SINO BIOPHARMACEUTICAL LIMITED
中國生物製藥有限公司

(Incorporated in the Cayman Islands with limited liability)
Website: www.sbpgroup.com
(Stock code: 1177)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

	For the year ended 31 December		
	2025	2024	Change
	RMB'Billion	*RMB'Billion*	*%*
Revenue	**31.83**	28.87	+10.3%
Gross profit margin (%)	**82.1%**	81.5%	+0.6ppt
Selling and administrative expenses to revenue ratio (%) *(Note 1)*	**41.3%**	42.1%	-0.8ppt
Research and development costs to revenue ratio (%)	**18.4%**	17.6%	+0.8ppt
Profit attributable to owners of the parent from continuing operations			
As reported *(Note 2)*	**2.34**	1.92	+22.0%
Underlying profit *(Note 3)*	**4.54**	3.46	+31.4%
Sales of innovative products *(Note 4)*	**15.22**	12.06	+26.2%
Share of revenue (%)	**47.8%**	41.8%	

The Board of the Company has recommended the payment of a final dividend of HK5 cents per share for the year ended 31 December 2025. Together with the interim dividend of HK5 cents per share paid, the total dividend of the year amounted to HK10 cents per share.

Note 1: The total of selling and distribution costs and administrative expenses divided by revenue.

Note 2: Profit attributable to owners of the parent from continuing operations as reported was prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS").

Note 3: Underlying profit attributable to owners of the parent is presented in this results announcement as an additional non-HKFRS financial measure to provide supplementary information for better assessment of the performance of the Group's core operations by excluding impacts of discontinued operations, certain non-cash items and the share of profits and losses of associates and joint ventures, etc. A reconciliation between the profit attributable to owners of the parent as reported and the underlying profit attributable to owners of the parent has been set out under the section headed "Non-HKFRS Measure" of this announcement. The significant year-on-year increase in underlying profit attributable to owners of the parent was mainly driven by the notable growth in revenue and significant increase in dividend income during the year.

Note 4: Sales is the gross sales amount minus the sales discount. Innovative products include innovative drugs and biosimilars.

CORPORATE PROFILE

Sino Biopharmaceutical Limited (the "Company" or "Sino Biopharm", together with its subsidiaries, the "Group") is a leading, innovative R&D-driven pharmaceutical group in China. It prides itself on a fully-integrated end to end capabilities, covering drug R&D, intelligent production and commercial sales. Its product portfolio covers a wide range of biologics and small molecule drugs, with a strong leadership position across four core therapeutic areas: oncology, liver/cardiometabolic diseases, respiratory/autoimmune diseases, and surgery/analgesia.

The Company was listed on the Hong Kong Stock Exchange in 2000 and included as a constituent stock of MSCI Global Standard Indices– MSCI China Index in 2013, Hang Seng Index in 2018, and Hang Seng Connect Biotech 50 Index and Hang Seng China (Hong Kong-listed) 25 Index in 2020. It has been among the "Top 50 Global Pharmaceutical Enterprises" named by the prestigious US magazine *Pharm Exec* for seven consecutive years and among the "Asia's Fab 50 Companies" named by *Forbes Asia* for three consecutive years.

The subsidiaries of the Group are located in Beijing, Shanghai, Nanjing, Lianyungang among others with multiple manufacturing sites. Since its inception, the Group has continued to boast outstanding achievements and robust growth. Its core member companies include Chia Tai Tianqing Pharmaceutical Group Co., Ltd. ("CT Tianqing"), Beijing Tide Pharmaceutical Co., Ltd. ("Beijing Tide"), LaNova Medicines Limited ("LaNova Medicines"), Hangzhou Hygieia Biomedical Co., Ltd. ("Hygieia"), Nanjing Chia Tai Tianqing Pharmaceutical Co., Ltd. ("NJCTT"), Jiangsu Chia Tai Qingjiang Pharmaceutical Co., Ltd. ("Chia Tai Qingjiang"), Jiangsu Chia Tai Fenghai Pharmaceutical Co., Ltd. ("Chia Tai Fenghai") and invoX Pharma Limited ("invoX").

Committed to its mission of "Science for a Healthier World," Sino Biopharmaceutical Limited focuses on developing innovative therapies for patients, and aims to become a world-leading pharmaceutical company.

Chairwoman's Statement

2025 marks a pivotal year for the Group as it accelerated innovation breakthroughs and deepened its strategic footprint. The Group has always been patient oriented with continuous focus on innovative R&D, globalization and strategic collaboration. Leveraging a synergistic ecosystem that combines in-house R&D with open collaboration, the Group is driving steady growth in its core business and long-term value, aiming to reach new heights and deliver breakthrough results.

I. Innovative R&D: Entering a Harvest Period with Blockbuster New Drugs Driving Growth

Benefiting from years of continuous investment in R&D, the Group has officially entered a harvest period of innovative products approval. Over the past three years (2023-2025), the Group has cumulatively obtained approval for 16 innovative products, including 7 national category 1 innovative drugs. With industry-leading efficiency in translating innovation into commercial success, the Group has delivered double-digit revenue growth for multiple consecutive years, significantly outpacing the industry average.

The Group actively embraces digitalization and AI to empower drug R&D. It has successfully built an intelligent R&D platform covering key stages, such as target discovery and molecular design, which is widely applied across small molecules, protein degraders and other fields, significantly enhancing the R&D efficiency and innovation quality. Looking forward to the next three years (2026-2028), the Group's innovative pipeline will experience a new round of explosive growth. It is expected that nearly 20 national category 1 innovative drugs will be approved for marketing, covering multiple blockbuster products with global first-in-class (FIC)/best-in-class (BIC) potential. By the end of 2028, the Group is expected to have a total of around 40 marketed innovative products, which will serve as the core engine driving its performance growth. Moving forward, the Group will continue to focus on four core therapeutic areas: oncology, liver/cardiometabolic diseases, respiratory/autoimmune diseases, and surgical/analgesia and further empower the entire R&D process with AI and continuously enhance its innovative R&D capabilities to drive steady growth in the results.

II. Globalization: Accelerating Global Innovation and Unlocking a Second Growth Driver through Licensing and Partnerships

Leveraging its deeply rooted presence and leading position in China market, the Group firmly implements the globalization strategy to accelerate innovation. Currently, multiple innovative drugs are undergoing clinical trials simultaneously in China and Australia, with certain candidates having received clinical trial approval in the United States and planned to initiate clinical studies in 2026. A number of high-potential innovative assets have already demonstrated strong global competitiveness.

In February 2026, the Group announced that it had granted Sanofi an exclusive license to develop, manufacture and commercialize Rovadicitinib globally, and was entitled to a maximum payment of US$1.53 billion, as well as up to double-digit royalties based on the annual net sales of Rovadicitinib. Going forward, out-licensing collaborations will become another significant revenue stream for the Group, injecting strong new momentum into its growth and paving the way for a second growth curve supported by international revenue. The Group will further expand its global collaboration network, partnering with top-tier pharmaceutical companies and industry players to advance more innovative products with proprietary IP into global markets. This will enable China's innovation to benefit more patients worldwide and support the Group's evolution from "China Innovation" to "Global Innovation."

III. Strategic Collaboration: Integrating Global High-quality Resources to Comprehensively Strengthen R&D Capabilities

Strategic collaboration is a key path for the Group to integrate industrial resources, complement its R&D platforms, broaden its therapeutic layout, and enhance its core competitiveness. In recent years, the Group has completed a number of high-quality acquisitions and collaborations, continuously strengthen its R&D capabilities.

In July 2025, the Group fully acquired LaNova Medicines, obtaining world-leading antibody discovery and ADC technology platforms, further deepening its strength in the oncology field. Two of LaNova's core assets have been licensed to AstraZeneca and MSD respectively, with total transaction value approaching US$4 billion, reflecting broad international recognition of its innovation capabilities. In January 2026, the Group fully acquired Hygieia and obtained the world's first clinically validated liver-targeted small molecule interfering ribonucleic acid (siRNA) delivery platform capable of ultra-long-acting administration with a "once-yearly" dosing regimen, along with dual-target, neurological, and other siRNA delivery platforms, positioning the Group strongly in the trillion-dollar chronic disease market. By effectively integrating high-quality industrial resources, these acquisitions have significantly enhanced the Group's R&D capabilities in cutting-edge areas such as immune-oncology and siRNA, introduced multiple leading technology platforms with differentiated advantages, and further enriched its innovative pipeline while strengthening its talent base, providing a solid foundation for the sustained generation of world-class innovation and the development of a long-term innovation ecosystem.

Committed to becoming a preferred partner in China for pharmaceutical innovation, the Group has always adhered to the concept of "win-win collaboration", and strives to build an open and diverse innovation ecosystem. By forging deep partnerships with top-tier pharmaceutical companies, biotech firms, and research institutions worldwide, the Group is accelerating the integration of global premium resources, advancing co-creation and sharing of innovation outcomes, and continuously reinforcing its market leadership.

Industry Overview

As the policy support for pharmaceutical innovation continues to intensify, China's pharmaceutical industry is accelerating its momentum and transitioning to a new development phase defined by high-quality, first-in-class innovation. In 2025, China introduced and implemented a series of systematic and targeted policies, designed to foster an innovation ecosystem spanning the full chain of R&D, regulatory review, reimbursement, and clinical application.

On the regulatory approval front, in September 2025, the National Medical Products Administration of China (NMPA) issued the "Notice Concerning Issues Related to Optimising the Review and Approval of Clinical Trials for Innovative Drugs", which clearly stated that for qualified innovative drug clinical trial applications, the review and approval process will be completed within 30 working days. The policy strengthens support for national prioritised R&D programs, actively encourages simultaneous global early-stage development and international multi-center clinical trials, accelerates the translation of innovation into clinical practice through efficient approval mechanisms, and improves the institutional environment for the development of innovative drugs.

On the payment front, with the dynamic adjustment of the medical insurance catalog and the normalization of the negotiation-based access mechanism, the timeline for innovative drugs from market approval to medical insurance coverage inclusion has been significantly shortened. In December 2025, the National Healthcare Security Administration and the Ministry of Human Resources and Social Security jointly released the first "Commercial Health Insurance Innovative Drug Catalogue" as an effective supplement to the basic medical insurance catalogue, which covers cutting-edge innovative drugs that go beyond the basic medical scope but have significant clinical value, high innovation and clear patient benefits. By building a tiered payment system, it not only improves the accessibility and pricing flexibility of innovative drugs, but also boosts the industry's innovation momentum from the institutional level, laying a solid foundation for the high-quality and sustainable development of the innovative drug industry.

Supported by continuous policy empowerment, the competitiveness of China's innovative drugs industry has enhanced and is profoundly reshaping the global landscape. With efficient R&D capabilities and significant cost advantages, Chinese pharmaceutical companies continue to deliver innovative outcomes that are on par with, or even ahead of, global peers, establishing themselves as key targets for strategic partnerships and asset acquisitions by multinational pharmaceutical companies. In 2025, the total amount of out-licensing transactions for innovative drugs in China exceeded US$130 billion, with more than 150 transactions, a substantial increase from US$51.9 billion and 94 transactions in 2024, both reaching record highs. From 2020 to 2025, the amount of licensing transactions in China continued to rise, and in 2025, China has successfully surpassed the United States to become the country with the highest out-licensing transaction volume for innovative drugs in the world. As the second-largest pharmaceutical market in the world, China is accelerating its transition from "a key participant" to "a critical leader" in pharmaceutical innovation with its huge market scale and explosive growth in out-licensing transactions.

