JOINN LABORATORIES (CHINA) CO., LTD.
北京昭衍新藥研究中心股份有限公司

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

(Stock Code: 6127)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

The board (the "**Board**") of directors (the "**Director(s)**") of JOINN Laboratories (China) Co., Ltd. (the "**Company**") is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (the "**Group**", "**we**", "**our**", "**us**", "**JOINN**" or "**JOINN Labs**") for the year ended 31 December 2025 (the "**Reporting Period**"), together with comparative figures for the year ended 31 December 2024.

In this announcement, "we", "us" and "our" refer to the Company (as defined above) and where the context otherwise requires, the Group (as defined above). Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments, or have been rounded to one or two decimal places. Any discrepancies in any table, chart or elsewhere between totals and sums of amounts listed therein are due to rounding.

FINANCIAL HIGHLIGHTS

For the year ended 31 December 2025, the Group recorded the following audited results:

	Year ended 31 December 2025 *RMB'000*	Year ended 31 December 2024 *RMB'000*	Year-to-year change
Revenue	**1,657,624**	2,018,334	-17.9%
Gross profit	**281,060**	505,540	-44.4%
Profit for the year	**297,842**	69,755	327.0%
Profit for the year attributable to equity shareholders of the Company	**297,841**	74,075	302.1%
Net assets attributable to equity shareholders of the Company	**8,324,980**	8,078,818	3.0%

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2025
*(Expressed in Renminbi ("**RMB**"))*

	Note	**2025** ***RMB'000*** **(Audited)**	2024 *RMB'000* (Audited)
Revenue	*3*	**1,657,624**	2,018,334
Cost of services		**(1,376,564)**	(1,512,794)
Gross profit	*3(b)*	**281,060**	505,540
Other gains and losses, net	*4*	**(44,937)**	161,181
Gains/(losses) arising from changes in fair value of biological assets		**514,266**	(122,942)
Selling and marketing expenses		**(36,912)**	(27,881)
General and administrative expenses		**(287,133)**	(315,934)
Research and development expenses		**(87,429)**	(92,918)
Profit from operations		**338,915**	107,046
Finance costs	*5(a)*	**(1,422)**	(2,448)
Share of losses of an associate		**–**	(559)
Profit before taxation	*5*	**337,493**	104,039
Income tax	*6*	**(39,651)**	(34,284)
Profit for the year		**297,842**	69,755
Other comprehensive income for the year (after tax)			
Item that will not be reclassified to profit or loss:			
– Equity investments at fair value through other comprehensive income ("**FVOCI**") – net movement in fair value reserve (non-recycling)		**(8,551)**	(58,514)
Item that are or may be reclassified subsequently to profit or loss			
– Exchange differences on translation of financial statements of foreign operations		**(10,737)**	7,473
		(19,288)	(51,041)
Total comprehensive income for the year		**278,554**	18,714

	Note	**2025**	2024
		RMB'000	*RMB'000*
		(Audited)	(Audited)
Profit for the year attributable to:			
Equity shareholders of the Company		**297,841**	74,075
Non-controlling interests		**1**	(4,320)
Profit for the year		**297,842**	69,755
Total comprehensive income for the year attributable to:			
Equity shareholders of the Company		**278,553**	23,034
Non-controlling interests		**1**	(4,320)
Total comprehensive income for the year		**278,554**	18,714
Earnings per share	*7*		
Basic (RMB)		**0.40**	0.10
Diluted (RMB)		**0.40**	0.10

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2025
(Expressed in RMB)

	Note	**2025** ***RMB'000*** **(Audited)**	2024 *RMB'000* (Audited)
Non-current assets			
Property plant and equipment		**1,375,121**	1,430,974
Intangible assets		**41,621**	45,834
Goodwill		**54,690**	138,037
Biological assets		**668,392**	383,305
Financial assets at FVOCI		**80,940**	91,000
Financial assets at fair value through profit or loss ("**FVTPL**")	*9*	**639,992**	624,974
Certificates of deposits and term deposits		**1,501,137**	1,590,715
Other non-current assets		**18,102**	26,759
Deferred tax assets		**39,677**	33,356
		4,419,672	4,364,954
Current assets			
Inventories		**202,657**	163,564
Contract costs		**589,311**	628,883
Biological assets		**620,283**	686,100
Contract assets		**135,920**	121,997
Trade and bills receivables	*10*	**196,590**	218,003
Prepayments and other receivables		**95,731**	121,478
Financial assets at FVTPL	*9*	**1,718,323**	1,396,123
Certificates of deposits and term deposits		**791,567**	729,847
Cash at bank and on hand		**911,854**	965,203
		5,262,236	5,031,198
Current liabilities			
Trade payables	*11*	**73,958**	50,222
Contract liabilities		**854,240**	827,161
Other payables		**195,569**	172,290
Lease liabilities		**20,171**	39,374
Income tax payable		**16,650**	21,521
		1,160,588	1,110,568
Net current assets		**4,101,648**	3,920,630
Total assets less current liabilities		**8,521,320**	8,285,584

	Note	**2025**	2024
		RMB'000	*RMB'000*
		(Audited)	(Audited)
Non-current liabilities			
Lease liabilities		**1,424**	21,600
Deferred tax liabilities		**121,806**	116,875
Deferred income		**72,739**	67,921
		195,969	206,396
NET ASSETS		**8,325,351**	8,079,188
CAPITAL AND RESERVES			
Share capital	*12*	**749,477**	749,477
Reserves		**7,575,503**	7,329,341
Total equity attributable to equity shareholders of the Company		**8,324,980**	8,078,818
Non-controlling interests		**371**	370
TOTAL EQUITY		**8,325,351**	8,079,188

NOTES TO FINANCIAL INFORMATION
(Expressed in RMB unless otherwise indicated)

1 CORPORATE INFORMATION

JOINN Laboratories (China) Co., Ltd. (北京昭衍新藥研究中心股份有限公司, the "**Company**") was incorporated in the People's Republic of China (the "**PRC**") as a joint stock limited liability company under the PRC laws. With the approval of the China Securities Regulatory Commission, the Company completed its initial public offering of A shares and listed on the Shanghai Stock Exchange (stock code: 603127.SH) on 25 August 2017. The Company's H shares were listed on the Main Board of The Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") (stock code: 6127. HK) on 26 February 2021.

The Company and its subsidiaries (together, the "**Group**") are principally engaged in providing a comprehensive portfolio of contract research organisation ("**CRO**") services including non-clinical studies services, clinical trial and related services and sales of research models.

2 MATERIAL ACCOUNTING POLICIES

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with all applicable International Financial Reporting Standards ("**IFRSs**"), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards ("**IASs**") and Interpretations issued by the International Accounting Standards Board (the "**IASB**") and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The IASB has issued certain amendments to IFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these consolidated financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2025 comprise the Company and its subsidiaries and the Group's interest in an associate.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except for biological assets, equity investments in unlisted companies, investments in unlisted funds and RMB wealth management products that are measure at fair values at the end of each reporting period.

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(c) Changes in accounting policies

The Group has applied the following amendments to IFRSs issued by the IASB to the consolidated financial statements for the current accounting period:

- Amendments to IAS 21, *The Effects of Changes in Foreign Exchange Rates – lack of exchangeability*

The amendments do not have a material effect on how the Group's results and financial position for the current period have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The Group is principally engaged in providing non-clinical drug safety assessment services to pharmaceutical and biotechnology companies. Further details regarding the Group's principal activities are disclosed in Note 3(b). Disaggregation of revenue from contracts with customers within the scope of IFRS 15 by major service lines is as follows:

	2025	2024
	RMB'000	*RMB'000*
Rendering services:		
Non-clinical studies services	**1,577,040**	1,917,487
Clinical trial and related services	**72,833**	99,940
Sales of goods:		
Sales of research models	**7,751**	907
	1,657,624	2,018,334

No revenue amounting to 10% or more of the Group's total revenue was derived from sales to a single customer.

As at 31 December 2025, the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied was approximately RMB2,600 million (2024: RMB2,200 million). Management of the Group expects the majority of the transaction price allocated to the unsatisfied contracts as of the end of reporting period will be recognised within 3 years from the end of the reporting period.

(b) Segment reporting

The Group manages its businesses by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segment.

- Non-clinical studies services

  The Group currently offers a comprehensive range of non-clinical studies services in the PRC and the United States of America (the "**USA**"), including (i) drug safety assessment, (ii) drug metabolism and pharmacokinetics ("**DMPK**") studies; and (iii) pharmacology and efficacy studies.

- Clinical trial and related services

  These services include (i) clinical CRO services; and (ii) bioanalytical services.

- Sales of research models

  The Group engages in the design, production, breeding and sales of research models, currently including non-human primates and rodents.

