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三生制药
3SBIO INC.

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01530)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS*

- Revenue increased by RMB8,587.7 million or 94.3% to RMB17,695.7 million.
- Gross profit increased by RMB8,518.9 million or 108.8% to RMB16,347.3 million, and gross profit margin was 92.4%.
- Net profit attributable to owners of the parent increased by RMB6,391.9 million or 305.8% to RMB8,482.2 million. Net profit attributable to owners of the parent adjusted for non-operating items¹ increased by RMB6,135.4 million or 264.6% to RMB8,454.2 million.
- EBITDA increased by RMB7,889.6 million or 248.6% to RMB11,063.4 million. EBITDA adjusted for non-operating items² increased by RMB7,633.1 million or 224.4% to RMB11,035.4 million.
- The Board proposed to declare a final dividend of HKD25 cents per share for the year ended 31 December 2025 (2024: HKD25 cents).

* All numbers in this “Financial Highlights” section are subject to rounding adjustments and therefore approximate numbers only.

Notes:

1. The net profit attributable to owners of the parent adjusted for non-operating items is defined as the profit attributable to owners of the parent for the period excluding, as applicable (such excluded items, as applicable, “**Excluded Items**”):
 - a) the expenses associated with the awarded shares granted by 3SBio Inc. (“**3SBio**” or the “**Company**”) in September 2024;
 - b) the expenses associated with the awarded shares granted by Mandi Inc. in October 2025;
 - c) the expenses associated with the awarded shares granted under a restricted share incentive plan by Sunshine Guojian Pharmaceutical (Shanghai) Co., Ltd. (“**Sunshine Guojian**”) in July 2024;
 - d) the expenses associated with the awarded shares granted under a restricted share incentive plan by Sunshine Guojian in June 2025;
 - e) fair value gains on derivative financial instruments;
 - f) fair value gains or losses on financial assets at fair value through profit or loss (“**FVTPL**”); and
 - g) non-operating foreign exchange differences.
2. The EBITDA adjusted for non-operating items is defined as the EBITDA for the period excluding the same items as listed in Note 1 above.

ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce the consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025 (the “**Reporting Period**”), together with the comparative figures for the previous year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2025

	<i>Notes</i>	2025 <i>RMB’000</i>	2024 <i>RMB’000</i>
REVENUE	5	17,695,749	9,107,978
Cost of sales	6	<u>(1,348,436)</u>	<u>(1,279,602)</u>
Gross profit		16,347,313	7,828,376
Other income and gains	5	488,776	4,701
Selling and distribution expenses		(3,630,918)	(3,351,349)
Administrative expenses		(651,233)	(501,948)
Research and development costs		(1,520,356)	(1,326,530)
Other expenses	6	(107,595)	(93,251)
Finance costs	7	(76,385)	(190,846)
Share of profits and losses of:			
Joint ventures		1,210	(1,628)
Associates		<u>(102,722)</u>	<u>350,560</u>
PROFIT BEFORE TAX		10,748,090	2,718,085
Income tax expense	8	<u>(1,651,979)</u>	<u>(500,536)</u>
PROFIT FOR THE YEAR		<u>9,096,111</u>	<u>2,217,549</u>
Attributable to:			
Owners of the parent		8,482,164	2,090,320
Non-controlling interests		<u>613,947</u>	<u>127,229</u>
		<u>9,096,111</u>	<u>2,217,549</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
— Basic	10	<u>RMB3.51</u>	<u>RMB0.86</u>
— Diluted	10	<u>RMB3.43</u>	<u>RMB0.85</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME*Year ended 31 December 2025*

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
PROFIT FOR THE YEAR	<u>9,096,111</u>	<u>2,217,549</u>
OTHER COMPREHENSIVE INCOME		
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of foreign operations	<u>(110,170)</u>	<u>38,657</u>
Net other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods	<u>(110,170)</u>	<u>38,657</u>
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	<u>127,972</u>	<u>30,563</u>
Income tax effect	<u>821</u>	<u>(1,564)</u>
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	<u>128,793</u>	<u>28,999</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	<u>18,623</u>	<u>67,656</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>9,114,734</u>	<u>2,285,205</u>
Attributable to:		
Owners of the parent	<u>8,500,787</u>	<u>2,157,976</u>
Non-controlling interest	<u>613,947</u>	<u>127,229</u>
	<u>9,114,734</u>	<u>2,285,205</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