In addition to product transactions, mergers and acquisitions (M&A) also serve as a critical strategic pathway for large pharmaceutical companies to achieve transformative growth. In 2025, there were 139 M&A transactions in the global biopharmaceutical sector, the total transaction value reached US$199 billion, representing nearly 150% surge from US$81 billion in 2024. Industry resources are rapidly concentrating toward leading companies with core competitiveness, and M&A has become a key driver of industrial upgrading and innovation breakthroughs. In July 2025, the Group announced the full acquisition of LaNova Medicines for a total consideration of US$950 million. In January 2026, the Group announced the full acquisition of Hygieia for a total consideration of RMB1.20 billion. These strategic acquisitions will comprehensively enhance the Group's R&D capabilities and steadily advance its strategic goal of becoming a world-class innovative pharmaceutical company.

Results Summary

For the year ended 31 December 2025, the Group recorded revenue of approximately RMB31.83 billion, representing an increase of approximately 10.3% over the same period in last year; the sales revenue of innovative products was approximately RMB15.22 billion, representing an increase of approximately 26.2% over the same period in last year, and the proportion of total revenue rose to approximately 47.8%.

Main Therapeutic Areas	Key Products
Oncology (Revenue amounted to approximately RMB13.18 billion, accounting for approximately 41.4% of the total revenue)	Focus V®(Anlotinib Hydrochloride Capsules), Annike®(Penpulimab Injection), Yilishu® (Efbemalenograstim alfa Injection), Andewei®(Benmelstobart Injection), Anboni®(Unecritinib Fumarate Capsules), Anluoqing®(Envonalkib Citrate Capsules), Anfangning®(Garsorasib Tablets), Saitanxin® (Culmerciclib capsule), Hernexeos® (Zongertinib tablets), Anxu® (Rovadicitinib Tablet), Anbeisi®(Bevacizumab Injection), Delituo® (Rituximab Injection), Saituo®(Trastuzumab for Injection), Paletan®(Pertuzumab Injection)
Liver/Cardiometabolic Diseases (Revenue amounted to approximately RMB6.69 billion, accounting for approximately 21.0% of the total revenue)	Tianqing Ganmei® (Magnesium Isoglycyrrhizinate Injection), Runzhong® (Entecavir Dispersible Tablets)

Main Therapeutic Areas	Key Products
Surgery/Analgesia (Revenue amounted to approximately RMB5.03 billion, accounting for approximately 15.8% of the total revenue)	Zepolas®/Debaian®(Flurbiprofen Cataplasms), Putanning®(Meloxicam Injection (II)), Kailitong ® (Limaprost Tablets), Deshuping ® (Loxoprofen Sodium Cataplasms)
Respiratory/Autoimmune Diseases (Revenue amounted to approximately RMB2.82 billion, accounting for approximately 8.9% of the total revenue)	Tianqing Suchang® (Budesonide Suspension for Inhalation), Deruituo®(Tulobuterol Patches), Taibowei®(Adalimumab Solution for Injection)

Business Review

During the reporting period, the Group had a total of four innovative products approved for marketing by the NMPA, namely Saitanxin® (Culmerciclib capsule), Hernexeos® (Zongertinib tablet), Putanning® (Meloxicam Injection (II)) and Anqixin® (Recombinant Human Coagulation Factor VIIa N01 for Injection). Additionally, four new indications for three national category 1 innovative drugs were approved for marketing by the NMPA, namely: anlotinib in combination with benmelstobart for the first-line treatment of renal cell carcinoma; anlotinib in combination with penpulimab for the first-line treatment of hepatocellular carcinoma; anlotinib in combination with chemotherapy for the first-line treatment of soft tissue sarcoma; and penpulimab in combination with chemotherapy for the first-line treatment of nasopharyngeal carcinoma. In 2025, the Group's sales of innovative products reached RMB15.22 billion, representing a year-on-year increase of 26.2%.

R&D

Innovative R&D have always been the core driving force of the Group. The Group places great emphasis on R&D, regarding it as the cornerstone of sustainable development, and continues to increase R&D investment, striving to continuously improve R&D capabilities and efficiency. At present, the Group has established multiple R&D centers in Shanghai, Nanjing, Beijing, Guangzhou and other cities, and has successfully built diversified innovative technology platforms covering small molecules, protein degraders, siRNA, monoclonal/bispecific antibodies, antibody-drug conjugates (ADC), inhalable formulations, transdermal patches and other fields. For the year ended 31 December 2025, total investment in the R&D amounted to approximately RMB6,317.42 million, representing approximately 19.8% of the Group's revenue. Of which approximately 92.9% was recognised in the statement of profit or loss.

The Group also attaches tremendous importance to the protection of intellectual property rights and actively files patent applications in order to enhance its core competitiveness. During the reporting period, the Group filed 1,167 new patent applications and received 273 patent grants. As at the end of the reporting period, the Group had accumulated 5,724 valid patent applications and obtained 2,120 valid patent grants.

ONCOLOGY

– Focus V® (Anlotinib Hydrochloride Capsules) is a novel small molecule multi-target tyrosine kinase inhibitor. It has been approved for ten indications, including first-line small cell lung cancer, third-line non-small cell lung cancer, third-line small cell lung cancer, first-line renal cell carcinoma; first-line soft tissue sarcoma, second-line or later endometrial cancer, soft tissue sarcoma, medullary thyroid carcinoma, and differentiated thyroid cancer; the marketing application has been submitted to the CDE for the indication of first-line squamous non-small cell lung cancer and alveolar soft tissue sarcoma; a number of new indications, such as first-line non-squamous non-small cell lung cancer and first-line pancreatic cancer, currently are in Phase III clinical studies, with plans to gradually submit marketing applications within the next two years. At the 2025 American Society of Clinical Oncology (ASCO) Annual Meeting, the Group announced the results of two Phase III clinical trials of Anlotinib combined with Benmelstobart (a head-to-head trial against pembrolizumab for first-line treatment of PD-L1 positive advanced non-small cell lung cancer, and another head-to-head trial against tislelizumab plus chemotherapy for first-line treatment of advanced squamous non-small cell lung cancer), both of which yielded positive results, confirming the superiority of Anlotinib combination therapy.

– Andewei® (Benmelstobart Injection) is a humanized PD-L1 monoclonal antibody. It has been approved for four indications, including maintenance therapy after chemoradiotherapy for non-small cell lung cancer, first-line small cell lung cancer, second-line or later endometrial cancer, and first-line renal cell carcinoma. In addition, two new indications of benmelstobart in combination with Anlotinib, first-line squamous non-small cell lung cancer and acinar soft tissue sarcoma, have been submitted for marketing applications to the CDE. The "immunotherapy + anti-angiogenesis" treatment mode of benmelstobart in combination with anlotinib has a synergistic effect in tumor treatment. The response to immunotherapy is closely related to the immune infiltration status of the tumor microenvironment, while anti-angiogenic agents can reshape abnormal blood vessels, regulate immune cell infiltration, and reverse the immunosuppressive microenvironment, thereby further enhancing the efficacy of immunotherapy. This combination regimen has demonstrated breakthrough therapeutic potential in various malignant tumors and is expected to bring better and more accessible treatment options to patients.

– Saitanxin® (Culmerciclib capsule) is a novel CDK2/4/6 inhibitor. It was approved for marketing by the NMPA in December 2025 for use in combination with fulvestrant for the treatment of patients with hormone receptor-positive, human epidermal growth factor receptor 2-negative (HR+/HER2-) locally advanced or metastatic breast cancer who have experienced disease progression following prior endocrine therapy. In July 2025, a marketing application for a new indication was submitted to the CDE for culmerciclib in combination with fulvestrant for the first-line treatment of HR+/HER2- locally advanced or metastatic breast cancer. In addition, the Group is actively advancing the phase III clinical study of culmerciclib for adjuvant treatment of HR+/HER2- breast cancer. The research results indicate that compared with abemaciclib, culmerciclib further enhances the inhibition of CDK2 and CDK4, which may effectively overcome the resistance issues associated with existing CDK4/6 inhibitors. Relying on its excellent efficacy and safety profile and its coverage across first-line, second-line, and adjuvant therapy for breast cancer, the Group is confident that culmerciclib will become another blockbuster product in the oncology field.

– Anxu® (Rovadicitinib tablet) is the first JAK/ROCK dual inhibitor approved for marketing in the world. It was approved by the NMPA in February 2026 for the first-line treatment of adult patients with intermediate-2 or high-risk primary myelofibrosis (PMF), post-polycythemia vera myelofibrosis (PPV-MF), or post-essential thrombocythemia myelofibrosis (PET-MF). Rovadicitinib targets both JAK1/2 and ROCK1/2 simultaneously, exerting dual anti-inflammatory and anti-fibrotic effects. Currently, a Phase III clinical trial of rovadicitinib for the treatment of chronic graft-versus-host disease (cGVHD) has been initiated in China, and a Phase II clinical trial has been approved in the US. In February 2026, the Group announced the grant of an exclusive license to Sanofi for the global development, manufacturing, and commercialization of rovadicitinib, with the Group eligible to receive payments of up to US$1.53 billion, as well as up to double digits royalties based on the annual net sales of rovadicitinib.

– From 2023 to 2025, the Group obtained marketing approval for seven national category 1 innovative oncology drugs, namely, Saitanxin® (Culmerciclib capsule), Hernexeos® (Zongertinib table), Yilishu® (Efbemalenograstim alfa Injection), Andewei® (Benmelstobart Injection), Anboni® (Unecritinib Fumarate Capsules), Anluoqing® (Envonalkib Citrate Capsules), and Anfangning® (Garsorasib Tablets). It also obtained marketing approval for 4 oncology biosimilars, including Anbeisi® (Bevacizumab Injection), Delituo® (Rituximab Injection), Saituo® (Trastuzumab for Injection), and Paletan® (Pertuzumab Injection). The sales volume of these products accelerated rapidly in 2025, and they have become important contributors to the Group's revenue growth.

– Regarding the R&D pipeline, as at the end of the reporting period, the Group had a total of 39 national category 1 innovative oncology drug candidates in the clinical development stage or beyond. Of these, 1 was at the marketing application stage, 13 were in Phase III clinical trials, 9 were in Phase II clinical trials, and 16 were in Phase I clinical trials.

