still in the process of finalizing the annual results of the Group for the year ended December 31, 2025, and such annual results may be subject to further adjustment(s) and may be differ from the information contained in this announcement. The Group's financial results and performance for the year ended December 31, 2025 are expected to be published by the end of March 2026 in compliance with the Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

Non-IFRS Measure

To supplement the Group's historical financial information, which is presented in accordance with IFRS, the Group also uses adjusted profit/(loss) (non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with, IFRS. The Company defines adjusted profit/(loss) (non-IFRS measure) as profit/(loss) for the year, adding back share-based payment expenses and listing expenses. By adding back share-based payment expenses, which are non-cash in nature, and listing expenses, which are non-recurring in nature, the Group believes this non-IFRS measure facilitates comparisons of operating performance from year to year and company to company by adjusting for potential impacts of the aforementioned non-cash and non-recurring items. The Group also believes that this measure provides useful information to investors and others in understanding and evaluating its consolidated results of operations. The Group's presentation of adjusted profit/(loss) (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of these non-IFRS measures has limitations as analytical tools, and Shareholders and potential investors should not consider them in isolation from, or as substitutes for analysis of, or the Group's results of operations as reported under IFRS.

By order of the Board
CF PharmTech, Inc.
長風藥業股份有限公司
Dr. LIANG Bill Wenqing
Chairperson, Executive Director and Chief Executive Officer

Hong Kong, March 20, 2026

As at the date of this announcement, the Board comprises Dr. LIANG Bill Wenqing, Dr. LI LI BOVET, Dr. LI Qi and Ms. ZHU Yuyu as executive Directors, Mr. CHEN Penghui, Mr. CAI Lei and Dr. YI Hua as non-executive Directors, and Dr. JIN Jian, Ms. WANG Lijuan, Mr. WEI Shirong and Mr. IP Wang Hoi as independent non-executive Directors.