(i) Segment results

For the purposes of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments. The measure used for reporting segment result is gross profit. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

The Group's other operating income and expenses, such as other gains and losses, net, gains/(losses) arising from changes in fair value of biological assets, and selling and administrative expenses, and assets and liabilities are not measured under individual segments. Accordingly, neither information on segment assets and liabilities nor information concerning capital expenditure, interest income and interest expenses is presented.

Disaggregation of revenue from contracts with customers by the timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance is set out below.

	2025			
	Non-clinical studies services *RMB'000*	**Clinical trial and related services** *RMB'000*	**Sales of research models** *RMB'000*	**Total** *RMB'000*
Disaggregated by timing of revenue recognition				
Point in time	**1,577,040**	**22,704**	**7,751**	**1,607,495**
Over time	**–**	**50,129**	**–**	**50,129**
Revenue from external customer	**1,577,040**	**72,833**	**7,751**	**1,657,624**
Inter-segment revenue	**–**	**–**	**376,536**	**376,536**
Reportable segment revenue	**1,577,040**	**72,833**	**384,287**	**2,034,160**
Reportable segment gross profit	**264,970**	**9,868**	**16,195**	**291,033**

	2024			
	Non-clinical studies services *RMB'000*	Clinical trial and related services *RMB'000*	Sales of research models *RMB'000*	Total *RMB'000*
Disaggregated by timing of revenue recognition				
Point in time	1,917,487	35,379	907	1,953,773
Over time	–	64,561	–	64,561
Revenue from external customer	1,917,487	99,940	907	2,018,334
Inter-segment revenue	868	–	316,841	317,709
Reportable segment revenue	1,918,355	99,940	317,748	2,336,043
Reportable segment gross profit	477,120	11,935	12,199	501,254

(ii) Reconciliations of reportable segment gross profit

	2025	2024
	RMB'000	*RMB'000*
Reportable segment gross profit	**291,033**	501,254
Elimination of inter-segment gross (profits)/losses	**(9,973)**	4,286
Consolidated gross profit	**281,060**	505,540

(iii) Geographic information

The following tables set out information about the geographical location of the Group's revenue from external customers. The geographical information about the revenue prepared by external customers' respective country/region of domicile is as follows:

	2025	2024
	RMB'000	*RMB'000*
The PRC	**1,204,333**	1,579,381
The USA	**407,972**	415,422
Other countries/regions	**45,319**	23,531
	1,657,624	2,018,334

The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment and biological assets, and the location of the operation to which they are allocated, in the case of intangible assets, goodwill and interests in an associate.

	2025	2024
	RMB'000	*RMB'000*
The PRC	**1,919,270**	1,643,135
The USA	**220,554**	355,015
	2,139,824	1,998,150

4 OTHER GAINS AND LOSSES, NET

	2025 *RMB'000*	2024 *RMB'000*
Government grants (including amortisation of deferred income)	**30,268**	26,527
Interest income	**78,187**	103,231
Gains from disposal of an associate	**–**	16,030
Net foreign exchange losses	**(9,680)**	(684)
Net losses on disposal of property, plant and equipment	**(48)**	(210)
Gains on financial assets at FVTPL	**18,014**	20,540
Change in fair value of financial assets at FVTPL	**(66,706)**	(4,107)
Impairment loss on goodwill	**(81,542)**	–
Impairment losses on non-current assets other than goodwill	**(13,394)**	–
Others	**(36)**	(146)
	(44,937)	161,181

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Finance costs

	2025 *RMB'000*	2024 *RMB'000*
Interest on lease liabilities	**1,422**	2,448

(b) Staff costs

	2025 *RMB'000*	2024 *RMB'000*
Salaries, wages and other benefits	**625,488**	585,001
Contributions to defined contribution retirement scheme	**56,432**	54,223
	681,920	639,224

(c) Other items

	2025 *RMB'000*	2024 *RMB'000*
Amortisation of intangible assets	**12,258**	10,092
Depreciation charge		
– Self-owned property, plant and equipment	**112,391**	101,141
– Right-of-use assets	**37,160**	33,856
Recognition of expected credit (reversal)/loss	**(4,086)**	19,140
Auditors' remuneration		
– audit services	**3,000**	3,000
– other assurance services	**75**	51
– non-assurance services	**276**	276
Cost of inventories	**662,651**	821,555

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2025 *RMB'000*	2024 *RMB'000*
Current tax		
Provision for the year	**39,582**	74,561
Deferred tax		
Origination and reversal of temporary differences	**69**	(40,277)
	39,651	34,284

7 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of the basic earnings per share is based on the profit attributable to equity shareholders of the Company of RMB297,841,000 (2024: RMB74,075,000) and the weighted average number of ordinary shares calculated as below:

	2025	2024
Issued ordinary shares at 1 January	**749,477,334**	749,888,699
Effect of repurchased ordinary shares	**(3,299,671)**	–
Effect of restricted shares	**–**	(411,365)
Weighted average number of ordinary shares at 31 December	**746,177,663**	749,477,334

The weighted average number of ordinary shares shown above for the purpose of calculating basic earnings per share have been retrospectively adjusted to reflect the effect of issuance of shares under bonus issue.

(b) Diluted earnings per share

The calculation of the diluted earnings per share is based on the profit attributable to equity shareholders of the Company of RMB297,841,000 (2024: RMB74,075,000), and the weighted average number of ordinary shares (diluted) calculated as below:

	2025	2024
Weighted average number of ordinary shares at 31 December	**746,177,663**	749,477,334
Weighted average number of ordinary shares (diluted) at 31 December	**746,177,663**	749,477,334

8 DIVIDENDS

(a) Cash dividends payable to equity shareholders of the Company attributable to the year

	2025	2024
	RMB'000	*RMB'000*
Final dividend proposed after the end of the reporting period of RMB0.12 per ordinary share (2024: RMB0.03 per ordinary share)	**89,541**	22,385

The profit distribution plan is subject to the approval of the equity shareholders at the forthcoming annual general meeting. The final dividend proposed after the end of the reporting period has not been recognised as a liability or transferred from reserve at the end of the reporting period.

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

	2025	2024
	RMB'000	*RMB'000*
Final dividend in respect of the previous financial year, approved and paid during the year of RMB0.03 per ordinary share (2024: RMB0.16 per ordinary share)	**22,385**	119,634

9 FINANCIAL ASSETS AT FVTPL

	2025 *RMB'000*	2024 *RMB'000*
Non-Current assets		
Equity investment in an unlisted company	**264,702**	345,245
Investments in unlisted funds	**375,290**	279,729
	639,992	624,974
Current assets		
RMB wealth management products	**1,718,323**	1,396,123
	2,358,315	2,021,097

10 TRADE AND BILLS RECEIVABLES

	2025 *RMB'000*	2024 *RMB'000*
Trade receivables	**207,100**	213,593
Less: loss allowance	**(25,972)**	(32,425)
	181,128	181,168
Bills receivables	**15,462**	36,835
	196,590	218,003

Trade receivables are primarily due on 30 days from the date of billing. The ageing analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

	2025 *RMB'000*	2024 *RMB'000*
Within 1 year	**116,419**	125,697
1 to 2 years	**33,692**	32,182
2 to 3 years	**20,627**	23,090
Over 3 years	**10,390**	199
	181,128	181,168

11 TRADE PAYABLES

	2025	2024
	RMB'000	*RMB'000*
Trade payables	**73,958**	50,222

At 31 December 2025, the ageing analysis of trade payables, based on the invoice date, is as follows:

	2025	2024
	RMB'000	*RMB'000*
Within 1 year	**70,169**	47,904
1 to 2 years	**3,789**	2,318
	73,958	50,222

As at 31 December 2025, all trade payables of the Group are expected to be settled within one year or are payable on demand.

12 SHARE CAPITAL

Issued share capital

	2025		2024	
	No. of shares	**Amount** ***RMB'000***	No. of shares	Amount *RMB'000*
Ordinary shares, issued:				
At 1 January	**749,477,334**	**749,477**	749,888,699	749,889
Cancellation of restricted shares *(Note i)*	**–**	**–**	(411,365)	(412)
At 31 December	**749,477,334**	**749,477**	749,477,334	749,477

Note:

(i) The cancellation of 411,365 restricted A Shares under the 2021 Incentive Plan was completed in July 2024.

I. Discussion and Analysis on Business Operation

In 2025, the domestic biopharmaceutical industry maintained a stable investment and financing momentum, showing an overall recovery. The Company remained committed to strengthening innovation in technology and business, and continued to deepen its presence in the industry. During the Reporting Period, the Company's overall orders on hand amounted to approximately RMB2.6 billion, with newly signed orders amounting to approximately RMB2.6 billion.

The Company has comprehensively advanced its market expansion and technological capabilities, driving growth across all business lines. In 2025, the number of projects signed by the Company in antibody, small nucleic acid, ADC and peptide drugs increased significantly year-on-year, and the number of high-difficulty and long-cycle tests such as non-human primate reproductive toxicity and carcinogenicity tests also maintained a steady upward trend.