– LM-302 (Claudin 18.2 ADC) is an ADC targeting Claudin 18.2 with global FIC potential. Currently, it is undergoing two pivotal clinical trials in China: 1) As a monotherapy for the treatment of third-line or later CLDN18.2-positive locally advanced or metastatic gastric and gastroesophageal junction adenocarcinoma, which has completed the enrollment of all subjects, making it the first CLDN18.2 ADC globally to complete enrollment in a Phase III pivotal trial; 2) In combination with PD-1 monoclonal antibody for the treatment of first-line CLDN18.2-positive locally advanced or metastatic gastric and gastroesophageal junction adenocarcinoma. At present, multiple indications of LM-302 have been included in the Breakthrough Therapy Designation by the CDE. Additionally, LM-302 has received Investigational New Drug (IND) approval from the U.S. Food and Drug Administration (FDA) and has successfully been granted three Orphan Drug Designations (ODD), covering three major gastrointestinal tumors with high unmet clinical needs: gastric, pancreatic, and biliary tract cancers. This series of ODD designations not only highlights the differentiated potential of LM-302 in the treatment of rare or refractory tumors, but also provides important support for future regulatory pathways, market exclusivity periods, and R&D incentives in the United States. Clinical data suggests that LM-302 has demonstrated clear anti-tumor activity in patients with gastric, pancreatic, and biliary tract cancers, and is also effective in patients with low Claudin 18.2 expression and low PD-L1 expression, demonstrating broader applicability and a favorable therapeutic window over existing therapies, achieving a better balance between efficacy and safety.

– LM-108 (CCR8 monoclonal antibody) is an antibody-dependent cellular cytotoxicity (ADCC)-enhanced CCR8 humanized monoclonal antibody with global FIC potential. It is currently undergoing two pivotal clinical trials in China, both in combination with a PD-1 monoclonal antibody: 1) for the second-line treatment of CCR8-positive locally advanced or metastatic gastric/gastroesophageal junction adenocarcinoma; 2) for the treatment of unresectable or metastatic MSI-H/dMMR advanced malignant solid tumors that have failed previous anti-PD-1/PD-L1 therapy. LM-108 has received two Breakthrough Therapy Designations from the CDE: in February 2025, it was granted Breakthrough Therapy Designation for MSI-H/dMMR advanced solid tumors with disease progression after immune checkpoint inhibitor therapy; In June 2025, it was again granted Breakthrough Therapy Designation for CCR8-positive advanced gastric/gastroesophageal junction adenocarcinoma that has failed first-line standard therapy. Early exploratory clinical studies have shown that LM-108 demonstrates favorable safety and preliminary anti-tumor activity in the treatment of various solid tumors such as gastric cancer, pancreatic cancer, lung cancer, and breast cancer, especially in PD-1/PD-L1 resistant or refractory patients. With its ability to precisely target immunosuppressive cells in the tumor microenvironment, LM-108 has the potential to become a key pillar of next-generation cancer immunotherapy, providing more breakthrough treatment options for patients with advanced solid tumors.

– M701 (CD3/EpCAM bispecific antibody) is the first domestically developed CD3/EpCAM bispecific antibody to enter clinical trials in China. It is being developed for the treatment of malignant pleural effusion and malignant ascites caused by tumors, and is currently in Phase III and Phase II clinical trials, respectively, in China. M701 targets both the tumor cell target EpCAM and the immune T cell activation target CD3, and bridges tumor cells and immune T cells through dual-target binding, thereby inducing T cells to kill tumor cells. Malignant pleural effusion and ascites are common complications for cancer patients at the middle or advanced stages, but there is currently a lack of effective standard treatment options in clinical practice, and puncture drainage combined with local pleural or peritoneal infusion of drugs is still the primary treatment. Compared with the current primary clinical treatments, M701 has better safety and efficacy, and is expected to become the first standard treatment for malignant pleural effusion and ascites in China.

– TQB2868 (PD-1/TGF-β bifunctional fusion protein) is the most advanced PD-1/TGF-β bifunctional fusion protein globally. It is currently undergoing Phase III clinical trials in China for use in combination with anlotinib and chemotherapy as a first-line treatment for metastatic pancreatic ductal adenocarcinoma. TQB2868 can block the PD-1/PD-L1 pathway and neutralize TGF-β in the tumor microenvironment. It has the dual effects of immune checkpoint suppression and tumor microenvironment remodeling. At the 2025 ASCO Annual Meeting, the Group presented data from the Phase II clinical study of TQB2868 combined with anlotinib and chemotherapy as a first-line treatment for metastatic pancreatic ductal adenocarcinoma: the objective response rate (ORR) was 63.9%, and the disease control rate (DCR) reached 100%; median progression-free survival (PFS) had not yet been reached, with a 6-month PFS rate of 86%; median overall survival (OS) had not yet been reached and is anticipated to exceed one year.

– TQB2102 (HER2 bispecific ADC) is a bispecific ADC that simultaneously targets the HER2 ECD II/IV domains. It is currently undergoing Phase III clinical trials in China. Its intended indications for development include HER2-low breast cancer, HER2-positive breast cancer, and HER2 IHC3+ colorectal cancer, etc. In July 2025, TQB2102 was granted Breakthrough Therapy Designation by the CDE for neoadjuvant treatment in patients with early-stage or locally advanced HER2-positive breast cancer. In October 2025, TQB2102 was once again granted Breakthrough Therapy Designation by the CDE for HER2 IHC 3+ advanced colorectal cancer that has failed previous treatment with oxaliplatin, irinotecan, and fluorouracil. At the 2025 ASCO Annual Meeting, the Group announced the results of three early-stage studies of TQB2102. The results showed that TQB2102 demonstrated promising anti-tumor activity across multiple advanced solid tumors, with a favorable safety profile and an incidence of interstitial lung disease (ILD) significantly lower than that of similar drugs, achieving a well-balanced profile of efficacy and safety.

– TQB3019 (BTK OAPD) is an oral protein degrader targeting BTK developed based on the OAPD® (Orally Available Protein Degrader) technology platform of the Group. It is currently conducting phase I clinical trials in China for advanced malignancies. Compared with conventional BTK inhibitors, protein degraders demonstrate more prominent therapeutic potential in overcoming BTK resistance. At present, no protein degraders targeting BTK have been approved for marketing worldwide. TQB3019 exhibits broad activity against BTK wild-type, C481 mutant and many other resistant variants, while also demonstrating favorable oral bioavailability and brain tissue penetration. Phase I clinical studies have shown encouraging efficacy even in the initial dose cohort: 4 of the 5 enrolled patients with mantle cell lymphoma (MCL), follicular lymphoma (FL) and chronic lymphocytic leukemia (CLL) achieved partial response, while pharmacodynamic analysis showed near-complete BTK degradation.

Liver/Cardiometabolic Diseases

– Tianqing Ganmei® (Magnesium Isoglycyrrhizinate Injection) is the fourth-generation of glycyrrhizic acid preparation that has been approved for three indications: chronic viral hepatitis, acute drug-induced liver injury, and improvement of liver dysfunction. Magnesium isoglycyrrhizinate is the world's first 99.9% purified alpha-glycyrrhizic acid. It has the advantages of strong liver targeting, excellent anti-inflammatory effects, and good safety. It has been recommended by the "Chinese Guideline for Diagnosis and Management of Drug-Induced Liver Injury (2023 Version)", the "Guideline for the Diagnosis and Treatment of Primary Liver Cancer (2024 Edition)", and other authoritative guidelines. It also has many studies presented at the annual meeting of the Asia Pacific Association for the Study of the Liver (APASL), the European Association for the Study of the Liver (EASL), and other internationally renowned academic conferences. The Group made efforts to strengthen the academic promotion, expanding doctor coverage and gaining recognition from experts through academic conferences at all levels, while vigorously exploring new patients to expand into new markets, and actively promoting retrospective research to provide more academic evidence for its clinical use.

– Regarding the R&D pipeline, as at the end of the reporting period, the Group had a total of 10 National category 1 innovative drug candidates in the fields of liver/cardiometabolic diseases in the clinical development stage or beyond. Of these, 1 was in Phase III clinical trial, 6 were in Phase II clinical trials, and 3 were in Phase I clinical trials.

– Lanifibranor (pan-PPAR agonist) is an orally available small molecule drug that is currently undergoing Phase III clinical trials worldwide for the treatment of metabolic dysfunction-associated steatohepatitis (MASH), and enrollment of the patients in the global main cohort has been completed. It is a potential FIC oral drug for MASH in China. In a randomized, double-blind, placebo-controlled Phase IIb study in patients with MASH stage F1 to F3, Lanifibranor demonstrated excellent efficacy and good safety. The study met the primary endpoint and key secondary endpoint, and the results have been published in the authoritative international journal "New England Journal of Medicine" (NEJM). Lanifibranor regulates anti-fibrosis and anti-inflammatory pathways in vivo by activating three subtypes, PPAR α, PPAR β / δ and PPAR γ. Compared with single/dual subtype agonists, Lanifibranor targets all three subtypes, and its moderate and balanced pan-PPAR binding properties make the drug well tolerated. In July 2023, Lanifibranor was granted Breakthrough Therapy Designation by the CDE.

– CPX101 (GIPR antagonist/GLP-1R agonist) is a long-acting weight loss drug candidate with potential biweekly/monthly dosing and is currently in Phase II clinical trial in Australia. CPX101 offers three advantages: highly effective weight loss, precise fat reduction, and long-term anti-rebound. By synergistically blocking GIPR and activating GLP-1R pathways, it exerts multiple effects such as slowing down gastric emptying, suppressing appetite, and reducing fat accumulation, and is expected to achieve better weight loss effects than GLP-1R agonists alone, and preserve muscle mass while reducing body fat. With an antibody half-life of approximately 53 days, preliminary data suggest it can effectively prevent weight rebound for 3-5 months after treatment cessation, offering a promising option for long-term weight management.

– Kylo-11 (Lp(a) siRNA) is the first ultra-long-acting Lp(a) siRNA in the world designed for once-yearly dosing, and is currently undergoing Phase II clinical trials in China and the United States for the treatment of Hyperlipoproteinemia(a). Its Phase I interim clinical data was presented as an oral report at the 2025 American Heart Association (AHA) Annual Meeting. The data showed that in healthy subjects with elevated Lp(a), a single low-dose administration can achieve a maximum median Lp(a) reduction of more than 90%, while medium and high doses demonstrated potential to sustain significant efficacy for more than one year. Compared with similar investigational drugs at home and abroad, Kylo-11 shows BIC potential in terms of efficacy and durability, and has the advantages of low dosage and good safety. Currently, no drug specifically indicated for lowering Lp(a) has been approved for marketing worldwide, and there is a significant unmet clinical need in this area.

– Kylo-12 (APOC3 siRNA) is an APOC3 siRNA with global BIC potential, which is expected to be dosed semi-annually (or at longer intervals). It is currently in a Phase I clinical trial in China, with a plan to initiate Phase II clinical trial in 2026 for the treatment of hypertriglyceridemia (HTG) and familial chylomicronemia syndrome (FCS). For patients who do not respond adequately to conventional lipid-lowering treatments, APOC3 siRNA therapy aims to provide a highly effective and convenient new solution, with the potential to address current treatment gaps and fill unmet needs in the market.

– Kylo-0603 (THR-β agonist) is the world's first THR-β small molecule agonist that achieves specific liver targeting by conjugating GalNAc, and has completed a Phase I clinical trial in China for the treatment of MASH. Kylo-0603 has both GalNAc structure and thyroid hormone T3-like structure, enabling efficient liver targeted delivery, high affinity and selectivity for THR-β, and can precisely deliver thyroxine-like compounds to the liver, reducing extrahepatic side effects. With the dual targeting advantages of liver and THR-β receptors, Kylo-0603 is expected to achieve better efficacy and safety at lower doses, providing a new oral treatment option for metabolic diseases such as MASH and weight loss.