		31 December 2025	31 December 2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		4,993,590	4,993,461
Right-of-use assets		384,049	374,056
Goodwill		4,172,350	4,252,618
Other intangible assets		1,764,629	1,684,510
Investments in joint ventures		997	637
Investments in associates		252,089	498,519
Equity investments designated at fair value through other comprehensive income		774,922	817,951
Prepayments, other receivables and other assets		284,737	326,756
Non-pledged time deposits	12	673,311	1,621,381
Deferred tax assets		278,896	295,917
		<hr/>	<hr/>
Total non-current assets		13,579,570	14,865,806
CURRENT ASSETS			
Inventories		1,047,739	795,191
Trade and notes receivables	11	1,081,513	1,305,160
Prepayments, other receivables and other assets		811,144	741,138
Financial assets at fair value through profit or loss		3,857,665	3,769,187
Derivative financial instruments		11,786	8,547
Pledged deposits	12	132,188	178,568
Non-pledged time deposits	12	3,551,534	406,492
Cash and cash equivalents	12	12,177,199	2,142,651
		<hr/>	<hr/>
Total current assets		22,670,768	9,346,934
CURRENT LIABILITIES			
Trade and bills payables	13	244,673	179,561
Other payables and accruals		1,770,369	1,721,896
Deferred income		26,968	27,131
Interest-bearing bank and other borrowings	14	1,830,588	2,243,750
Lease liabilities		19,115	15,269
Bonds payable	15	–	1,226,098
Tax payable		171,703	49,819
Financial liabilities at fair value through profit or loss		352,266	–
		<hr/>	<hr/>
Total current liabilities		4,415,682	5,463,524
NET CURRENT ASSETS		<hr/> 18,255,086	<hr/> 3,883,410
TOTAL ASSETS LESS CURRENT LIABILITIES		<hr/> 31,834,656	<hr/> 18,749,216

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

31 December 2025

		31 December 2025	31 December 2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	14	723,277	37,628
Lease liabilities		44,870	31,660
Deferred income		373,998	390,290
Deferred tax liabilities		231,217	248,835
Other non-current liabilities		25,135	4,473
		<u>1,398,497</u>	<u>712,886</u>
Total non-current liabilities		<u>1,398,497</u>	<u>712,886</u>
Net assets		<u>30,436,159</u>	<u>18,036,330</u>
EQUITY			
Equity attributable to owners of the parent			
Share capital		156	146
Treasury shares		(218,094)	(235,641)
Share premium		5,759,181	2,729,341
Reserves		21,666,827	12,942,412
		<u>27,208,070</u>	<u>15,436,258</u>
Equity attributable to owners of the parent		<u>27,208,070</u>	<u>15,436,258</u>
Non-controlling interests		<u>3,228,089</u>	<u>2,600,072</u>
Total equity		<u>30,436,159</u>	<u>18,036,330</u>

NOTES TO FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE AND GROUP INFORMATION

3SBio Inc. (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Cayman Islands Companies Laws on 9 August 2006. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**HKE**”) on 11 June 2015.

The Company is an investment holding company. During the year, the subsidiaries of the Company were principally engaged in the development, production, marketing and sale of biopharmaceutical products in the mainland area (“**Mainland China**”) of the People’s Republic of China (the “**PRC**”).

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting Standards, International Accounting Standards (“**IASs**”) and Interpretations) as issued by the International Accounting Standards Board (“**IASB**”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for equity investments and certain financial assets which have been measured at fair value. These financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of 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), 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.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to IAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries, joint ventures and associates for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

In addition, the IASB has issued amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 *Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding IFRS Accounting Standards. These examples reflect existing requirements in the corresponding IFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions. The amendments are not expected to have any significant impact on the Group's consolidated financial statements.

4. OPERATING SEGMENT INFORMATION

The Group has only one operating segment, which is the development, production, marketing and sale of biopharmaceutical products.