(I) Business Capacity Development

In 2025, the Company, as always, gave priority to the quality of business, emphasizing the standardization of business operation, aiming to ensure data authenticity and accuracy. On such basis, the Company continued to organize professional training and capacity enhancement programs for its staff, while strictly controlling the quality from program design, experimental process to report delivery, striving to ensure the scientificity and uniformity of our projects. The Company has always adhered to technological innovation and was committed to using innovative technologies to meet the ever-evolving research and development needs, thereby consolidating its leading scientific research level in the industry. In addition, the Company further optimized its project management process and quality management system, while conducting its business in a rational and orderly manner through management and technological innovation, aiming to enhance customer satisfaction and provide strong support for its further business growth.

1. Drug Non-clinical Services

In order to support the research and development of innovative drugs, the Company continued to build capabilities and improve technologies in various fields on the basis of the existing comprehensive non-clinical evaluation platform, so as to maintain the Company's leading edge in the industry and meet continuously innovative and differentiated market demands.

(1) Continuous Improvement of Quality System

The Company has obtained a number of GLP qualification certifications including NMPA in China, FDA in the U.S., OECD, MFDS in South Korea and PMDA in Japan. In September 2025, the Company's facilities in Beijing and Taicang passed the OECD's GLP on-site inspection and re-inspection. The Company ensures its research quality by continuously improving its quality management system and quality management methods, reflecting its GLP operation and management capabilities in compliance with international standards. Meanwhile, such a diversified international certification system not only demonstrates the Company's exceptional ability in quality management and research compliance, but also further enhances its competitiveness in global pharmaceutical research and development. These qualifications have provided strong support for the Company's expansion into overseas markets and consolidation of its overseas presence, enabling it to better serve the needs of customers in different regions.

Suzhou facilities successfully passed the CMA certification review for medical device testing and inspection institutions in July 2025, marking the Company's formal qualification to conduct medical device biocompatibility testing, large animal trials, and other testing and inspection projects, as well as non-clinical research. Combining the Company's existing FDA and OECD GLP qualifications, and given the current industry context where the US FDA is adopting a more cautious regulatory approach to Chinese medical device testing and inspection institutions and has significantly raised compliance thresholds, the Company is well-positioned to further consolidate its technological barriers and significantly enhance its core market competitiveness during this critical period of accelerated development in the medical aesthetics, medical devices, and drug-device combination products sectors, by leveraging its comprehensive and authoritative qualification system. Meanwhile, this has also laid a solid foundation for the Company to further develop overseas markets in the future, reinforcing the implementation of its internationalization strategy, and promoting its business distribution and sustainable development globally.

(2) Further Enhancement of Business Capabilities

The Company continued to deepen the strategic development of its distinctive non-clinical evaluation platform and has comprehensively upgraded its integrated solutions for complex diseases such as ophthalmology, otology, and the central nervous system (CNS). In the sensory and neurological fields, the Company has further enriched its diverse disease model library, ranging from rodents to non-human primates, and has broken through key bottlenecks in highly complex drug delivery technologies and refined functional evaluations, effectively meeting the market's urgent need for the research and

development of drugs for refractory eye diseases, hearing impairment and neuropsychiatric disorders.

In the field of inhalation toxicity evaluation, the Company kept up with the development trend of novel target inhaled formulations. With its profound technical accumulation, it has created a one-stop service platform that covers compound screening, formulation optimization, inhalation device matching and non-clinical efficacy verification, providing strong technical support for the development of new treatment pathways for respiratory diseases.

The Company closely follows the forefront of global innovative drug research and development. Relying on 30 years of experience and technological accumulation in drug safety evaluation, it has built drug evaluation capabilities from traditional small molecules to cutting-edge modalities such as antibodies, cell gene therapy (CGT), PROTAC and nucleic acid drugs, and was steadily expanding into the medical device safety evaluation market. In recent years, brain-computer interface medical device products have been continuously developed, and the Company has completed some non-clinical experimental studies of such products to support further product transformation. Meanwhile, we have accumulated mature experience in the fields of injectable products and drug-device combination products in the medical aesthetics field, forming a differentiated technological advantage. Moreover, the Company was deeply involved in the formulation and discussion of multiple industry guidelines, integrating the latest regulatory concepts into the evaluation system, and empowering customers to accelerate the new drug development process with a flexible and efficient technology platform.

(3) An Integrated New Drug R&D Platform

The Company takes supporting innovative drug development as its primary mission, accompanying customers throughout the whole R&D process, comprehensively empowering their operations and reducing their communication costs. From the development of experimental methods to high-throughput screening, from routine drug screening to in-depth research on drug mechanism of action, and further to target verification and in vitro biological testing, we provide new drug R&D organizations with key information and technical support in the early stage of research and development leveraging our comprehensive, multi-disciplinary expertise and capabilities, helping our partners improve their efficiency in new drug development.

The Company has a full range of one-stop new drug development solutions which, with our drug discovery and screening platform as the core, mainly consist of the drug discovery platform, molecular biology interaction research and screening, in-vitro bio-drug efficacy

verification and activity screening, in-vivo pharmacological efficacy, in-vivo and in-vitro metabolism analysis, durability evaluation, and toxicity prediction and screening, among which, the drug discovery platform has the capability of early discovery of biopharmaceuticals, covering protein expression and cell line construction as well as the discovery of clinical candidate antibodies. After years of accumulation, the Company has established a number of cutting-edge technology platforms such as the All-Human Antibody Development Platform, Bispecific Antibody Research and Development Platform, Mono-B Cell Antibody Discovery Platform, Antibody Competence Evaluation Platform, ADC Integrated R&D Platform, Integrated Platform for Small Molecule in Screening and Functional Testing and Functional Testing and Safety Evaluation Platform for Gene Therapy Products. Among which:

The Comprehensive Protein and Antibody R&D Platform covers every aspect of the development process, from antibody discovery to drug development. As for our protein platform, it has a variety of antibody expression systems, which supports the expression of human, rabbit, mouse, non-human primate and nano-antibodies, and can realize the transient expression of 300-500mg antibodies. In addition, it also provides a variety of recombinant protein expression and purification services, covering prokaryotic, eukaryotic and yeast systems, using Protein A and other labels for efficient purification. Our endotoxin-depleted animal experiment sample expression platform is able to ensure high quality and suitability of the samples.

As for our antibody discovery platform, the Company provides high-throughput antibody discovery technology based on single B-cell PCR, 10X genomics single B-cell sequencing and eukaryotic cell demonstration, which is capable of rapid screening and identification of high-affinity antibodies.

For the R&D service of Antibody Drug Conjugate (ADC), the Company has built a one-stop service platform covering the entire process, covering target validation, antibody development, medicinal chemistry, bio-coupling and characterization, in-vivo/in-vitro pharmacological efficacy, pharmacokinetics and toxicity evaluation, which can provide customers with integrated ADC drug R&D service from antibody development to IND filing. We have various ADC coupling platforms and will provide supporting services such as quality control and in-vivo/in-vitro activity evaluation of ADC molecules, fully supporting customers in efficiently advancing ADC innovative drug projects.

In terms of the dual-antibody platform, it supports the construction of various dual-antibody structures and facilitates the development of highly effective dual-antibody drugs.

In terms of the Integrated Platform for Small Molecule in Vitro Screening and Functional Testing, it serves as an "accelerator" for the development of small molecule innovative drugs, and integrates technologies including high-throughput screening, flow cytometry sorting, and multi-functional verification to build a full-process research and development system from compound screening to candidate molecule confirmation. As for the functional testing, the affinity, selectivity, and cellular level activity evaluation of compounds towards targets can be simultaneously completed on the platform, leading to a qualitative improvement in screening accuracy as compared to traditional methods. Currently, the platform has completed the screening process for over 20 potential targets against the fields of tumors, metabolic diseases and neurodegenerative diseases, and successfully discovered more than ten candidate small molecules with development potential, some of which have entered the non-clinical research stage, significantly shortening the early R&D cycle.

In terms of the Functional Testing and Safety Evaluation Platform for Gene Therapy Products, focusing on the critical bottlenecks of the development of gene therapy products including viral vectors, cell therapy products, nucleic acid drugs, etc., it has developed an integrated solution covering in vitro functional verification, in vivo pharmacokinetics and safety evaluation. As for safety evaluation, a comprehensive immunogenicity detection system and a toxicity assessment module of animal models have been established for the platform, strictly following the relevant guiding principles of FDA and EMA, to ensure that the data meets international declaration standards.