Respiratory/Autoimmune Diseases

– Regarding the R&D pipeline, as at the end of the reporting period, the Group had a total of 14 national category 1 innovative drug candidates in the field of respiratory/autoimmune diseases in the clinical development stage or beyond. Of these, 5 were in Phase III clinical trials, 5 were in Phase II clinical trials, and 4 were in Phase I clinical trials.

– TQC3721 (PDE3/4 inhibitor) is a dual PDE3/4 inhibitor currently undergoing Phase III clinical trials in China for the treatment of moderate to severe chronic obstructive pulmonary disease(COPD). PDE3 mainly acts on bronchial smooth muscle. PDE4 is mainly expressed in various inflammatory cells. TQC3721 can reduce off-target effects through dual-target inhibition and combines bronchiectasis and anti-inflammatory activities in one compound. At present, no drug with the same target has been approved for marketing in China. TQC3721 is the fastest-developing domestic PDE3/4 dual inhibitor in China and the second in the world. Compared with the currently marketed PDE3/4 product, the Phase III clinical study for TQC3721 will additionally include patients with dual bronchodilators as background treatment, thereby covering a wider population of COPD patients. In addition, the Group is developing a variety of dosage forms of TQC3721: a suspension for inhalation is in Phase III clinical trials, and an inhaled dry powder formulation is in Phase II clinical trials. The different dosage forms are expected to further enhance patient compliance.

– TQC2731 (TSLP monoclonal antibody) is a humanized monoclonal antibody targeting TSLP, currently undergoing Phase III clinical trials in China for indications including severe asthma and chronic rhinosinusitis with nasal polyps. It is the first domestically developed TSLP monoclonal antibody to enter Phase III clinical trials. Studies have shown that TSLP monoclonal antibody is not only effective in the treatment of eosinophilic asthma, but also shows significant efficacy in people with low eosinophilic phenotypes, so it can cover a wider range of patients with severe asthma. In addition to asthma, TSLP is closely associated with the pathogenesis of various autoimmune diseases, chronic inflammatory diseases, and allergic diseases. Currently, no TSLP monoclonal antibody has been approved for marketing in China. The Group will vigorously promote the clinical development of TQC2731 to address the unmet clinical needs.

– TDI01 (ROCK2 inhibitor) is the first domestically developed ROCK2 inhibitor in China and is currently conducting phase III clinical trials in China for idiopathic pulmonary fibrosis (IPF). TDI01 can effectively inhibit pro-inflammatory Th17 cells, promote regulatory T cells, and restore immune homeostasis. At the same time, it inhibits the ROCK2 signaling pathway with high selectivity, blocks the differentiation of fibroblasts into myofibroblasts, and induces apoptosis of existing myofibroblasts, achieving the dual effects of immune modulation and fibrosis reversal, and has good therapeutic potential in the fields of pulmonary fibrosis and liver fibrosis.

– TQH3906 (TYK2 inhibitor) is a TYK2 allosteric inhibitor. It is currently undergoing Phase II clinical trials in China, with indications including moderate to severe plaque psoriasis (PsO), inflammatory bowel disease (IBD), and psoriatic arthritis (PsA). TQH3906 targets the pseudokinase domain (JH2) of TYK2/JAK1, and significantly enhances selectivity for JAK2, JAK3, and other kinases and offering higher selectivity and a potentially better safety profile compared to conventional JAK inhibitors that target the kinase domain (JH1). Notably, the Phase II clinical trial of TQH3906 in PsO has been completed, with all dose groups demonstrating favorable safety and tolerability and meeting the primary endpoint. Detailed data will be presented at a future international academic conference.

– TCR1672 (P2X3R antagonist) is a second-generation, highly selective P2X3 receptor antagonist. It is currently undergoing Phase Ib/II clinical trials in China for the treatment of refractory chronic cough. In 2021, TCR1672 received IND approval from the U.S. FDA. Preclinical studies have shown that, compared with the first-generation P2X3 receptor antagonist, TCR1672 offers higher in vivo and in vitro efficacy and has better selectivity for P2X3 and P2X2/3, and is expected to have less taste-related side effects in clinical use. With no P2X3-targeting drugs yet approved in China, TCR1672 is anticipated to be among the first three domestically developed P2X3 receptor antagonists to receive marketing approval.

SURGERY/ANALGESIA

– Zepolas®/Debaian® (Flurbiprofen Cataplasms) is the first domestically produced cataplasms approved for marketing in China, ranking first in the market share of topical analgesia for many years. It is recommended by many guidelines, including the "Expert Consensus on Diagnosis and Treatment of Chronic Musculoskeletal Pain" and "Chinese Guidelines for the Treatment of Chronic Pain Disorders with Non-Opioid Analgesics". The Group focuses on the development of high-potential regions, further expanding its market coverage and gradually increasing its production capacity to meet the booming market demand, driving the sustained rapid sales growth of Zepolas/ Debaian. The second-generation flurbiprofen patch developed by the Group is expected to be approved for marketing within one year. With formulation enhancements, the second-generation product can significantly improve the transdermal absorption of the drug and enhance the adhesiveness of the plaster, thereby improving patient compliance.

– Putanning® (Meloxicam Injection (II)) was approved by the NMPA in May 2025 for postoperative pain management in adults. It is China's first once-daily long-acting nonsteroidal anti-inflammatory drug (NSAID) injection. Two Phase III clinical studies demonstrated that Putanning maintains significant analgesic effects during the late stages of the drug effect (18-24 hours) and can effectively alleviate pain between doses, especially nighttime pain during postoperative hospitalization. Compared with other NSAIDs, Putanning achieves a greater reduction in morphine consumption, which has the potential to become a BIC analgesic NSAID. In addition, Putanning can be used safely in special populations, such as patients with mild renal impairment and the elderly, with excellent safety. Putanin has been newly included in the 2025 National Reimbursement Drug List and is expected to become another blockbuster product for the Group in pain management area.

– Regarding the R&D pipeline, as at the end of the reporting period, the Group had a total of 6 national category 1 or 2 innovative surgery/analgesia drug candidates in the clinical development stage or beyond. Of these, 2 were at the marketing application stage, 1 was in Phase III clinical trial, 2 were in Phase II clinical trials, and 1 was in Phase I clinical trial.

– PL-5 (Antimicrobial Peptide) submitted a marketing application to the CDE in December 2024. It is the first innovative antimicrobial peptide applied for marketing in China. PL-5 is used as a topical broad-spectrum anti-infective drug, intended to treat superficial secondary wound infection caused by staphylococcus aureus, staphylococcus epidermidis, pseudomonas aeruginosa, staphylococcus haemolyticus, acinetobacter baumannii, etc., including burn wound infection and physical injury wound infection. As the first non-antibiotic antimicrobial agent with a novel design, PL-5 offers a broad spectrum of activity, a low risk of resistance, and potent bactericidal effects. It is highly effective against localized open wound infections, especially those involving drug-resistant strains, and does not enter the bloodstream, providing a strong safety profile.

– TRD205 (AT2R antagonist) is a non-opioid, highly selective antagonist targeting AT2R with global FIC potential. It is currently in Phase II clinical trials in China and has obtained IND approval from the U.S. FDA, with intended indications including chronic postoperative neuropathic pain and acute postoperative pain. By precisely targeting AT2R to block pain sensitization signaling pathways, TRD205 shows breakthrough potential in peripheral neuropathic pain and postoperative pain. Preclinical and early clinical data show that TRD205 can significantly reduce pain scores and has excellent safety, offering a potential solution to the challenges of limited efficacy or high addiction risk associated with traditional analgesics.

– TRD208 (non-opioid multi-target multi-modal analgesic) is a First-in-Class, non-opioid, multi-target, multi-modal analgesic. It is currently in Phase I clinical trials in China for postoperative analgesia in adults. With its unique multi-target mechanism of action, TRD208 is capable of blocking multiple pain-related transmission pathways in the central nervous system, including NaV1.7, NaV1.8 and others, while also delivering peripheral anti-inflammatory and analgesic effects similar to NSAIDs and inhibiting central sensitization. This approach may help reduce the risk of neuropathic pain arising from acute pain. As demonstrated by the pre-clinical data, TRD208 demonstrates rapid onset, potent analgesic effects, and prolonged duration of action in the model of postoperative pain. As a non-opioid drug with multitarget synergistic effects, TRD208 is expected to achieve multi-modal analgesic effects with a single agent, which may potentially replace current mainstream combination therapies. This will simplify treatment regimens, improve patient compliance, while avoiding the risk of opioid dependence.

Financial Review

During the year, the Group recorded revenue of approximately RMB31,834.49 million, an increase of approximately 10.3% over last year (2024: approximately RMB28,866.16 million). Profit attributable to owners of the parent from continuing operations as reported was approximately RMB2,343.35 million, an increase of approximately 22.0% over last year (2024: approximately RMB1,920.12 million). Basic earnings per share attributable to owners of the parent from the continuing operations as reported were approximately RMB13.02 cents, an increase of approximately 24.0% over last year (2024: approximately RMB10.50 cents). Excluding the profit attributable to owners of the parent from the discontinued operations, the share of profits and losses of associates and joint ventures (net of related tax and non-controlling interests), one-off adjustments for the impairment and fair value changes of certain assets and liabilities (net of related tax and non-controlling interests), fair value (gains)/losses of current equity investments (net of related tax and non-controlling interests), intangible assets amortization on acquired intangibles from merger and acquisition (net of releted tax and non controlling interests), share-based payments (net of related tax and non-controlling interests), effective interest expenses and exchange loss/(gain) of the convertible bond debt component, underlying profit attributable to owners of the parent was approximately RMB4,540.97 million, an increase of approximately 31.4% over last year. The significant year-on-year increase in underlying profit attributable to owners of the parent was mainly driven by the notable growth in revenue and significant increase in dividend income during the year. The Group had cash and bank balances classified under current assets of approximately RMB12,180.73 million, bank deposit classified under non-current assets of approximately RMB10,248 million, and the wealth management products of approximately RMB10,561.51 million in aggregate, the Group's total fund reserve was approximately RMB32,990.24 million at the year end.

NON-HKFRS MEASURE

For the purpose of assessing the performance of the Group, the Company has also presented the underlying profit attributable to owners of the parent as an additional financial measure, which is not required by, or presented in accordance with the Hong Kong Financial Reporting Standards ("HKFRS"). The Group believes that this non-HKFRS financial measure better reflects the underlying operational performance of the Group by eliminating certain non-operating (i.e. non-recurring gains and losses that are not related to continuing operations, such as discontinued operations, significant asset impairment, equity settled share-based payments, etc.) and non-recurring (i.e. gains and losses from non-core businesses (businesses other than the Group's independently developed and commercialized innovative and generic drugs), including investments in associates and joint ventures, and fluctuations in the fair value of financial assets (financial investments), etc.) items which the Group does not consider indicative of the Group's fundamental operating performance. However, the presentation of this non-HKFRS financial measure is not intended to be a substitute for, or superior to, the financial information prepared and presented in accordance with HKFRS. Underlying profit attributable to owners of the parent for the year significantly increased by approximately 31.4% over the same period last year.