Geographical information

(a) Revenue from external customers

	2025 RMB'000	2024 RMB'000
Mainland China	7,909,559	8,850,696
USA	9,515,757	1,077
Other countries/regions	270,433	256,205
Total revenue	<u>17,695,749</u>	<u>9,107,978</u>

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	2025 RMB'000	2024 RMB'000
Mainland China	9,730,847	10,169,932
Other countries/regions	2,121,594	1,960,625
Total non-current assets	<u>11,852,441</u>	<u>12,130,557</u>

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Information about a major customer

Revenue of approximately RMB9,506,191,000 (2024: Nil) was derived from a license arrangement with a single customer, which comprised licensing revenue, sale of drug substance and provision of technical support services (included in revenue from contract development and manufacturing operation business).

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2025 RMB'000	2024 RMB'000
<i>Revenue from contracts with customers</i>		
Sale of biopharmaceuticals	8,006,366	8,927,872
Licensing revenue	9,425,908	—
Contract development and manufacturing operation business	263,475	180,106
Total	<u>17,695,749</u>	<u>9,107,978</u>

Revenue from contracts with customers

(a) Disaggregated revenue information

	2025 RMB'000	2024 RMB'000
Types of goods or services		
Sale of biopharmaceuticals	8,006,366	8,927,872
Licensing revenue	9,425,908	—
Contract development and manufacturing operation business	263,475	180,106
Total	<u>17,695,749</u>	<u>9,107,978</u>
Geographical markets		
Mainland China	7,909,559	8,850,696
USA	9,515,757	1,077
Other countries/regions	270,433	256,205
Total	<u>17,695,749</u>	<u>9,107,978</u>
Timing of revenue recognition		
At a point in time	17,681,912	9,107,978
Over time	13,837	—
Total	<u>17,695,749</u>	<u>9,107,978</u>

The following table shows the amount of revenue recognised in the current reporting period that was included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	2025 RMB'000	2024 RMB'000
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Sale of biopharmaceuticals	<u>13,758</u>	<u>19,877</u>

(b) *Performance obligations*

Information about the Group's performance obligations is summarised below:

Sale of biopharmaceuticals

The performance obligation is satisfied upon receipt of the biopharmaceutical products by customers and payment is generally due within 60 to 90 days from reception, except for new customers, where payment in advance is normally required. Some contracts provide customers with a right of return and trade discounts which give rise to variable consideration subject to constraint.

Licensing revenue

During the year, the Group entered into certain agreements with licensees, pursuant to which the Group granted to the licensees exclusive license for the development, manufacture, and commercialisation of certain licensed products developed by the Group in certain territories. The Group usually receives non-refundable upfront payments in accordance with license agreements and is eligible to receive milestone payments and tiered royalty payments based on net sales in the territories.

For the grant of intellectual property rights, the performance obligation is satisfied at a point in time when the licensee obtains the rights to the underlying intellectual property or the related development milestone or regulatory milestone is achieved. For arrangements that include sales-based royalties, including milestone payments based on the level of sales, and the license is deemed to be the predominant item to which the royalties relate, the Group recognises revenue at a point in time when the related sales occur.

Contract development and manufacturing operation business

The performance obligation is satisfied upon receipt of the technical services by customers as services are rendered and payment is generally due within 30 to 60 days from reception, except for new customers, where payment in advance is normally required.

	2025 RMB'000	2024 RMB'000
Other income		
Government grants related to		
— Assets (a)	34,586	30,185
— Income (b)	41,010	55,422
Interest income	303,784	147,781
Others	24,784	30,103
Total other income	<u>404,164</u>	<u>263,491</u>
Gains		
Gain on disposal of a subsidiary	2,646	—
Gain on disposal of an associate	495	—
Gain on disposal of an intangible asset	79	—
Foreign exchange differences, net	(208,013)	25,281
Fair value gains/(losses) on financial assets at fair value through profit or loss	266,778	(297,894)
Fair value gains on derivative financial instruments	23,027	13,823
Fair value losses on financial liabilities at fair value through profit or loss	(400)	—
Total gains	<u>84,612</u>	<u>(258,790)</u>
Total other income and gains	<u>488,776</u>	<u>4,701</u>

Notes:

- (a) The Group has received certain government grants to purchase items of property, plant and equipment. The grants are initially recorded as deferred income and are amortised against the depreciation charge of the underlying property, plant and equipment in accordance with the assets' estimated useful lives.
- (b) The government grants have been received for the Group's contribution to the development of the local pharmaceutical industry. There are no unfulfilled conditions or contingencies attaching to these grants.