The Integrated Platform for Small Molecule in Vitro Screening and Functional Testing and the Functional Testing and Safety Evaluation Platform for Gene Therapy Products have provided new development directions and customer base to our business. The synergistic operation of these two platforms not only enabled the Company to carry out deep R&D in the fields of small molecules and gene therapy, but also allowed us to offer our customers customized research services through standardized and modularized technology outputs, facilitating the establishment of an innovative ecosystem in the industry.

The Company is committed to providing customers with customized and reliable solutions to help them resolve uncertainties in the stages of new drug discovery and development, standing with them in facing the challenging complexity in the new drug development process. Overall, through multi-dimensional business capacity building and technological innovation in 2025, the Company has not only enhanced its comprehensive strength in drug research and development services, but also injected new vitality into the industry's development.

2. Drug Clinical Services

The Company's clinical services segment adheres to a strategy of focusing on core areas and cultivating and breaking through specialized fields, achieving steady business upgrades. By optimizing the entire process management of clinical trials, the Company has built a standardized, efficient and refined operating system that can provide customers with one-stop solutions from clinical protocol design, ethical review, patient recruitment to data management and statistical analysis, thereby effectively meeting the personalized R&D needs of different customers.

By 2025, the Company had developed significant experience and unique advantages in many areas. In terms of pharmaceuticals, it had accumulated rich project experience in gene therapy, cell therapy (stem cells and somatic cells) and radiopharmaceuticals; and in terms of therapeutic indications, it continued to deepen its traditional strengths in endocrinology, respiratory and other areas, and carried out in-depth cooperation with customers. Such achievements are mainly attributed to the adherence to efficient project operation and high-standard quality control, which ensured that the quality and efficiency of project delivered were always at the forefront of the industry; and the continuous efforts in specialized fields, which have successfully launched a number of highly challenging and specialized drug clinical trials, including the successful enrollment of several pediatric innovative drug clinical projects and the achievement of several milestones in clinical trials of radiopharmaceuticals. Based on its focus on core and distinctive fields, the Company's clinical services segment was developing in the direction of "refining core fields and strengthening distinctive fields".

The Company's clinical testing business provides a wide variety of services, covering clinical sample analysis and drug metabolism studies of innovative gene and cell therapy drugs, preventive and therapeutic vaccines, innovative bispecific/multi-specific antibody drugs, innovative ADC drugs, innovative PROTAC drugs, monoclonal antibody drugs with innovative targets, innovative target small molecule drugs, innovative nucleic acid drugs, etc.

In 2025, the Company has achieved multiple accomplishments. Firstly, a number of service items have passed the on-site inspection of clinical trials conducted by the National Medical Products Administration of China (NMPA), including supporting a number of innovative gene therapy products to enter the key Phase III clinical trial stage, supporting PK/immunogenicity/biomarker studies of multiple TCE drugs, supporting PK/immunogenicity/biomarker studies of multiple drugs for the treatment of autoimmune diseases, supporting immunogenicity studies of multiple preventive and therapeutic vaccines and supporting clinical trials of multiple nucleic acid and peptide drugs. Secondly, in terms of technical capabilities, the Company has steadily advanced the establishment of ability to detect biomarkers of neurological diseases (such as Alzheimer's disease (AD), Amyotrophic Lateral Sclerosis (ALS)).

In January 2025, the clinical testing laboratory's full functional relocation was finalized, significantly enhancing production capacity. In April 2025, the new site passed the CNAS 17025 surveillance review. Subsequently, "JOINN Clinical Testing" achieved high scores in the external quality assessment by the Shanghai Center for Clinical Laboratory in 11 major fields, including viral nucleic acids, non-viral nucleic acids, human papillomavirus genotyping, coagulation function, lymphocyte subsets (flow cytometry), autoantibodies, antibodies against the novel coronavirus, endocrine hormones, glycated hemoglobin and special proteins, further demonstrating its comprehensive professional capabilities in the field of clinical testing. It has also passed the proficiency testing of the National Institutes for Food and Drug Control (NIFDC) in five major areas, including vaccine protein residue, blood drug concentration, biochemical detection, hemagglutination detection, and pathological morphology. Simultaneously, it has passed the proficiency testing of the College of American Pathologists (CAP) in five fields, including antinuclear antibodies, insulin/C-peptide, reproductive hormones (estradiol, follicle-stimulating hormone, testosterone, luteinizing hormone, progesterone, prolactin, sex hormone-binding globulin, etc.), gene polymorphism (CYP2C9 and CYP2C19) and immunohistochemistry (PD-L1).

"JOINN New Drug Clinical Testing" is committed to becoming a world-class clinical testing platform, providing one-stop clinical trial sample testing services for innovative drugs in both domestic and global markets.

3. Experimental Model Research

The Company's experimental model research primarily covers three major categories to meet diverse research needs and application scenarios. Non-human primate experimental models, with physiological and pathological characteristics highly similar to those of humans, serve as indispensable key tools for studying complex disease mechanisms and evaluating drug safety and efficacy. Small animal experimental models, benefiting from advantages such as rapid reproduction, cost-effectiveness, and ease of management, are widely utilized across all the stages of drug research and development, providing crucial support for the entire drug development process. Meanwhile, the organoid platform, leveraging cutting-edge technology to closely replicate the physiological and pathological characteristics of human organs, offers a more precise and efficient experimental approach for drug screening, toxicity assessment, and the development of personalized medical treatment plans.

(1) Non-human Primate Experimental Models

The Company continued its endeavor to maintain high quality and high standards of existing key experimental models. In 2025, the overall stock of non-human primate experimental models maintained a steady growth, and continued to maintain a high level of breeding and management, and the main management indicators were further upgraded and optimized. Among them, the Company has conducted systematic screening and model validation for obesity, diabetes, hypertension, hyperlipidemia, metabolism-related steatohepatitis, atherosclerosis, neurological diseases and ophthalmology-related diseases in the field of elderly non-human primate disease models. A research system combining natural disease models and induction models has been established, providing important data support for the study of the mechanisms of geriatric diseases, drug screening and non-clinical evaluation. Meanwhile, non-human primate allogeneic hematopoietic stem cell transplantation (allo-HSCT) induced graft-versus-host disease (GvHD) and acute inflammatory bowel disease models have been established, providing support for the mechanism research and clinical translation of related diseases.

At the same time, the Company attaches great importance to the welfare management of non-human primate laboratory animals. In the daily breeding of non-human primate experimental models, we strictly follow the AAALAC international animal welfare standards to ensure the breeding of high-quality non-human primate experimental animals. In 2025, we successfully completed the on-site review and evaluation by AAALAC International and received unanimous praise from the expert group, passing the on-site review with excellent results.

(2) Small Animal Experimental Models

On the basis of the immunodeficient mouse model, the Company has developed mouse with immune deficiency and liver failure. In terms of humanizing the immune system, the Company has successfully established an immune reconstitution mouse model system based on human peripheral blood mononuclear cells (PBMCs) and human hematopoietic stem cells (HSCs), providing important support for the comprehensive evaluation of the efficacy, pharmacokinetics and toxicity of cell therapy products such as CAR-T in vivo. The development of these cutting-edge animal models facilitates the translation and evaluation of the entire drug development process and empowers non-clinical research.

(3) Organoid Platform Construction

In order to reduce the use of animals, the Company is actively investing in the research and development of new technologies such as organoids. In 2025, the Company's businesses expanded from "human multi-functional stem cell production" to various "organoid platforms". While ensuring the stability of the cell genome to the greatest extent possible, the Company has successfully induced the generation of cells into pluripotent stem cells (CiPSCs) from multiple independent individuals through cutting-edge chemical reprogramming technology. Through the organoid differentiation platform, the Company has independently developed CiPSCs-liver organoid and actively promoted the application in non-clinical pharmacological and toxicological research using liver organoids. Stem cells – spinal cord organoids have completed drug efficacy model services.

4. Drug Quality Research and Testing Business

Currently, the Company has capabilities in research and testing of quality standards for biotechnological drugs. After years of accumulation, the Company has completed the development and validation of all relevant testing methods and established a complete service system and technical capabilities. The Company has successfully established a key technology platform for biotechnology drug quality research, and has applied for and published 12 patents based on its innovative strength. The main testing methods of the business have passed CNAS certification and GLP certification, ensuring the scientific, accurate and authoritative testing results.

The Company is able to provide quality research and testing services for a wide range of innovative drugs, such as protein drugs, therapeutic vaccines, gene and cell therapy products. The scope of business covers: cell bank and virus strain bank testing, virus removal and inactivation process verification, gene and cell therapy product quality research and testing, biological activity of recombinant protein drugs and antibody drugs, establishment of transgenic cell activity assay method, etc.

In September 2025, it passed the CNAS three-in-one review for address change, expansion of accreditation scope and annual audit.