Effective 1 January 2025 we refined the definition of underlying profit attributable to owners of the parent as follows, and have updated prior period comparative figures to reflect the change, which is excluding intangible asset amortization on acquired intangibles from merger and acquisition. Additional detail on this adjustment is provided below.

Underlying profit attributable to owners of the parent is presented excluding the impact of the following item from profit attributable to owners of the parent from continuing operations as reported:

Intangible asset amortization – the amortization expense associated with finite life intangible assets arising from acquisitions or business combinations.

Additional information is provided below to reconcile the profit attributable to owners of the parent as reported and the underlying profit attributable to owners of the parent:

	For the year ended 31 December		
	2025	2024	Change
	RMB'000	*RMB'000*	*%*
Profit attributable to owners of the parent from continuing operations (As reported)	**2,343,348**	1,920,117	+22.0%
Share of losses of associates and joint ventures (net of related tax and non-controlling interests)	**118,558**	108,281	
One-off adjustments for the impairment and fair value changes of certain assets and liabilities*	**2,056,068**	1,390,431	
Fair value (gains)/losses of current equity investments, net (net of related tax and non-controlling interests)	**(59,790)**	2,217	
Intangible assets amortization on acquired intangibles from merger and acquisition (net of related tax and non-controlling interests)	**2,450**	150	
Share-based payments (net of related tax and non-controlling interests)	**80,227**	36,705	
Convertible bond debt component of:			
– Interest expenses	**45**	357	
– Exchange loss/(gain)	**64**	(1,145)	
Underlying profit attributable to owners of the parent	**4,540,970**	3,457,113	+31.4%

* *Mainly due to the fair value losses of financial assets (non-current) at fair value through profit or loss.*

Basic earnings per share			
Underlying profit attributable to owners of the parent used in the basic earnings per share calculation	**4,540,970**	3,457,113	+31.4%
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation *(Shares)*	**18,002,496,191**	18,293,510,734	
Basic earnings per share calculation, based on underlying profit attributable to owners of the parent *(RMB cents)*	**25.22**	18.90	+33.4%

The Company provides the reconciliation of the following Non-HKFRS financial metrics adjusting items to further illustrate the relationship between these adjusting items and the HKFRS financial data. These additional figures provide our shareholders and investors with useful supplementary information about our ongoing operating performance of the Group's core business and facilitates the analysis and comparison of financial measures between periods.

The use of these non-HKFRS measures may have certain limitations as a tool for analysis and comparison. Shareholders and investors are advised not to consider these non-HKFRS measures in isolation from, or as a substitute for analysis of, the Group's financial performance as reported under HKFRS. Also, please note that these non-HKFRS measures may be defined differently from similar terms used by other companies.

	For the year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
1. Share of profits and losses of associates and joint ventures (net of related tax and non-controlling interests)		
Share of losses of associates and joint ventures	**151,376**	118,299
Related tax	**(18,061)**	(3,206)
Non-controlling interests	**(14,757)**	(6,812)
Adjusting amount	**118,558**	108,281
2. Equity settled share-based payments (net of related tax and non-controlling interests)		
Equity settled share-based payments	**115,966**	53,721
Related tax	**436**	(3,362)
Non-controlling interests	**(36,175)**	(13,654)
Adjusting amount	**80,227**	36,705
3. One-off adjustments for the impairment and fair value changes of certain assets and liabilities (net of related tax and non-controlling interests)		
Fair value changes of financial assets at fair value through profit or loss (non-current), net	**1,670,964**	588,898
Fair value profit or loss of contingent consideration, net	**(20,423)**	68,091
Impairment loss on investment in an associate	**–**	326,979
Impairment loss on goodwill	**–**	18,619
Impairment loss on other receivables	**336,759**	78,751
Impairment loss on intangible assets	**71,916**	286,811
Loss on deemed partial disposal of an associate	**–**	578,826
Gain on disposal of subsidiaries	**(729)**	(75,314)
Related tax	**(2,419)**	(541,762)
Non-controlling interests	**–**	60,532
Adjusting amount	**2,056,068**	1,390,431

	For the year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
4. Fair value (gains)/losses of current equity investments, net (net of related tax and non-controlling interests)		
Fair value changes of equity investments designated at fair value through profit or loss	**(64,633)**	9,202
Related tax	**1,483**	(2,138)
Non-controlling interests	**3,360**	(4,847)
Adjusting amount	**(59,790)**	2,217

Financial assets at fair value through profit or loss represent financial investments in listed companies, with valuation changes reflecting market factors rather than the sales and R&D of the Group's pharmaceutical products.

5. Intangible assets amortization on acquired intangibles from merger and acquisition (net of related tax and non-controlling interests)		
Intangible assets amortization on acquired intangibles from merger and acquisition	**7,106**	592
Related tax	**(1,066)**	(90)
Non-controlling interests	**(3,590)**	(352)
Adjusting amount	**2,450**	150

SIGNIFICANT INVESTMENT

As at 31 December 2025, the Group's major investment is the 15.03% equity interests in Sinovac Life Sciences Co., Ltd. ("SINOVAC LS"), a company which is engaged in the R&D, production and sales of human vaccines. The 15.03% equity interest in SINOVAC LS held by the Group was accounted for as "non-current equity investment designated at fair value through other comprehensive income" in the financial statements of the Group as at 31 December 2025. The investment cost was approximately US$515 million (equivalent to approximately RMB3,387.77 million). The fair value of the investment in SINOVAC LS was approximately RMB7,529 million as at 31 December 2025 (31 December 2024: RMB9,579 million), which accounted for approximately 9.9% of total assets of the Group (31 December 2024:14.6%). As at 31 December 2025, dividend of approximately RMB1,352.70 million (net of tax) was received from SINOVAC LS and was recognised in the statement of profit or loss (2024: RMB1,352.7million (net of tax) was received, of which RMB676.35 million was recognized in the statement of profit or loss). SINOVAC LS is dedicated to developing innovative vaccines and related biopharmaceutical products and continues to strengthen its R&D and commercialization capabilities in biological medicine technology. The Group will continue to monitor SINOVAC LS for its future development and shareholder return plan.

EQUITY INVESTMENTS/FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS AND EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

As at 31 December 2025, the Group had: 1) non-current equity investments designated at fair value through other comprehensive income (including certain listed and unlisted equity investments such as SINOVAC LS) of approximately RMB9,470.88 million (31 December 2024: approximately RMB10,911.53 million); and 2) current equity investments designated at fair value through profit or loss (including certain listed equity investments) of approximately RMB219.23 million (31 December 2024: approximately RMB76.86 million).

In addition, as at 31 December 2025, the Group had the non-current financial assets at fair value through profit or loss of approximately RMB2,109.09 million (31 December 2024: RMB4,439.11 million) and the current financial assets at fair value through profit or loss, including certain wealth management products of approximately RMB10,146.68 million (31 December 2024: approximately RMB4,950.83 million), which included the wealth management products of Huaxia Bank (approximately RMB1,451.61 million), CSC Financial (approximately RMB1,233.75 million), Huatai Securities (approximately RMB1,123.69 million), China Galaxy Securities (approximately RMB754.69 million), Guotai Haitong Securities (approximately RMB581.55 million), Bank of Jiangsu (approximately RMB502 million), China Construction Bank (approximately RMB462.96 million), ChinaAMC (approximately RMB452.87 million), Shenwan Hongyuan (approximately RMB452.16 million), Citic Securities (approximately RMB376.94 million) and other banks. The wealth management products mainly consisted of principal-guaranteed products with floating return and relatively lower risk of default. All principal and interests will be paid together on the maturity date. The Board of the Company believes that the investment in wealth management products can strengthen the financial position of the Group and bring the fruitful contribution to the profit of the Group. As at 31 December 2025, the above mentioned wealth management products (approximately RMB10,146.68 million) together with the wealth management products classified in other receivables of approximately RMB414.83 million (31 December 2024: approximately RMB220.64 million) including the wealth management products of Citic Securities (approximately RMB384.61 million), amounted to approximately RMB10,561.51 million in total, representing approximately 13.9% of the total assets of the Group.

Each of the transactions of acquisition or disposal of wealth management products as abovementioned was entered into with third party who was not a connected person (as defined in the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited ("Stock Exchange")) of the Company, and did not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules as all the applicable percentage ratios were less than 5%, calculated either on a standalone basis or by aggregation of the transactions with the same counterparty pursuant to the Rule 14.22 of the Listing Rules.

For the year ended 31 December 2025, the Group recorded a gain (net) of the current equity investments designated at fair value through profit or loss of approximately RMB64.63 million.

The Board considers that the investment in equity investments and financial assets can diversify the investment portfolio of the Group and achieve a better return to the Group in the future.

INVESTOR RELATIONS

The Group is committed to maintaining high standards of corporate governance to ensure its long-term sustainable development. It also also attaches great importance to communication with shareholders and investors. During the reporting period, the Group actively maintained close and sound contact with a wide range of investors worldwide through different channels to ensure adequate two-way communication. In addition to ensuring that investors had a thorough understanding of its latest business developments and strategies, the Group was also able to gather valuable views from the investment community through its interaction with investors to help raise corporate governance practices.

The Group has continued to publish its annual reports, interim reports, disclosures and circulars in a timely manner both on its corporate website and on the website of the Hong Kong Exchanges and Clearing Limited and also voluntarily issues announcements to inform shareholders and the market of its latest business endeavors, including product approvals, clinical progress, etc. The Group strives to maintain a high level of corporate transparency and enhance market attention.

The Group has also proactively disclosed the latest information on its business development to investors. On 20 March 2025, the Group held its 2024 Annual Results Announcement Conference in Shanghai, introducing its full year results and latest business updates. On 17 July 2025, the Group held the Full Acquisition of LaNova Medicines Briefing in Hong Kong, providing an in-depth explanation of the rationale and benefits of the acquisition, as well as a detailed introduction to LaNova Medicines' R&D platform and innovation pipeline. On 18 August 2025, the Group held its 2025 Interim Results Announcement Conference in Hong Kong to update investors on its interim results and latest business updates. On 13 January 2026, the Group held the Full Acquisition of Hygieia Briefing online, elaborating the rationale and benefits of the acquisition, together with a detailed introduction to Hygieia's intrahepatic and extrahepatic delivery platforms and chronic disease pipeline. The four events were attended by over one thousand analysts, fund managers and other investors with positive feedback. In addition, the Group also issued results press releases in a timely manner to keep retail investors informed of its latest business status and prospects through media channels. In addition to results press releases, the Group also released information through the media on topics such as the Company's share repurchases and share purchases under its restricted share award scheme, with a view to maintaining a high level of information transparency and strengthening confidence among shareholders and the market.

In addition, during the year, the Group participated in many global investment summits and roadshows hosted by major investment banks and securities companies, including Morgan Stanley, Goldman Sachs, Citi, UBS, Bank of America, J.P. Morgan, HSBC, CICC, CITIC, CSC Financial, HTSC, enabling investors to gain insights into its business development and competitive advantages. During the reporting period, the Group participated in more than 800 investor communication meetings in various forms such as one-on-one meetings, group meetings and teleconferences.