6. PROFIT BEFORE TAX

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

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
Cost of inventories sold		1,088,233	1,116,084
Cost of service provided		260,203	163,518
Depreciation of property, plant and equipment		392,028	259,729
Depreciation of right-of-use assets		22,459	25,432
Amortisation of other intangible assets		115,938	109,787
Amortisation of long-term deferred expenses		12,234	17,674
Lease payments not included in the measurement of lease liabilities		9,378	8,242
Auditor's remuneration		6,170	7,629
Employee benefit expenses (excluding directors' and chief executive's remuneration):			
Wages, salaries and staff welfare		1,305,231	1,266,134
Equity-settled compensation expenses		107,010	29,298
Pension scheme contributions*		124,499	105,483
Social welfare and other costs		187,452	163,799
Total		<u>1,724,192</u>	<u>1,564,714</u>
Other expenses:			
Donation		10,382	25,187
Loss on termination of leases		236	—
Loss on disposal of items of property, plant and equipment		14,497	15,077
Provision for impairment of trade receivables	<i>11</i>	2,716	2,631
(Reversal of provision)/provision for impairment of prepayments, other receivables and other assets		(15,480)	2,835
Provision for impairment of other intangible assets		35,230	41,245
Others		60,014	6,276
Total		<u>107,595</u>	<u>93,251</u>

* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

7. FINANCE COSTS

An analysis of finance costs is as follows:

	2025 RMB'000	2024 <i>RMB'000</i>
Interest on bank borrowings	49,931	136,735
Interest on bonds payable	24,174	50,583
Interest on lease liabilities	2,280	3,528
Total	<u>76,385</u>	<u>190,846</u>

8. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Pursuant to the relevant rules and regulations of the Cayman Islands and the British Virgin Islands (“BVI”), the Company and the subsidiaries of the Group incorporated therein are not subject to any income tax in the Cayman Islands and the BVI.

No provision for Hong Kong profits tax has been made during the year as the Group had no assessable profits arising in Hong Kong.

Shenyang Sunshine Pharmaceutical Co., Ltd. (“**Shenyang Sunshine**”), Shenzhen Sciprogen Bio-pharmaceutical Technology Co., Ltd. (“**Sciprogen**”), Zhejiang Sunshine Mandi Pharmaceutical Co., Ltd. (“**Sunshine Mandi**”), National Engineering Research Center of Antibody Medicine (“**NERC**”) and Sunshine Guojian are qualified as High and New Technology Enterprises for the year ended 31 December 2025 and are entitled to a preferential income tax rate of 15%. The remaining PRC subsidiaries of the Group are subject to income tax at a rate of 25% on their respective taxable income. In accordance with relevant Italian tax regulations, Sirton Pharmaceuticals S.p. A. (“**Sirton**”) is subject to income tax at a rate of 27.9% (2024: 27.9%).

An analysis of the provision for tax in the financial statements is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current	1,653,397	522,004
Deferred	<u>(1,418)</u>	<u>(21,468)</u>
Total tax charge for the year	<u>1,651,979</u>	<u>500,536</u>

A reconciliation of the tax expense applicable to profit before tax using the statutory rate for Mainland China to the tax expense at the effective tax rate is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit before tax	<u>10,748,090</u>	<u>2,718,085</u>
At the PRC's statutory income tax rate of 25%	2,687,023	679,521
Preferential income tax rates applicable to subsidiaries	(934,239)	(235,212)
Additional deductible allowance for research and development expenses	(221,939)	(173,162)
Income not subject to tax	(26,921)	(68,088)
Adjustments in respect of current tax of previous periods	(27,519)	67,742
Effect of non-deductible expenses	87,613	121,978
Tax losses not recognised	92,729	29,423
Others	<u>(4,768)</u>	<u>78,334</u>
Tax charge at the Group's effective rate	<u>1,651,979</u>	<u>500,536</u>

The effective tax rate of the Group for the year ended 31 December 2025 was 15.4% (2024: 18.4%).

Pillar Two income taxes

The Group is within the scope of the Pillar Two model rules. The Group has applied the temporary mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes. The Group has performed an assessment of its exposure to Pillar Two income taxes based on the information available and the exposure was recorded in current tax.