(II) Staff Building

In 2025, the Company has always adhered to the concept that "talent is the primary engine of enterprise development", closely focusing on the core business of building non-clinical drug service capabilities, continuously deepening the development of its workforce, optimizing its talent structure, and improving organizational efficiency, so as to provide a solid human resource guarantee for the Company's high-quality and sustainable development. During the Reporting Period, the Company kept up with the new trends in the development of the biopharmaceutical industry, and made adaptive adjustments to the management mechanisms of various departments in light of the actual needs of business expansion and capacity building. It further streamlined the human resource management system and promoted the precise matching of talent allocation with business development. Meanwhile, efforts have been intensified to attract talent in key fields, with a focus on core sectors such as non-clinical drug services, and actively recruiting high-end and multi-skilled talents from both domestic and international sources. In addition, the Company closely monitored talent policy trends, actively implemented various talent protection measures, and optimized the compensation and benefits system and performance appraisal mechanism so as to strengthen the compensation competitiveness of core positions and key talents and effectively enhancing team stability and cohesion. As of the end of the Reporting Period, the Company has built a talent team of more than 2,600 people with a reasonable structure and strong professional skills, which has grown steadily compared with the previous year. Among them, the proportion of technical R&D personnel has continued to increase, forming a comprehensive talent pool covering all fields such as R&D, technology, operations and management, which has strongly supported the efficient advancement and high-quality delivery of the Company's various businesses. In addition, the Company has strengthened cross-departmental collaboration mechanisms, promoted team integration, and improved the overall team collaboration efficiency through internal communication and experience sharing, ensuring the reliability and standardization of research data and helping to achieve business objectives.

(III) Production Capacity Building

20,000 m^2 facilities of JOINN Suzhou's Phase II have been successively put into operation. The design and planning of the facilities fully combines the Company's existing facilities and changing future development needs. The layout is more reasonable and the functions are more consummate. The construction of the new facilities will further improve the Company's business throughput and provide guarantees for future business operation and performance growth. In order to better assist business development and provide employees with a more comfortable working and living environment, the 20,000 m^2 supporting facilities in Suzhou have been successively put into use.

According to the Company's strategic planning and business needs, the infrastructure construction of the Guangzhou facilities has been completed and accepted. After the laboratory is renovated and put into operation, it will further enhance the overall service scale and level.

II. Financial Review

Overview

The following discussion is based on, and should be read in conjunction with, the financial information and notes included elsewhere in this announcement.

Revenue

During the Reporting Period, revenue generated from our non-clinical studies services accounted for substantially all of our total revenue. The Group's revenue for the year ended 31 December 2025 was RMB1,657.6 million, representing a decrease of 17.9% as compared to RMB2,018.3 million for the year ended 31 December 2024. The decrease was primarily driven by a reduction in project unit prices due to the lagged impact of earlier fierce competition.

The following table sets forth a breakdown of our revenue by service lines for the years indicated:

	2025		2024	
	RMB'000	***%***	*RMB'000*	*%*
Non-clinical studies services	**1,577,040**	**95.1**	1,917,487	95.0
Clinical trial and related services	**72,833**	**4.4**	99,940	5.0
Sales of research models	**7,751**	**0.5**	907	–
Total Revenue	**1,657,624**	**100.0**	2,018,334	100.0

Cost of Services

Our cost of services primarily consists of direct labor costs, cost of supplies and overhead costs.

The Group's cost of services for the year ended 31 December 2025 was RMB1,376.6 million, representing a decrease of 9.0% as compared to RMB1,512.8 million for the year ended 31 December 2024. Our cost of services remained relatively stable for the year ended 31 December 2025.

Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less our cost of services, and our gross profit margin represents our gross profit as a percentage of our revenue.

For the year ended 31 December 2025, the gross profit and gross profit margin was RMB281.1 million and 17.0%, respectively, as compared to RMB505.5 million and 25.0%, respectively, for the year ended 31 December 2024. The decrease in gross profit was mainly driven by our decreased gross profit of our non-clinical studies services, which accounted for substantially all of our total revenue during the Reporting Period. Our gross profit margin decreased for the year ended 31 December 2025, primarily driven by a reduction in project unit prices due to the lagged impact of earlier fierce competition.

Other Gains and Losses, Net

For the year ended 31 December 2025, other gains and losses, net was a loss of RMB44.9 million, representing a decrease of 127.9% as compared to the gain of RMB161.2 million for the year ended 31 December 2024. The decrease in other gains and losses, net was primarily due to the negative change in fair value of financial assets at FVTPL and the impairment loss on goodwill.

For the year ended 31 December 2025, the negative change in fair value of financial assets at FVTPL was RMB66.7 million, as compared to losses of RMB4.1 million for the year ended 31 December 2024, primarily driven by the negative valuation changes in our equity investments in an unlisted company.

For the year ended 31 December 2025, the impairment loss on goodwill was approximately RMB81.5 million in relation to the acquisition of Biomedical Research Models Inc. ("**Biomere**"), as compared to nil for the year ended 31 December 2024. The increase was mainly driven by the weaker-than-expected market recovery of overseas subsidiaries.

Gains/(losses) arising from changes in fair value of biological assets

For research models that remained as our biological assets at the end of the Reporting Period, we recognized gains of RMB514.3 million arising from changes in fair value of biological assets for the year ended 31 December 2025, as compared to losses of RMB122.9 million for the year ended 31 December 2024. The shift from losses to gains was primarily due to the increase in unit fair value of biological assets, aligning with the overall increase in the market valuation of research models.

Selling and Marketing Expenses

Our selling and marketing expenses primarily consist of staff costs relating to our marketing and business development personnel, office expenses, and others such as marketing and promotion fees, travel, conference and event expenses, incurred by our own sales and marketing personnel in connection with our business development activities.

The Group's selling and marketing expenses for the year ended 31 December 2025 was RMB36.9 million, representing an increase of 32.4% as compared to RMB27.9 million for the year ended 31 December 2024. The rise in selling and marketing expenses was primarily driven by the increase in personnel and higher costs in customer development due to fierce competition.

General and Administrative Expenses

Our general and administrative expenses primarily consist of staff costs relating to our administrative and management personnel, office expenses, depreciation and amortization expenses, expenses for research models, and others. The Group's general and administrative expenses for the year ended 31 December 2025 was RMB287.1 million, representing a decrease of 9.1% as compared to RMB315.9 million for the year ended 31 December 2024. Our general and administrative expenses remained relatively stable for the year ended 31 December 2025.

Research and Development Expenses

The research and development expenses for our Group primarily consist of staff costs relating to our research and development projects and the cost of raw materials used for research and development.

The Group's research and development expenses for the year ended 31 December 2025 was RMB87.4 million, representing a decrease of 5.9% as compared to RMB92.9 million for the year ended 31 December 2024. Our research and development expenses remained relatively stable for the year ended 31 December 2025.

Finance Costs

The Group's finance costs for the year ended 31 December 2025 was RMB1.4 million, representing a decrease of 41.9% as compared to RMB2.4 million for the year ended 31 December 2024. The decrease in finance costs was primarily due to the decrease in interest on lease liabilities.

Income Tax Expense

The Group's income tax expense for the year ended 31 December 2025 was RMB39.7 million, representing an increase of 15.7% as compared to RMB34.3 million for the year ended 31 December 2024. The increase was primarily due to the increase in profits.

The Group's effective tax rate for the year ended 31 December 2025 was 11.7% (for the year ended 31 December 2024: 33%). The decrease was primarily due to the large gains arising from positive changes in fair value of biological assets with relatively low tax rate.

Profit for the Year

As a result of the foregoing reasons, our profit for the year increased by 327.0% from RMB69.8 million for the year ended 31 December 2024 to RMB297.8 million for the year ended 31 December 2025. Our net profit margin increased from 3.5% for the year ended 31 December 2024 to 18.0% for the year ended 31 December 2025. The increase in net profit was primarily due to the gains arising from the changes in fair value of biological assets for the year ended 31 December 2025.

Capital Management

The primary goal of the Group's capital management is to maintain the Group's stability and growth while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group reviews and manages its capital structure regularly and makes timely adjustments to it in light of changes in economic conditions. To maintain or realign our capital structure, the Group may raise capital by way of bank loans or issuance of equity or convertible bonds.

Liquidity and Financial Resources

The Group's cash and cash equivalent as at 31 December 2025 were RMB911.9 million, representing a decrease of 5.5% as compared to RMB965.2 million for the year ended 31 December 2024. The Group's cash and cash equivalent remained relatively stable.

The Group's liquidity remains strong. During the Reporting Period, the Group's primary source of funds was from its ordinary course of business, including payments received from our customers for our services in non-clinical studies.

Gearing ratio

As at 31 December 2025, the gearing ratio, calculated as total liabilities over total assets, was 14.0%, as compared to 14.0% as at 31 December 2024. The gearing ratio remained relatively stable.