The Group will continue to refine its corporate governance structure and deepen two-way communication with the investment community. Through proactive, comprehensive and efficient investor relations management, the Group will accurately and timely communicate its core competitiveness and long-term value to all sectors of the market.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's liquidity remains strong. During the year, the Group's primary sources of funds were cash derived from operating activities, issuance of panda bonds, and bank borrowings. As at 31 December 2025, the Group's cash and bank balances classified under current assets were approximately RMB12,180.73 million (31 December 2024: approximately RMB9,569.58 million). Bank deposit classified under non-current assets were approximately RMB10,248 million (31 December 2024: approximately RMB9,365.81 million).

CAPITAL STRUCTURE

As at 31 December 2025, the Group had short term loans of approximately RMB8,395.44 million (31 December 2024: approximately RMB7,585.83 million) and had long term loans of approximately RMB7,583.98 million (31 December 2024: approximately RMB1,996.75 million). Besides, debt component of the convertible bonds amounted to nil as at 31 December 2025 (31 December 2024: approximately RMB16.24 million). In addition, total lease liabilities (classified under current and noncurrent liabilities) amounted to approximately RMB90.60 million as at 31 December 2025 (31 December 2024: RMB111.73 million). As at 31 December 2025, the Group's total available credit facilities amounted to approximately RMB63.1 billion (31 December 2024: approximately RMB39.4 billion) of which RMB47.1 billion were unused (31 December 2024: RMB30.0 billion).

CHARGE ON ASSETS

As at 31 December 2025, the Group had charge on assets of approximately RMB440.52 million (31 December 2024: approximately RMB459.39 million).

CONTINGENT LIABILITIES

As at 31 December 2025, the Group and the Company had no material contingent liabilities (31 December 2024: Nil).

GEARING RATIO

As at 31 December 2025, the total assets of the Group amounted to approximately RMB76,009.82 million (31 December 2024: approximately RMB65,408.07 million) whereas the total liabilities amounted to approximately RMB33,923.89 million (31 December 2024: approximately RMB22,634 million). The gearing ratio (total liabilities over total assets) was approximately 44.6% (31 December 2024: approximately 34.6%). The Group was in a net cash position (including wealth management products) of approximately RMB16,920.23 million (31 December 2024: approximately RMB14,396.31 million), being the aggregate of cash and bank balances classified under current assets, bank deposit classified under non-current assets and wealth management products less the aggregate of short term loans, long terms loans and total lease liabilities.

EMPLOYEE AND REMUNERATION POLICIES

The Group had 21,435 employees as at 31 December 2025 and remunerates its employees based on their performance, experience and the prevailing market rates. Other employee benefits include mandatory provident fund, insurance and medical coverage, subsidized training programmes as well as employee share incentive schemes. Total staff cost (including Directors' remuneration and equity settled sharebased payments) in selling and distribution costs and administrative expenses during the year was approximately RMB4,666.76 million (2024: approximately RMB4,670.56 million).

The Company adopted a share option scheme on 15 June 2023 (the "2023 Share Option Scheme") and a share award scheme on 5 January 2018 (the "2018 Share Award Scheme"). The Company resolved and approved the implementation of a share incentive scheme by CT Tianqing, a subsidiary, on 7 May 2024 ("2024 CT Tianqing Share Incentive Scheme"). The schemes will provide incentive to retain and encourage the selected participants for the continual operation and development of the Group. For the year ended 31 December 2025, no option in respect of the shares of the Company ("Shares") had been granted under the 2023 Share Option Scheme, nor any incentive share granted under the 2024 CT Tianqing Share Incentive Scheme, while 6,431,550 restricted shares were granted under the 2018 Share Award Scheme; and as at the year end, 529,934,893 Shares were held on trust by a trustee under the 2018 Share Award Scheme and 338,690,000 shares were held on trust by a trustee under the 2024 CT Tianqing Share Incentive Scheme.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

Most of the assets and liabilities of the Group were denominated in Renminbi, US dollars, Euro, Japanese Yen and HK dollars. The Group has hedged part of the RMB risk in net investments in foreign operations by borrowing RMB loan and will continue to closely monitor the net foreign exchange exposure to reduce the impact of foreign exchange fluctuations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG")

Sino Biopharm is committed to promoting the harmonious development of the Group, society and the environment through high-standard ESG governance. The Group continues to increase its R&D investment, establish international R&D platforms, and execute a series of investments and acquisitions, aiming to drive sustainable business upgrades, address unmet clinical needs, and faithfully implement its philosophy of "Science for a Healthier World", thereby pursuing health and well-being for more patients and creating long-term value for itself and its partners.

In 2025, Sino Biopharm's ESG development entered its "second three-year cycle". Based on the substantive needs of strategic development and the concerns of various stakeholders, the Group formulated the "Sino Biopharm 2025-2027 Three-Year ESG Development Plan" in a scientific and systematic manner. It also took the lead in the industry by publishing the "Sino Biopharmaceutical Limited Carbon Neutral Goal and Pathways Plan". Combined with ongoing talent development and responsible supply chain construction programs, a scientific planning system has formed featuring "mutual promotion between long-term and short-term plans, and synergy between comprehensive and special plans" which provides systematic guidance for the implementation of ESG practices. To date, under the effective leadership and supervision of the Group's Board, the ESG plan for the year has been implemented with high quality, with all key tasks successfully completed and remarkable results achieved.

In terms of corporate governance, on the basis of the effective operation of the ESG governance system, the Group has continuously promoted the in-depth application of artificial intelligence across all operational aspects, significantly expanding the application scenarios of AI large models. As one of the first pharmaceutical companies in China to officially adopt DeepSeek-R1, AI has not only become a core enabler of the Group's business upgrade, but also provided strong support for the Board's scientific decision-making and solid assurance for the full implementation of ESG initiatives.

In the field of environmental friendliness, in accordance with, the Carbon Neutral Goal and Pathways Plan, the Group scientifically formulated the "Sino Biopharm Phase I Implementation Plan for Carbon Neutrality" and systematically advanced multiple special initiatives. In 2025, it achieved, simultaneous reductions in both carbon emission intensity and total volume for the first time, making solid progress towards the milestone of carbon peaking. During the year, the Group's continuous effort in green development has been widely recognized externally, with its subsidiary, CT Qingjiang, was honored the "National Green Factory" title. To date, three subsidaries of the Group have been recognized as "National Green Factories".

With regard to quality and safety, the Group's full-cycle quality and safety management system operates effectively, with no major quality, safety or product recall incidents reported during the year.

In terms of talent development, the Group promotes the building of a diverse and inclusive workforce, and continues to launch talent development initiatives such as leadership enhancement programs, employee further education support, and university-enterprise joint training programs. These efforts strengthen talent attraction and retention, enrich talent pool, and foster the development of a talent pipeline. During the year, the Group was honored with the "Bloomberg ESG Inclusive Workplace", the "2025-2026 Excellence in Practice Award" and the "Best Employer Award".

As for responsible supply chain development, the Group continuously promotes the signing of the "Supplier Code of Conduct" and the pilot implementation of the "Supply Chain ESG Self-Assessment System". ESG requirements are integrated into key processes including supplier qualification, bidding and procurement, performance evaluation, and tiered management to achieve standardization, normalization, and regularization of supply chain ESG management. This year, green procurement initiatives were carried out focusing on low-carbon raw material selection and degradable packaging materials. In particular, the Group collaborated with paper packaging suppliers on joint technological collaboration to deliver a greener and more economical packaging solution.

In terms of giving back to society, the Group has continued to invest in areas such as disaster relief, inclusive healthcare, educational donation and public welfare charity. The Group donated HK$10 million in cash and medicines to support the emergency resettlement and transitional basic living needs of those affected by the fire in the Tai Po District, New Territories, Hong Kong. The total annual community investment amounted to RMB67.78 million.

During the year, the Group's ESG performance once again received high recognition from international authoritative index institutions. Its MSCI ESG rating was upgraded from "A" to "AA", placing its ESG practices among the global excellence leadership. The Group's overall ESG competitiveness also maintained a leading position in international capital markets: it was selected for the S&P Global's Sustainability Yearbook 2025 (Global Edition) for the second consecutive year; it received a "B" rating from the CDP for climate change for the third consecutive year; and it was included in the FTSE4Good Social Responsibility Index Series for the second consecutive year. As for professional recognition, the Group was included in CCTV's "Top 100 ESG Pioneers among China Listed Companies List" for the third consecutive year. It also received other prestigious accolades, such as inclusion in CCTV's "China's Top 30 ESG Listed Companies for Technological Innovation" and Forbes China's "2024-2025 Sustainable Industrial Enterprises".

Looking ahead, the Group will continue to focus on innovation and patient care, actively fulfill its social responsibilities, promote sustainable development, and steadily advance towards its goal of becoming a globally leading pharmaceutical enterprise.

APPRECIATION

On behalf of the Board, I would like to express my gratitude to our shareholders for their trust, support and understanding, as well as to all our staff for their dedication and diligence.

RESULTS

The Board of the Company announces the audited consolidated results of the Group for the year ended 31 December 2025 together with the comparative consolidated results for 2024 as follows:

Consolidated Statement of Profit or Loss

		For the year ended 31 December	
		2025	2024
	Notes	***RMB'000***	*RMB'000*
CONTINUING OPERATIONS			
REVENUE	*3*	**31,834,488**	28,866,159
Cost of sales		**(5,707,740)**	(5,336,218)
Gross profit		**26,126,748**	23,529,941
Other income	*3*	**2,015,449**	1,207,037
Other losses, net	*3*	**(1,495,308)**	(1,184,526)
Selling and distribution costs		**(10,993,276)**	(10,077,966)
Administrative expenses		**(2,143,529)**	(2,081,510)
Research and development costs		**(5,866,243)**	(5,089,203)
Other expenses		**(904,347)**	(1,112,453)
Finance income		***633,592***	*499,564*
Finance costs	*4*	***(278,314)***	*(295,117)*
Net finance income		**355,278**	204,447
Share of losses of associates and joint ventures		**(151,376)**	(118,299)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	*5*	**6,943,396**	5,277,468
Income tax expense	*6*	**(1,628,867)**	(492,918)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		**5,314,529**	4,784,550
DISCONTINUED OPERATIONS			
Profit for the year from discontinued operations		**–**	1,580,132
PROFIT FOR THE YEAR		**5,314,529**	6,364,682
Profit attributable to:			
Owners of the parent			
Profit from continuing operations for the year		**2,343,348**	1,920,117
Profit from discontinued operations for the year		**–**	1,579,717
Profit attributable to owners of the parent for the year		**2,343,348**	3,499,834
Non-controlling interests			
Profit from continuing operations for the year		**2,971,181**	2,864,433
Profit from discontinued operations for the year		**–**	415
Profit attributable to non-controlling interests for the year		**2,971,181**	2,864,848
		5,314,529	6,364,682
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*8*		
Basic			
– For profit for the year		**RMB13.02 cents**	RMB19.13 cents
– For profit from continuing operations		**RMB13.02 cents**	RMB10.50 cents
Diluted			
– For profit for the year		**RMB12.98 cents**	RMB19.13 cents
– For profit from continuing operations		**RMB12.98 cents**	RMB10.49 cents

Details of the final dividend recommended for the year are disclosed in note 7 to the financial statements of this announcement.