9. DIVIDENDS

	2025 RMB'000	2024 RMB'000
Proposed 2024 final — Hong Kong Dollar (“HKD”) 25 cents per ordinary share	<u>545,320</u>	<u>—</u>
Proposed 2023 final — HKD25 cents per ordinary share	<u>—</u>	<u>545,302</u>

A final dividend in respect of the year ended 31 December 2024 of HKD25 cents per share was proposed pursuant to a resolution passed by the Board on 25 March 2025 and was approved at the annual general meeting of the Company on 25 June 2025. The dividend had been paid to the shareholders of the Company during the reporting period.

10. 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 for the year attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares of 2,418,814,396 (2024: 2,423,500,054) outstanding during the year.

The calculation of the diluted earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent as adjusted to reflect the dilution effect of the restricted shares issued by the subsidiaries of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding 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 calculations of basic and diluted earnings per share are based on:

	2025 RMB'000	2024 RMB'000
Earnings		
Earnings for the purpose of basic earnings per share	8,482,164	2,090,320
Effect of dilutive potential ordinary shares:		
Adjustment in relation to restricted shares issued by the subsidiaries of the Company	<u>(23,642)</u>	<u>—</u>
Earnings for the purpose of diluted earnings per share	<u>8,458,522</u>	<u>2,090,320</u>

	Number of shares	
	2025	2024
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation	2,418,814,396*	2,423,500,054
Effect of dilution — weighted average number of ordinary shares:		
Share options	6,615,081	—
Awarded shares	<u>40,103,176</u>	<u>43,107,688</u>
Total	<u>2,465,532,653</u>	<u>2,466,607,742</u>

* The weighted average number of shares was after taking into account the effect of treasury shares held.

11. TRADE AND NOTES RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	1,069,403	1,312,969
Notes receivable	<u>68,209</u>	<u>45,574</u>
Total	1,137,612	1,358,543
Provision for impairment of trade receivables	<u>(56,099)</u>	<u>(53,383)</u>
Net carrying amount	<u><u>1,081,513</u></u>	<u><u>1,305,160</u></u>

The Group's trading terms with its customers are mainly on credit. The credit period is generally two months, extending up to three months for major customers. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 1 month	452,382	743,850
1 to 3 months	497,356	491,003
3 to 6 months	30,934	16,054
6 months to 1 year	29,139	9,620
1 to 2 years	11,842	7,530
Over 2 years	<u>47,750</u>	<u>44,912</u>
Total	<u><u>1,069,403</u></u>	<u><u>1,312,969</u></u>

The movements in the loss allowance for impairment of trade receivables are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
At beginning of year	53,383	50,752
Impairment losses, net	<u>2,716</u>	<u>2,631</u>
At end of year	<u><u>56,099</u></u>	<u><u>53,383</u></u>

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on ageing for groupings of various customer segments with similar loss patterns (i.e., by customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2025

	Ageing						Total
	Within 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 to 2 years	Over 2 years	
Expected credit loss rates	0.32%	0.32%	0.32%	0.32%	42.81%	100.00%	5.25%
Gross carrying amount (RMB'000)	452,382	497,356	30,934	29,139	11,842	47,750	1,069,403
Expected credit losses (RMB'000)	1,470	1,616	100	94	5,069	47,750	56,099

As at 31 December 2024

	Ageing						Total
	Within 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 to 2 years	Over 2 years	
Expected credit loss rates	0.43%	0.43%	0.43%	0.43%	40.66%	100.00%	4.07%
Gross carrying amount (RMB'000)	743,850	491,003	16,054	9,620	7,530	44,912	1,312,969
Expected credit losses (RMB'000)	3,189	2,111	69	41	3,061	44,912	53,383

12. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

	2025 RMB'000	2024 RMB'000
Cash at bank and on hand	11,945,380	1,618,397
Restricted cash	231,819	524,254
Pledged deposits	132,188	178,568
Non-pledged time deposits	673,311	1,621,381
Time deposits with original maturity of more than three months	3,551,534	406,492
Subtotal	16,534,232	4,349,092
Less:		
Pledged deposits	(132,188)	(178,568)
Cash and bank balances*	16,402,044	4,170,524
Less:		
Time deposits with original maturity of more than three months	(3,551,534)	(406,492)
Non-pledged time deposits	(673,311)	(1,621,381)
Cash and cash equivalents	12,177,199	2,142,651

* Cash and bank balances include both current and non-current portions.