Foreign Exchange Exposure

We have transactional currency exposures. Certain of our time deposits, cash and bank balances, other financial assets, trade and other receivables, trade and other payables, and financial assets at FVTPL are denominated in foreign currency which are exposed to foreign currency risk. We currently do not have a foreign currency hedging policy. However, our management monitors foreign exchange exposure and will consider appropriate hedging measures in the future should the need arise.

III. Discussions and Analyses on the Company's Future Development

(I) Development Strategy of the Company

Taking drug non-clinical evaluation services as its core business and deeply leveraging its leading market position and scarce resource barriers in the field of macromolecular biopharmaceutical safety evaluation, the Company actively expands upstream and downstream service capabilities, including drug early-stage discovery, drug screening, cell testing, clinical CRO services, clinical testing services, etc. It also aims to expand the scale and capacity of experimental model production to consolidate its leading position in the distinctive sector of non-clinical safety evaluation, build an industrial chain integrating clinical trials and related services and the supply of high-quality experimental models, and provide one-stop services. In addition, guided by market demand, the Company actively develops new technologies and methods to meet the needs of innovative drugs, forming new service advantages. It further enhances its international service capabilities to participate in global competition. Ultimately, it aims to build itself into a comprehensive CRO company with international competitiveness.

(II) Business Plan

1. Drug Non-clinical Services

(1) Improve the Quality System: Compliance-Driven and Efficiency-Upgraded

In 2026, the Company will be guided by innovation, compliance, precision and efficiency, and will continuously improve the GLP system, maintain a high level of regulatory compliance and ensure that all work is carried out smoothly and compliantly.

The Company will continue to optimize its internal management system, further enhance its project management capabilities and project operation efficiency, and increase investment to continuously promote the optimization of workflows based on artificial intelligence in order to improve labor productivity and service quality and ensure the continuous improvement of service standards. In terms of model validation, the Company will focus on promoting the systematic development and validation of toxicity prediction models and in vitro toxicological alternative models, completing methodological optimization, internal validation and industry benchmarking validation, and forming standardized tools that can be used for early toxicity screening and risk warning. It will also simultaneously follow the 3R principles and internationally accepted verification frameworks (OECD/NMPA/FDA) to carry out research and development and GLP compliance verification of in vitro toxicological alternative models

such as humanized cell models, three-dimensional organoids and organ-on-a-chip. By building a closed loop of model development, validation, standardization and industrial application, we can enhance the scientific rigor, forward-looking nature and international recognition of non-clinical evaluations, providing more efficient, accurate and compliant safety evaluation support for the research and development of innovative drugs, medical devices and health-related products.

(2) *Build New Technologies and Capabilities: Innovation-Driven Development and Technological Closed Loop*

The Company will increase its investment in business and continuously develop and introduce new technologies and methods. Based on the existing pharmacology and toxicology technology system, the Company will continuously enrich and improve the evaluation platform and technology system to meet the non-clinical evaluation needs of drugs with new targets and new technologies. Particularly:

The Company will strengthen the construction of new capabilities in otology drug evaluation, small nucleic acid metabolite analysis, etc., and continuously improve disease models of the respiratory system and central nervous system. It will improve drug screening service capabilities, provide comprehensive biological services and solutions, keep up with the trends and hotspots of domestic and foreign new drug R&D, provide high-throughput screening and customized services for customers, closely follow the R&D process of customers, and establish a rapid and efficient screening platform.

The drug discovery services segment will integrate multiple technological approaches to provide customers with early R&D services from target screening verification to pre-clinical candidate compound (PCC), which includes focusing on antibody drug development, developing intelligent antibody discovery systems, constructing a multi-dimensional efficacy evaluation matrix, in-vitro biological platform and in-vivo/in-vitro pharmacological & efficacy platforms that cover multiple disease models and animal models. Meanwhile, it will optimize ADME and PK-PD service systems that meet FDA/EMA requirements, develop ultra-sensitive LC-MS/MS-based bio-analytical techniques, and construct cross-species PDPK model prediction systems; and it will also conduct early toxicity prediction and screening, develop stem cell-based liver/kidney toxicity prediction models and an AI-driven toxicity warning platform.

In addition, the Company will expand its capabilities in biological evaluation of medical devices and toxicological evaluation of veterinary and pet drugs, and actively explore mergers and acquisitions, adopting various cooperation methods to quickly establish R&D capabilities, capture the market, and form new profit growth points.

(3) International Market Development: Global Expansion and Brand Going-global

The development of the international market is an important development strategy for the Company and a key support for maintaining sustained and rapid growth. The Company will integrate the upstream and downstream chains to provide one-stop non-clinical services, divert early-stage R&D and screening projects to China for safety evaluation (GLP business), and use the rich experimental resources and efficient management in China to provide cost-effective services for overseas drug R&D enterprises. To strengthen overseas market promotion, the Company will formulate effective strategies, improve the capabilities of the sales team, deeply explore the needs of potential customers, and improve the overseas market sales system. Meanwhile, it will strengthen the construction of the international business team, recruit and train professional talents with an international background, and improve cross-cultural communication and service capabilities. The Company strives to build an international brand image, win customer reputation through high-quality services, enhance brand reputation and international market visibility, and use the Hong Kong stock platform to expand overseas brand promotion, thereby continuously consolidating and enhancing its market share and leading position in the field of non-clinical drug services.

(4) Capacity Expansion: Facility Commissioning and Talent Development

The Company will further expand its production capacity and strengthen its personnel development. First, the Company will promote the gradual commissioning of new experimental facilities to accelerate business development. Second, in terms of personnel development, the Company will strengthen the training and recruitment of talent to support the expansion of its business and ensure that new production capacity can be quickly transformed into service capabilities. Through these comprehensive measures, the Company will provide customers with more efficient and higher-quality services, promoting high-quality business development and further consolidating its leading position in the industry.

2. Drug Clinical Services

(1) Deepen the Integrated Collaboration of "Non-clinical Services + Clinical Services"

The Company will explore the potential for internal collaboration to break down business barriers and achieve efficient sharing of technology, resources and talent. Leveraging a mature system and expert team, we will build a closed-loop chain covering the early stages of R&D and the initial clinical phase, creating a deeply integrated service ecosystem. By seamlessly connecting non-clinical research with early clinical application, we will ensure consistent and accurate data, comprehensively enhancing service professionalism and core competitiveness.

(2) Focus on High-quality and Efficient Operations and Empower Accelerated R&D

Adhering to the concept of high quality, we will optimize processes and management systems to empower the entire R&D cycle with refined operations. By leveraging integrated advantages, risks can be precisely controlled, pathways can be optimized, and ineffective steps can be avoided, effectively shortening the R&D cycle and reducing costs and technological risks. We will help innovative drugs overcome bottlenecks, accelerate the transformation of research results and their market launch, and provide better treatment options for patients worldwide.

(3) Strengthen the Operational Team and Ensure Delivery Reliability

We will prioritize building a strong clinical operational team to create a professional and efficient workforce. We will implement refined management and control, clarify the division of responsibilities, and establish standardized processes and quality guidelines. At the same time, we will establish a full-cycle tracking and supervision system and a performance guarantee system, refine progress control and risk warning, and remove obstacles to the progress, ensuring that the project is delivered on schedule and with high quality and customer satisfaction is improved.

3. Experimental Model Research

(1) Population Structure Optimization and Large-scale Construction

To ensure a stable supply of non-human primate experimental models, the Company will optimize the non-human primate population structure and appropriately increase the number of breeding populations to improve animal productivity. Meanwhile, the Company plans to launch more humanized mouse models of immune cells in 2026, further enriching its experimental animal resource bank while maximizing the characteristics of immunodeficient mouse models, ensuring a sufficient supply of various experimental models and meeting the growing research and development needs.

(2) Standardized Quality Control and Accurate Validation of Disease Models

The Company will continue to promote innovation in experimental model business and improve the standardized and normalized experimental model quality assurance system to ensure the quality stability of experimental models. Through rigorous genetic screening and environmental control, the Company will develop innovative models that highly mimic the pathological characteristics of human diseases, providing solid technical support for disease mechanism research, drug screening, and pre-clinical evaluation. In addition, the Company will provide proprietary carcinogenic mouse models specifically for drug safety evaluation, ensuring the reliability and compliance of the evaluation results.

(3) Cutting-edge Experimental Model Innovation and Organoid Transformation Application Platform

The Company will increase its investment in innovation, especially in the construction and application of new experimental models and organoids, actively respond to national policy support, and explore innovative applications of organoid technology in areas such as tumor research and new drug development. In the field of non-human primates, the Company will vigorously develop disease models for aging non-human primates, especially for diseases such as obesity, diabetes, hyperlipidemia, atherosclerosis, neurological diseases, and ophthalmological diseases. In terms of mouse models, the Company will use humanized liver mouse models as a basis to serve the development of drugs for liver diseases. At the same time, the Company will increase its investment in the construction of the organoid platform, further improve and optimize existing technologies, combine more clinical resources, and bring the developed organoid platform to market to

serve more clinical research institutions. It will also enable the drug sensitivity platform to be applied to more tumor organoids, thereby providing the industry with more efficient and accurate experimental models, helping the rapid development of new drug research and development and clinical applications, and benefiting more cancer patients.