Consolidated Statement of Comprehensive Income

	For the year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
PROFIT FOR THE YEAR	**5,314,529**	6,364,682
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Net (loss)/gain on hedge of net investment	**(185,835)**	170,227
Exchange differences on translation of foreign operations	**(568,711)**	145,131
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**(754,546)**	315,358
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	**(1,018,896)**	(65,309)
Income tax effect	**–**	–
	(1,018,896)	(65,309)
Share of other comprehensive income/(loss) of associates and joint ventures	**24,975**	(44,959)
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	**(993,921)**	(110,268)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**(1,748,467)**	205,090
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**3,566,062**	6,569,772
Attributable to:		
Owners of the parent	**594,881**	3,707,747
Non-controlling interests	**2,971,181**	2,862,025
	3,566,062	6,569,772

Consolidated Statement of Financial Position

	Notes	31 December 2025 RMB'000	31 December 2024 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		**8,699,735**	8,691,382
Investment properties		**231,666**	269,030
Right-of-use assets		**1,533,670**	1,596,774
Goodwill		**3,496,187**	915,689
Intangible assets		**3,555,971**	2,145,277
Investments in associates and joint ventures		**1,637,117**	1,620,085
Equity investments designated at fair value through other comprehensive income		**9,470,879**	10,911,529
Financial assets at fair value through profit or loss		**2,109,090**	4,439,113
Bank deposits		**10,248,000**	9,365,805
Deferred tax assets		**506,585**	516,288
Prepayments and other asset		**55,847**	251,766
Total non-current assets		**41,544,747**	40,722,738
CURRENT ASSETS			
Inventories		**2,256,663**	2,373,145
Trade and bills receivables	*9*	**6,263,587**	4,967,560
Prepayments, other receivables and other assets		**3,021,784**	2,451,744
Amounts due from related companies		**376,400**	295,610
Equity investments designated at fair value through profit or loss		**219,232**	76,859
Financial assets at fair value through profit or loss		**10,146,679**	4,950,829
Cash and bank balances	*10*	**12,180,729**	9,569,584
Total current assets		**34,465,074**	24,685,331
CURRENT LIABILITIES			
Trade and bills payables	*11*	**1,497,288**	1,497,461
Tax payable		**696,154**	318,198
Other payables and accruals		**14,523,669**	10,028,415
Interest-bearing bank borrowings		**8,395,435**	7,585,825
Amounts due to related companies		**47,019**	73,295
Lease liabilities		**23,287**	28,333
Contingent consideration		**16,717**	8,720
Convertible bonds – debt component		**–**	16,243
Total current liabilities		**25,199,569**	19,556,490
NET CURRENT ASSETS		**9,265,505**	5,128,841
TOTAL ASSETS LESS CURRENT LIABILITIES		**50,810,252**	45,851,579

		31 December 2025	31 December 2024
		RMB'000	*RMB'000*
TOTAL ASSETS LESS CURRENT LIABILITIES		**50,810,252**	45,851,579
NON-CURRENT LIABILITIES			
Deferred government grants		**621,875**	557,916
Interest-bearing bank borrowings		**7,583,979**	1,996,752
Lease liabilities		**67,310**	83,393
Contingent consideration		**164,759**	201,895
Deferred tax liabilities		**286,402**	237,553
Total non-current liabilities		**8,724,325**	3,077,509
Net assets		**42,085,927**	42,774,070
EQUITY			
Equity attributable to owners of the parent			
Share capital	*12*	**413,669**	414,384
Treasury shares		**(2,951,211)**	(2,974,787)
Reserves		**33,208,500**	34,521,192
		30,670,958	31,960,789
Non-controlling interests		**11,414,969**	10,813,281
Total equity		**42,085,927**	42,774,070

Notes:

1. BASIS OF PREPARATION

These consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for equity investments designated at fair value through other comprehensive income/profit or loss, financial assets at fair value through profit or loss, certain bills receivables measured at fair value through other comprehensive income, contingent consideration liabilities and embedded derivative components of convertible bonds which have been measured at fair value. Disposal company held for sale is stated at the lower of its carrying amount and fair value less cost to sell. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

1.1 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

1.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKAS 21	*Lack of Exchangeability*

The adoption of these new and amended standards does not have significant impact on the consolidated financial statements of the Group.

1.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following revised HKFRSs that have been issued but are not yet effective, in these financial statements.

HKFRS 18	Presentation and Disclosure in Financial Statements[2]
HKFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosures[2]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[1]
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency[2]
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS7[1]

[1] Effective for annual periods beginning on or after 1 January 2026

[2] Effective for annual/reporting periods beginning on or after 1 January 2027

[3] No mandatory effective date yet determined but available for adoption

The Group is in the process of making an assessment of the impact of these revised HKFRSs upon initial application. So far, the Group considers that these standards will not have a significant impact on the Group's financial performance and financial position.

2. OPERATING SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ("CODM"). The Group's business activities, for which discrete financial statements are available, are reviewed and evaluated by CODM. CODM, who is responsible for allocating resources and regularly assessing performance of the operating segment, has been identified as the executive directors of the Company that make strategic decisions.

In the current year, CODM has reorganized the structure of internal reporting in a manner that causes the composition of the Group's reportable operating segment to change. In order to provide more relevant accounting information in the financial report that is reflective of the current business management structure of the Group, the Company has decided to adjust the presentation of its operating segments.

Before the change in segment reporting, the Group had three business segments, including finished drugs investment and others. After the reorganization, the Group has one reportable operating segment as the CODM monitors the operating results of the Group as a whole for the purpose of making decisions about resource allocation and performance assessment. This change does not affect the financial statement information disclosures and presentation, and it only affects the presentation of segment year's reporting. Prior year segment disclosures have been re-presented to conform with the current year's presentation.

Given after the change, there is only one reportable segment, so no operating segment information was presented.

Geographical information

Since over 90% of the Group's revenue were generated from the sale of pharmaceutical products in Chinese Mainland and most of the Group's identifiable operating assets and liabilities were located in Chinese Mainland, no geographical segment information in accordance with HKFRS 8 Operating Segments is presented.

Information about a major customer

No information about major customers is presented as no single customer contributed to over 10% or more of the Group's revenue for the years ended 31 December 2025 and 2024.

3. REVENUE, OTHER INCOME AND OTHER LOSSES, NET

Revenue, represents the net invoiced value of goods sold, less allowances for returns and trade discounts.

An analysis of revenue, other income and other losses, net is as follows:

	For the year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Revenue from contracts with customers		
Sale of products	**31,249,969**	28,160,673
Revenue from other sources	**584,519**	705,486
	31,834,488	28,866,159

	For the year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Other income		
Dividend income	**1,518,749**	753,428
Government grants	**114,402**	139,857
Sale of materials	**4,502**	29,712
Investment income	**219,643**	94,180
Gross rental income	**11,442**	7,054
Others	**146,711**	182,806
	2,015,449	1,207,037

	For the year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Other losses, net		
Gain on disposal of items of property, plant and equipment	**10,441**	40,901
Loss on deemed disposal of an associate	**–**	(578,826)
Gain on disposal of subsidiaries	**729**	75,314
Foreign exchange gains/(losses), net	**21,056**	(123,412)
Fair value (losses)/gains, net		
Equity investments designated at fair value through profit or loss	**64,633**	(9,202)
Financial assets at fair value through profit or loss	**58,372**	20,432
Financial assets at fair value through profit or loss (non-current)	**(1,670,964)**	(588,898)
Contingent consideration	**20,423**	(68,091)
Gain on termination of right-of-use assets	**2**	47,256
	(1,495,308)	(1,184,526)

4. FINANCE COSTS

	For the year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Interest on bank borrowings	**273,912**	287,244
Interest on convertible bonds	**45**	357
Interest on lease liabilities	**4,357**	7,516
	278,314	295,117

5. PROFIT BEFORE TAX

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

	For the year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Cost of inventories sold and services provided	**5,707,740**	5,336,218
Depreciation of property, plant and equipment	**918,256**	1,034,330
Depreciation of investment properties	**27,901**	28,338
Depreciation of right-of-use assets	**77,589**	83,918
Amortization of intangible assets	**187,837**	174,595
Research and development costs	**5,866,243**	5,089,203
Gain on disposal of items of property, plant and equipment	**(10,441)**	(40,901)
Loss on deemed disposal of an associate	**–**	578,826
Gain on disposal of subsidiaries	**(729)**	(75,314)
Gain on termination of right-of-use assets	**(2)**	(47,256)
Bank interest income	**(633,592)**	(499,564)
Dividend income	**(1,518,749)**	(753,428)
Investment income	**(219,643)**	(94,180)
Fair value (gains)/losses, net:		
Equity investments designated at fair value through profit or loss	**(64,633)**	9,202
Financial assets at fair value through profit or loss	**(58,372)**	(20,432)
Financial assets at fair value through profit or loss (non-current)	**1,670,964**	588,898
Contingent consideration	**(20,423)**	68,091
Minimum lease payments under operating leases:		
Lease payments not included in the measurement of lease liabilities	**333,290**	270,391
Auditors' remuneration	**6,000**	6,000
Staff remuneration cost (including directors' remuneration) in selling and distribution costs and administrative expenses:		
Wages and salaries	**3,652,087**	3,618,852
Pension scheme contributions	**898,703**	997,986
Equity-settled share-based payments	**115,966**	53,721
	4,666,756	4,670,559
Provision of impairment of trade receivables	**16,190**	12,786
Impairment loss of other receivable*	**338,169**	86,627
Impairment of an associate*	**–**	326,979
Impairment of intangible assets*	**71,916**	286,811
Impairment of goodwill*	**–**	18,619
Foreign exchange (gains)/losses, net	**(21,056)**	123,412

* *The impairment of intangible assets, goodwill and investment in an associate and other receivable were included in "Other expenses" in the consolidated statement of profit or loss.*

6. INCOME TAX

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

	For the year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Group:		
Current – Hong Kong	**–**	–
Current – Chinese Mainland	**1,750,947**	981,751
Deferred tax	**(122,080)**	(488,833)
Tax charge for the year from continuing operations	**1,628,867**	492,918
Tax charge for the year from discontinued operations	**–**	136,775
Tax charge for the year	**1,628,867**	629,693

The Company incorporated in the Cayman Islands is not subject to tax on income or capital gains under the law of the Cayman Islands. In addition, dividend payments are not subject to withholding tax in the Cayman Islands.

The subsidiaries incorporated in the British Virgin Islands (the "BVI") are not subject to income tax as these subsidiaries do not have a place of business (other than a registered office only) or carry on any business in the BVI.

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year.

The subsidiary incorporated in the United Kingdom ("UK") is subject to UK Corporate Income Tax at a rate of 25% (2024: 25%) on the estimated assessable profits arising in the UK during the year.

Belgium profits tax has been provided at a rate of 25% (2024: 25%) on the estimated assessable profits arising in Belgium during the year.

The provision for corporate income tax in Chinese Mainland is based on the statutory rate of 25% of the assessable profits as determined in accordance with the PRC Corporate Income Tax Law which was approved and became effective on 1 January 2008.

Certain subsidiaries operating in Chinese Mainland were entitled to a preferential corporate income tax rate of 15% during the year because they were qualified as "High and New Technology Enterprises".