The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

The Group's cash and bank balances and deposits as at 31 December 2025 are denominated in the following currencies:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Denominated in:		
— RMB	3,500,124	2,953,324
— Hong Kong Dollar (“ HKD ”)	1,890,014	39,986
— United States Dollar (“ USD ”)	9,954,903	1,211,301
— Euro (“ EUR ”)	125,870	144,315
— Japanese Yen (“ JPY ”)	—	2
— Australian Dollar (“ AUD ”)	56	163
— Great Britain Pound (“ GBP ”)	—	1
— Singapore Dollar (“ SGD ”)	1,113	—
— Swiss Franc (“ CHF ”)	1,062,152	—
	<u>16,534,232</u>	<u>4,349,092</u>

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances and deposits are deposited with creditworthy banks with no recent history of default. The carrying amounts of the cash and cash equivalents approximated to their fair values as at the end of the reporting period. Deposits of approximately RMB132,188,000 (2024: RMB178,568,000) have been pledged to secure letters of credit, bank acceptance bills and pending lawsuits and arbitration as at 31 December 2025.

13. TRADE AND BILLS PAYABLES

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 3 months	215,196	152,171
3 to 6 months	18,023	24,752
Over 6 months	11,454	2,638
Total	<u>244,673</u>	<u>179,561</u>

The trade and bills payables are non-interest-bearing and repayable within the normal operating cycle or on demand.

14. INTEREST-BEARING BANK AND OTHER BORROWINGS

	2025			2024		
	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000
Current						
Bank loans — unsecured	2.00-2.11	2026	730,193	2.27-3.03	2025	1,993,750
Bank loan — secured	1.70-2.15	2026	1,100,395	2.10	2025	250,000
Bonds payable (note 15)	—	—	—	4.20	2025	1,226,098
Total — current			1,830,588			3,469,848
Non-current						
Bank loan — unsecured	2.35	2031	690,335	—	—	—
Bank loans — secured	2.75	2028	32,942	2.75	2028	37,628
Total — non-current			723,277			37,628
Total			2,553,865			3,507,476
				2025	2024	
				RMB'000	RMB'000	
Interest-bearing bank borrowings denominated in:						
— RMB				2,520,923	800,374	
— HKD				—	721,367	
— EUR				32,942	759,637	
Total				2,553,865	2,281,378	
				2025	2024	
				RMB'000	RMB'000	
Analysed into:						
Within one year or on demand				1,830,588	2,243,750	
In the second to third years, inclusive				32,942	—	
In the third to sixth years, inclusive				690,335	37,628	
Total				2,553,865	2,281,378	

Notes:

- For the year ended 31 December 2025, the bank borrowings bear interest at fixed interest rates ranging from 1.70% to 2.75% (31 December 2024: 2.10% to 3.03%) per annum.
- Certain of the Group's bank borrowings are secured by mortgages over the Group's freehold land and buildings.
- The Group has entered into certain recourse factoring agreements with certain bank for financing purposes. As at 31 December 2025, none of trade receivables (31 December 2024: RMB251,803,000) had been transferred under recourse factoring agreements.

15. BONDS PAYABLE

On 26 June 2023, the Company issued unsecured non-listed bonds in an aggregate amount of RMB1,200,000,000 (the “**Panda Bonds**”). The bonds were priced at par at RMB100 each, carrying interest at a fixed rate of 4.20% per annum. The Company repaid the bonds on 25 June 2025.

	31 December 2025 RMB'000	31 December 2024 RMB'000
Bonds payable	<u>—</u>	<u>1,226,098</u>
Amount repayable: Within one year	<u>—</u>	<u>1,226,098</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Overview