(III) Potential Risks

1. Macroeconomic Environment and Geopolitical Risks

Increased global macroeconomic volatility, frequent geopolitical conflicts and rising trade protectionism may hinder the Company's overseas business expansion and increase the risk of exchange rate losses due to exchange rate fluctuations, thereby affecting the stability of international revenue.

2. Legal and Regulatory Risks and Compliance Operation Risks

The Company's business spans multiple countries and regions, requiring it to comply with complex legal and regulatory systems and industry standards in various locations. If the Company fails to adapt to the updates of relevant laws and regulations in a timely manner or makes compliance oversights, it will face multiple challenges such as reputational damage, business disruption and declining financial performance.

3. Competition and Retention Risks for Core Talent

As the Company expands its business, its need for high-level management, technical and marketing talent is becoming increasingly urgent. However, the long talent development cycle in the industry, intensified global competition and rising labor costs have made it more difficult to attract talent. Furthermore, if a sound career advancement mechanism cannot be established, the Company will face the risk of losing key talent, which will hinder its long-term development.

4. Risk of Intensified Industry Competition

The non-clinical CRO sector continues to expand its capacity, and our competitors are expanding their laboratory facilities to increase their market share. If the Company cannot consolidate its core technology barriers and accelerate the implementation of its fundraising projects, it will be at a disadvantage in the fierce competition for existing and new businesses, thereby squeezing its profitability.

5. Upstream Supply Chain Stability Risks

The Company's non-clinical research relies heavily on third-party experimental model resources. If suppliers experience supply disruptions or significantly raise prices, it will directly lead to project delivery delays or a surge in costs, thereby negatively impacting the Company's operating performance.

6. Risks of Technological Iteration and Innovation Lag

Pharmaceutical research and development is increasingly focused on innovative drugs, with new targets and therapies emerging one after another. If the Company fails to keenly capture industry trends and promptly deploy cutting-edge technologies and methods, it may lead to a decline in service competitiveness and loss of customer demand, thereby weakening the Company's leading position in the industry.

7. New Business Development and Input-output Risks

To maintain its leading edge, the Company is actively expanding into new service areas and building new facilities. Such strategic expansions require huge resource investment. If there are problems such as poor organizational coordination, insufficient talent support or slow project progress, the new production capacity may not be able to be converted into actual profits, resulting in capital stagnation and difficulties in capital recovery, which will drag down our overall performance growth.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance with the Corporate Governance Code

The Company has adopted the principles and code provisions contained in the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), and has complied with the applicable code provisions throughout the year ended 31 December 2025.

The Board will examine and review, from time to time, the Company's corporate governance practices and operations in order to meet the relevant provisions under the Listing Rules.

Further information concerning the corporate governance practices of the Company will be set out in the corporate governance report in the annual report of the Company for the year ended 31 December 2025.

Compliance with Model Code

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard contained in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**"). Specific enquiries have been made to all the Directors and they have confirmed that they have complied with the Model Code during the year ended 31 December 2025.

Use of Proceeds from the Global Offering

The H shares of the Company (the "**Shares**") were listed on the Hong Kong Stock Exchange on 26 February 2021 and the over-allotment option described in the prospectus of the Company dated 16 February 2021 (the "**Prospectus**") was partially exercised on 19 March 2021 in respect of an aggregate of 40,800 H Shares, issued and allotted by the Company at HK$151.00 per H Share on 24 March 2021. The Company raised net proceeds in connection with the exercise of the global offering and the exercise of the over-allotment option of approximately HK$6,373.6 million (equivalent to approximately RMB5,285.2 million) (after deducting the underwriting commissions and other estimated expenses in connection with the exercise of the global offering and the over-allotment option) (the "**Net Proceeds**").

Having considered the reasons as stated in the announcements of the Company in the relation to proposed change in use of the Net Proceeds dated 28 April 2022, 30 August 2023 and 20 December 2024 (the "**Announcements**"), in order to better utilize the financial resources of the Group and to capture favorable investment opportunities, the Board has reviewed the utilization plan of the Net Proceeds and resolved to re-allocate part of the Net Proceeds.

For the period from the listing date of the Company's H Shares on the Hong Kong Stock Exchange (i.e., 26 February 2021) up to 31 December 2025, the Company has used RMB2,886.0 million for the following purposes.

Use of Net Proceeds	Approximate percentage of the total amount *(%)*	Original allocation of the Net Proceeds *(RMB million)*	New allocation of the Net Proceeds *(RMB million)*	Amount of Net Proceeds utilized as at 31 December 2025 *(RMB million)*	Amount of Net Proceeds utilized during the Reporting Period *(RMB million)*	Balance of the unutilized Net Proceeds after proposed re-allocation *(RMB million)*	Expected timeframe for utilizing the remaining unutilized Net Proceeds after proposed re-allocation
(A) Expand the capacity of our Suzhou facilities for non-clinical Studies	**16.0**	**845.6**	**57.7**	**57.7**	**–**	**–**	
(i) renovating our existing laboratory and research model facilities in Suzhou	7.9	417.5	16.0	16.0	–	–	
(ii) constructing the infrastructure of our new facilities in Suzhou	1.7	89.8	36.7	36.7	–	–	
(iii) procurement of cutting-edge equipment and laboratory technologies and investment in the research and development of novel, customized research models	5.5	290.7	5.0	5.0	–	–	
(iv) upgrading our technical and scientific research capabilities with international background at our Suzhou facilities	0.9	47.6	–	–	–	–	
(B) Strengthen our U.S. operations to cater to the rising customer demand for services provided by Biomere	**10.0**	**528.5**	**751.7**	**336.2**	**41.3**	**415.5**	
(i) upgrading our existing facilities and service team in northern California	7.6	401.7	401.7	186.5	33.1	215.2	By the end of 2028
(ii) investing in business development efforts, expanding service teams and upgrading laboratory equipment for Biomere	2.4	126.8	350.0	149.7	8.2	200.3	By the end of 2028

Use of Net Proceeds	Approximate percentage of the total amount *(%)*	Original allocation of the Net Proceeds *(RMB million)*	New allocation of the Net Proceeds *(RMB million)*	Amount of Net Proceeds utilized as at 31 December 2025 *(RMB million)*	Amount of Net Proceeds utilized during the Reporting Period *(RMB million)*	Balance of the unutilized Net Proceeds after proposed re-allocation *(RMB million)*	Expected timeframe for utilizing the remaining unutilized Net Proceeds after proposed re-allocation
(C) Further expand our facility network and service capabilities in China	**39.0**	**2,061.3**	**1,264.3**	**261.4**	**28.0**	**1,002.9**	
(i) building the Phase I of our new Guangzhou facilities with a focus on non-GLP and GLP-compliant non-clinical studies in Guangzhou	17.0	898.5	500.0	208.9	22.5	291.1	By the end of 2027
(ii) building the Phase I of our new laboratories, research model breeding facilities and clinical operations in Chongqing	17.0	898.5	500.0	12.0	0.3	488.0	By the end of 2028
(iii) enhancing our technical and scientific research capabilities at our Guangzhou and Chongqing facilities	2.6	137.4	137.4	40.5	5.2	96.9	By the end of 2028
(iv) developing cutting-edge laboratory and research model technologies	2.4	126.9	126.9	–	–	126.9	By the end of 2028

Use of Net Proceeds	Approximate percentage of the total amount *(%)*	Original allocation of the Net Proceeds *(RMB million)*	New allocation of the Net Proceeds *(RMB million)*	Amount of Net Proceeds utilized as at 31 December 2025 *(RMB million)*	Amount of Net Proceeds utilized during the Reporting Period *(RMB million)*	Balance of the unutilized Net Proceeds after proposed re-allocation *(RMB million)*	Expected timeframe for utilizing the remaining unutilized Net Proceeds after proposed re-allocation
(D) Broaden and deepen our integrated CRO service offerings with a particular focus on further expanding our clinical trial and related services	**5.0**	**264.3**	**33.1**	**33.1**	**–**	**–**	
(i) hiring approximately 220 experienced clinical trial operation professionals who hold at least a bachelor's degree and who have at least two years of work experience in clinical operations, medicine, quality control, statistical analysis and analysis of clinical samples, with a focus on early-stage clinical trial projects	0.6	31.7	8.4	8.4	–	–	
(ii) investing in business development efforts for our growing clinical trial business	0.4	21.2	–	–	–	–	
(iii) procuring new equipment, technologies, systems, databases and infrastructure for use in clinical trials, as well as in the related services such as bioanalytical services, to strengthen our service quality and customer experience	4.0	211.4	24.7	24.7	–	–	

Use of Net Proceeds	Approximate percentage of the total amount *(%)*	Original allocation of the Net Proceeds *(RMB million)*	New allocation of the Net Proceeds *(RMB million)*	Amount of Net Proceeds utilized as at 31 December 2025 *(RMB million)*	Amount of Net Proceeds utilized during the Reporting Period *(RMB million)*	Balance of the unutilized Net Proceeds after proposed re-allocation *(RMB million)*	Expected timeframe for utilizing the remaining unutilized Net Proceeds after proposed re-allocation
(E) Fund potential acquisitions of suitable (i) CROs focused on non-clinical studies, (ii) CROs focused on clinical trials, and/or (iii) research model production facilities in both China and overseas	20.0	1,057.0	2,649.9	1,895.7	–	754.2	By the end of 2028
(F) Working capital and general corporate purposes	10.0	528.5	528.5	301.9	69.5	226.6	

The Group will continue to utilize the Net Proceeds in accordance with the intended use of proceeds as set out in the Prospectus and the Announcements.