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Chinese Mainland. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Chinese Mainland and the jurisdiction of the foreign investors. The Group is therefore liable to withholding taxes on dividends distributed by subsidiaries and associates established in Chinese Mainland in respect of earnings generated from 1 January 2008 with 5% and 10%, respectively.

Pillar Two income taxes

The Group is within the scope of the Pillar Two model rules. The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes, and will account for the Pillar Two income taxes as current income tax when incurred. Pillar Two legislation has been enacted or substantially enacted and in effect as at 31 December 2025 in certain jurisdictions in which the Group operates, including Hong Kong, the UK, Belgium and Spain.

Pillar Two legislation was gazetted in Hong Kong on 6 June 2025, the jurisdiction in which the Company is listed, and has come into effect retroactively from 1 January 2025. Under the legislation, the Group may be liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate. The Group has not been subject to material current income tax exposure under the Pillar Two regime as of 31 December 2025 according to the assessment. The Group will continue to monitor the Pillar Two developments and reassess the potential impact on its tax position.

7. DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

	For the year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Interim – HK$0.05 (equivalent to RMB0.04610) (2024: HK$0.03 (equivalent to RMB0.02767) per ordinary share	**835,638**	505,865
Proposed final – HK$0.05 (equivalent to RMB0.04492) (2024: HK$0.04 (equivalent to RMB0.03760) per ordinary share	**803,778**	667,011
	1,639,416	1,172,876

The Board of the Company has recommended the payment of a final dividend of HK5 cents per share for the year ended 31 December 2025 (2024: HK4 cents). Subject to the approval by the shareholders of the Company at the AGM to be held on Wednesday, 17 June 2026, the final dividend will be paid to shareholders on Monday, 20 July 2026 whose names appear on the register of members of the Company on Thursday, 2 July 2026.

The register of members of the Company will be closed for the following periods:

(a) For the purpose of determining shareholders who are entitled to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 12 June 2026 to Wednesday, 17 June 2026, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the attendance and voting at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:30 p.m. on Thursday, 11 June 2026.

(b) For the purpose of determining shareholders who are qualified for the final dividend, the register of members of the Company will be closed from Friday, 26 June 2026 to Thursday, 2 July 2026, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:30 p.m. on Thursday, 25 June 2026.

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

The calculation of the basic earnings per share amount is based on the profit attributable to ordinary equity holders of the parent for the year of approximately RMB2,343,348,000 (2024: approximately RMB3,499,834,000), and the weighted average number of ordinary shares of 18,002,496,191 (2024: 18,293,510,734) in issue during the year.

The calculation of the diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent, adjusted to reflect the interest, exchange difference and fair value change on the convertible bonds, where applicable (see below). The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The computation of diluted earnings per share for the year ended 31 December 2025 assumes the exercise of the Company's equity settled restricted shares granted pursuant to the launch of 2024 CT Tianqing Share Incentive Scheme as the exercise price (including the fair value of services yet to be rendered) of the restricted shares was lower than the average market price for the shares during the outstanding period. The calculation of the diluted earnings per share amounts for the year ended 31 December 2025 was based on the profit for the period attributable to ordinary equity holders of the parent, adjusted, where applicable, to reflect the interest and exchange difference of the convertible bonds.

The diluted earnings per share for the year ended 31 December 2025 did not assume conversion of the convertible bonds as its conversion would be anti-dilutive.

The calculations of basic and diluted earnings per share for the year ended 31 December 2025 are based on:

	For the year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation:		
From continuing operations	**2,343,348**	1,920,117
From discontinued operations	**–**	1,579,717
	2,343,348	3,499,834
Interest on convertible bonds	**–**	357
Exchange gain on convertible bonds – debt component	**–**	(1,145)
Profit attributable to ordinary equity holders of the parent before interest, and exchange gain on convertible bonds	**2,343,348**	3,499,046
Attributable to:		
Continuing operations	**2,343,348**	1,919,329
Discontinued operations	**–**	1,579,717
	2,343,348	3,499,046

	No. of shares 2025	No. of shares 2024
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	**18,002,496,191**	18,293,510,734
Effect of dilution – weighted average number of ordinary shares:		
– Share option	**54,324,651**	–
– Convertible bonds	**–**	1,549,263
	18,056,820,842	18,295,059,997

9. TRADE AND BILLS RECEIVABLES

The Group's trading terms with its customers are mainly on credit, except for new customers, where COD is normally required. The credit periods mainly range from 0 days to 90 days. The Group seeks to maintain a strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. Trade and bills receivables are non-interest-bearing.

An ageing analysis of the Group's trade and bills receivables as at the end of reporting period, based on invoice date and net of provisions, is as follows:

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
Current to 90 days	**5,173,413**	4,615,375
91 days to 180 days	**736,324**	219,314
Over 180 days	**353,850**	132,871
	6,263,587	4,967,560

10. CASH AND BANK BALANCES

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
Cash and bank balances, unrestricted	**4,616,897**	2,848,231
Time deposits with original maturity of less than three months	**2,767,998**	3,383,292
Time deposits with original maturity of more than three months	**4,795,834**	3,338,061
Cash and bank balances	**12,180,729**	9,569,584

11. TRADE AND BILLS PAYABLES

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

	31 December 2025	31 December 2024
	RMB'000	*RMB'000*
Current to 90 days	**1,010,073**	841,643
91 days to 180 days	**195,423**	399,434
Over 180 days	**291,792**	256,384
	1,497,288	1,497,461

12. SHARE CAPITAL

	31 December 2025	31 December 2024
	RMB'000	*RMB'000*
Issued and fully paid:		
18,760,717,230 ordinary shares of HK$0.025 each (2024: 18,791,217,230 ordinary shares of HK$0.025 each)	**413,669**	414,384

13. Business Combination

Acquisition of LaNova Medicines Limited (LaNova Medicines)

On 15 July 2025, the Group fully acquired LaNova Medicines by entering into the sale and purchase agreement with the vendors, LaNova Medicines and Ying Qin Zang, pursuant to which the Group has agreed to purchase and the vendors have agreed to sell the 95.09% equity interests in LaNova Medicines for the consideration of no more than US$950.92 million. The Group held 4.91% equity interests in LaNova Medicines before the acquisition. At completion, LaNova Medicines has become an indirect wholly-owned subsidiary of the Company.

As at the acquisition date, the fair values of LaNova Medicines' identifiable assets and liabilities are as follows:

	Fair value recognized on acquisition *RMB'000*
Property, plant and equipment	**17,367**
Intangible assets	**1,224,688**
Right-of-use assets	**3,288**
Long term prepayment	**2,497**
Cash and bank balances	**1,748,812**
Trade receivables*	**1,927,405**
Prepayments, other receivables and other assets	**597,592**
Trade payables	**(701,742)**
Accruals and other payables	**(152,590)**
Deferred tax liabilities	**(180,632)**
Lease Liabilities	**(3,095)**
Long term payables	**(12)**
Total identifiable net assets at fair value	**4,483,578**
Goodwill on acquisition	**2,602,972**
	7,086,550
Cash consideration paid	**6,782,028**
Equity interests held prior to the acquisition date	**304,522**
	7,086,550

The cash flow analysis for the acquisition, is as follows:

	RMB'000
Cash consideration paid	**6,283,493**
Cash and bank balances acquired	**(1,748,812)**
Net outflow of cash and cash equivalents included in cash flow from investing activities	**4,534,681**
Total net cash outflow	**4,534,681**

* The balance mainly includes US$300 million of milestone payment from MSD, which has been settled before year end.

Had the combination taken place at the beginning of the year, the revenue from continuing operations of the Group and the loss of the Group for the year would have been RMB38,196,984,000 and RMB8,461,759,000, respectively, which were mainly contributed by upfront and milestone payments from a licensee, MSD.

14. SUBSEQUENT EVENTS

On 13 January 2026, Chia Tai Pharmaceutical Investment (Beijing) Group Co., Ltd. (正大製藥投資(北京)集團有限公司) (being a wholly-owned subsidiary of the Company) (the "Purchaser") entered into the sale and purchase agreement with the vendors, the founders, Hangzhou Hygieia Biomedical Co., Ltd. (杭州赫吉亞生物醫藥有限公司) ("Hygieia"), and three subsidiaries of Hygieia, pursuant to which, the vendors conditionally agreed to sell, and the Purchaser conditionally agreed to acquire 100% equity interest in Hygieia for a maximum base consideration of RMB1,200,000,000, which will be settled partly in cash and partly by consideration shares.

CORPORATE GOVERNANCE CODE

In the opinion of the Directors, the Company has complied with all the Code Provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules for the year ended 31 December 2025 except for the deviation from Code Provision C.1.5 in relation to attendance of the annual general meeting of the Company (the "AGM") by the independent non-executive Directors ("INEDs") of the Company. One INED was unable to attend the AGM held on 10 June 2025 due to other business engagements.

INDEPENDENT NON-EXECUTIVE DIRECTORS, AUDIT COMMITTEE AND REVIEW OF RESULTS

The Company has complied with Rules 3.10 and 3.10(A) of the Listing Rules and appointed sufficient number of INEDs including two with appropriate professional qualifications, or accounting or related financial management expertise. The Audit Committee is comprised of four INEDs. It has reviewed with management the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of the audited consolidated financial statements of the Company for the year ended 31 December 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2025, the Company bought back a total of 30,500,000 Shares on the Stock Exchange at an aggregate consideration of approximately HK$92,624,000 before expenses. The bought back Shares were subsequently cancelled. Further details are set out as follows:

Month	Number of Shares bought back	Purchase consideration per Share		Consideration paid
		Highest	Lowest	
		HK$	*HK$*	*HK$*
January	21,500,000	3.00	2.79	62,249,000
April	9,000,000	3.42	3.19	30,375,000

Pursuant to the rules of the 2018 Share Award Scheme, the trustee of the scheme purchased on the Stock Exchange a total of 8,000,000 Shares at a total consideration of approximately HK$24,269,000 during the year.

No shares were purchased by the trustee on the Stock Exchange under the 2024 CT Tianqing Share Incentive Scheme during the year.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

FORWARD LOOKING STATEMENTS

Certain statements contained in this announcement may be viewed as "forward-looking statements" with respect to the business outlook, financial performance estimates, and business operations forecast of the Group. These forward-looking statements are based on the current beliefs, assumptions, and expectations of and the information currently available to the Board and the Company, and therefore involve risks and uncertainties. Actual outcome may differ materially from the forecasts and expectations in such forward-looking statements. The Company assumes no obligation to update the forward-looking statements contained in this announcement. In light of the above risks and uncertainties, shareholders of the Company and potential investors should not place undue reliance on such statements.

By Order of the Board
Sino Biopharmaceutical Limited
Tse, Theresa Y Y
Chairwoman

Hong Kong, 26 March 2026

As at the date of this announcement, the Board of the Company comprises six executive directors, namely Ms. Tse, Theresa Y Y, Mr. Tse Ping, Ms. Cheng Cheung Ling, Mr. Tse, Eric S Y, Mr. Tse Hsin and Mr. Tian Zhoushan, and five independent non-executive directors, namely Mr. Lu Zhengfei, Mr. Li Dakui, Ms. Lu Hong, Mr. Zhang Lu Fu and Dr. Li Kwok Tung Donald.