Significant Investment Held

During the Reporting Period, the Group did not have any significant investments, acquisitions or disposals.

Material Acquisition and Disposal of Subsidiaries, Associates and Joint Ventures

During the Reporting Period, the Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures.

Employee and Remuneration Policy

As at 31 December 2025, the Group had 2,649 employees, whose salaries and allowances were determined based on their performance, experience and the then prevailing market rates. We have also invested in continuing education and training programs, including internal and external training, for our management staff and other employees to upgrade their skills and knowledge. We also provide competitive salaries, project and stock incentive plans to our employees especially key employees.

During the Reporting Period, the total staff costs (including Director's emoluments) were approximately RMB681.9 million (year ended 31 December 2024: RMB639.2 million).

Future Plans for Material Investments

The Group will continue to extensively identify potential strategic investment opportunities and seek to acquire potential high-quality targets that create synergies for the Group in relation to such aspects as product research and development, product portfolio, channel expansion or cost control.

Purchase, Sale or Redemption of Listed Securities

On 28 March 2024, the seventh meeting of the fourth session of the Board of the Company was convened, at which the Board considered and approved the proposal on the repurchase of A Shares by JOINN Laboratories through centralized bidding transactions, pursuant to which the Company would repurchase its A Shares for equity incentives or employee stock ownership plans with an amount not less than RMB50 million (inclusive) and not more than RMB100 million (inclusive). Throughout 2025, the Company repurchased a total of 613,720 A Shares at an aggregate consideration of RMB10,333,513 (excluding transaction fees).

Set out below are the particulars of the Company's A Shares repurchased by the Group during the Reporting Period:

Repurchase month in 2025	**The number of A Shares repurchased**	**Highest price per share** *(RMB)*	**Lowest price per share** *(RMB)*	**Total amount (excluding transaction fees)** *(RMB)*
January	613,720	17.20	16.35	10,333,513.00
Total	613,720			10,333,513.00

During the Reporting Period, the Company did not repurchase any H Shares.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including the sale or transfer of treasury shares (as defined under the Listing Rules)) during the Reporting Period.

Capital Expenditure and Commitments

The Group's capital expenditures in 2025 primarily related to purchase of property, plant and equipment in relation to the expansion and enhancement of our facilities. In 2025, the Group incurred RMB115.2 million in relation to capital expenditures as compared to RMB264.0 million in 2024.

Contingent Liabilities

The Group had no material contingent liabilities as at 31 December 2025.

Charges on Group Assets

As at 31 December 2025, the Group did not have any material charges over its assets.

FINAL DIVIDEND

The Board proposed a profit distribution plan for the year ended 31 December 2025 (the "**2025 Profit Distribution Plan**") as follows: a dividend of RMB0.12 (2024: RMB0.03) per ordinary Share to shareholders of the Company (the "**Shareholders**") on the record date for determining the shareholders' entitlement to the 2025 Profit Distribution Plan. Based on the total issued 749,348,220 Shares of the Company as of the date of this announcement, as 3,173,920 A shares were repurchased by the Company and were not eligible for the 2025 Profit Distribution Plan, 746,174,300 Shares are eligible for the 2025 Profit Distribution Plan, and the proposed final dividend in an aggregate amount was approximately RMB89,540,916 (2024: RMB22,385,229).

The final dividend proposed after the end of the Reporting Period has not been recognized as a liability or transferred from reserve at the end of the Reporting Period. The 2025 Profit Distribution Plan is subject to, amongst others, approval by Shareholders at the forthcoming annual general meeting (the "**AGM**"). The aforesaid profit distribution is expected to be paid to the eligible Shareholders by no later than 31 August 2026.

The cash dividend will be denominated and declared in RMB, and paid in RMB and in HK dollars to A Shareholders and H Shareholders respectively. The actual amount distributed in HK dollars will be calculated based on the average of the middle exchange rate of RMB against HK dollars published on the website of the People's Bank of China for the seven working days prior to and including the date of the AGM.

The Company will withhold and pay PRC enterprise income tax on behalf of non-resident enterprise Shareholders at a tax rate of 10% when the Company distributes annual dividend to non-resident enterprise Shareholders whose names appear on the H Shares register of members. As such, any H Shares registered in the name of non-individual Shareholder, including Shares registered in the name of HKSCC Nominees Limited, and other nominees, trustees, or other organizations and groups, shall be deemed to be H Shares held by non-resident enterprise Shareholder(s), and the PRC enterprise income tax shall be withheld from any dividends payable thereon. Non-resident enterprise Shareholders may wish to apply for a tax refund (if any) in accordance with the relevant requirements, such as tax agreements (arrangements), upon receipt of any dividends.

The Company will not be required to withhold and pay any individual income tax on behalf of overseas individual Shareholders when the Company distributes the dividend to overseas individual Shareholders whose names appear on the H Share register of members. The Company will not be liable for any claim arising from any delay in, or inaccurate determination of the status of the Shareholders or any disputes over the mechanism of withholding.

According to the relevant provisions of the State Administration of Taxation of the PRC, the capitalization of reserve shall not be subject to any tax nor any withholding tax.

Information regarding the book closure period and record date to determine the entitlement to the 2025 Profit Distribution Plan and the detailed tax arrangement will be announced in due course.

AGM AND PERIOD OF CLOSURE OF REGISTER OF MEMBERS OF H SHARES

The Company will arrange the time of convening the forthcoming AGM as soon as practicable, a circular and notice of the AGM will be published and despatched to the Shareholders in a timely manner in accordance with the requirements of the Listing Rules and the Company's articles of association. Once the date of the AGM is finalized, the Company will publish an announcement in relation to the period of closure of register of members of H Shares of the Company and record date in due course.

AUDIT COMMITTEE REVIEW OF FINANCIAL STATEMENTS

The Company has established an audit committee (the "**Audit Committee**") with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal controls system of our Group, review and approve connected transaction (if any) and provide advice and comments to the Board. The Audit Committee comprises three members, namely Mr. Yang Changyun, Mr. Zhang Fan and Mr. Yang Fuquan, with Mr. Yang Changyun (being our independent non-executive Director with the appropriate professional qualifications) as chairperson of the Audit Committee.

The Audit Committee has considered and reviewed the audited consolidated annual results of the Group for the year ended 31 December 2025 and the accounting principles and practices adopted by the Group, and has discussed with management on issues in relation to internal control, risk management and financial reporting. The Audit Committee is of the opinion that the audited consolidated annual results of the Group for the year ended 31 December 2025 are in compliance with the relevant accounting standards, laws and regulations.

SCOPE OF WORK OF THE AUDITOR

The financial figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, KPMG, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by KPMG in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by the auditor on the preliminary announcement.

SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

There are no material subsequent events from 31 December 2025 to the date of this announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is published on the Company's website (www.joinnlabs.com) and the website of the Hong Kong Stock Exchange.

The 2025 annual report of the Company containing all relevant information required under the Listing Rules will be published on the websites of the Company and the Hong Kong Stock Exchange in due course.

APPRECIATION

The Board would like to express its sincere gratitude to the Shareholders, management team, employees, business partners and customers of the Group for their support and contribution to the Group.

By order of the Board
JOINN Laboratories (China) Co., Ltd.
Feng Yuxia
Chairperson

Hong Kong, 30 March 2026

As at the date of this announcement, the Board comprises Ms. Feng Yuxia as the Chairperson and executive Director, Mr. Gao Dapeng, Ms. Sun Yunxia, Mr. Gu Jingliang and Ms. Luo Xi as executive Directors, Mr. Zhang Fan, Mr. Yang Changyun, Mr. Yang Fuquan and Mr. Ying Fangtian as independent non-executive Directors, and Ms. Li Ye as employee Director.