3SBio is a leading biotechnology company in Mainland China. As a pioneer in the Chinese biotechnology industry, the Group has extensive expertise in researching, developing, manufacturing and marketing bio-pharmaceuticals. The core commercialized products of the Group include several bio-pharmaceutical drugs, namely TPIAO (特比澳), recombinant human erythropoietin (“**rhEPO**”) products EPIAO (益比奥) and SEPO (賽博爾), Yisaipu (益賽普) and Cipterbin (賽普汀), and a small molecule drug, Mandi (蔓迪®) series of minoxidil drugs. TPIAO is the only commercialized recombinant human thrombopoietin (“**rhTPO**”) product in the world. According to IQVIA¹, the market share in the treatment of thrombocytopenia of TPIAO in Mainland China was 60.4% in 2025 in terms of sales value. With its two rhEPO products, the Group has been the premier market leader in the Mainland China rhEPO market for over two decades, holding a total market share of 39.6% in 2025. Yisaipu is the first-to-market Tumour Necrosis Factor (“**TNF**”) α inhibitor product in Mainland China. Mandi has a dominant position in the Mainland China hair loss drug market. The Group has been expanding its therapeutic coverage by adding products through internal research and development (“**R&D**”) and various external strategic partnerships.

Key Events

Cooperation with Duality Biologics in respect of HER2 ADC Drug

As announced on 13 January 2025, Shenyang Sunshine, a wholly-owned subsidiary of the Company, and its subsidiaries entered into a cooperation agreement with Duality Biologics (Shanghai) Co., Ltd. (“**Duality Biologics**”), a clinical-stage innovative biopharmaceutical company focusing on the R&D of next-generation ADC therapeutic drugs for patients suffering from cancers and autoimmune diseases, in respect of a HER2 ADC drug DB-1303. Pursuant to the agreement, Shenyang Sunshine will obtain the commercialization right of the HER2 ADC drug DB-1303 developed by Duality Biologics for various indications in Mainland China, Hong Kong and Macau. Shenyang Sunshine will pay Duality Biologics an initial payment as well as R&D and sales milestone payments in accordance with the agreement. Meanwhile, Duality Biologics will continue to be responsible for the clinical development, registration and other works of the relevant indications in the cooperative regions.

¹ All market share information throughout this announcement cites the IQVIA data, unless otherwise noted.

707 Injection Granted Breakthrough Therapy Designation by NMPA

On 17 April 2025, the anti-vascular endothelial growth factor (“**VEGF**”)/programmed cell death protein 1 (“**PD-1**”) bispecific antibody (“**BsAb**”) (Group R&D code: 707 Injection), independently developed by 3SBio, was granted a Breakthrough Therapy Designation (“**BTD**”) by the National Medical Products Administration (“**NMPA**”) of the PRC. The designated indication is the first-line treatment of PD-L1 positive locally advanced or metastatic non-small cell lung cancer (“**NSCLC**”).

707 Injection is a BsAb targeting VEGF/PD-1, independently developed by 3SBio based on its proprietary CLF2 platform. It has also received approval from the U.S. Food and Drug Administration (“**FDA**”) for its Investigational New Drug (“**IND**”) application.

The Center for Drug Evaluation (“**CDE**”) of the NMPA provides policy support for drugs that have been granted BTDs, including prioritised allocation of resources for communication, enhanced guidance, and accelerated drug development. Upon submission of a New Drug Application (“**NDA**”), if the relevant criteria are met, priority review and approval status may be granted, thereby expediting the market launch process.

707 Out-license to Pfizer

– License Agreement

On 19 May 2025, the Company, Shenyang Sunshine and Pfizer Inc. (“**Pfizer**”) entered into an exclusive licensing agreement (the “**License Agreement**”). Sunshine Guojian joined as a signing party through a joinder agreement.

Pursuant to the License Agreement, the Company and Shenyang Sunshine grant an exclusive license to Pfizer to develop, manufacture, commercialize, and otherwise exploit the Group’s breakthrough PD-1/VEGF BsAb (“**707**”) worldwide excluding Mainland China (the “**Licensed Territory**”). The Company and Shenyang Sunshine retain the development, manufacturing, commercialization, and other exploitation rights of 707 within Mainland China. Pfizer has the option of commercialization rights in Mainland China.

Pfizer shall be responsible for bearing all costs of the development and regulatory affairs for all future trials of 707 in the Licensed Territory.

Pursuant to the License Agreement, the Group shall receive an upfront payment of USD1,250 million and may receive potential payments totaling up to USD4,800 million, including development, regulatory approval and sales milestone payments. All such payments are non-refundable and non-creditable. The Group will also receive a tiered double-digit percentage of royalties on net product sales in the Licensed Territory.

The License Agreement came into effect on 24 July 2025.

For further details, please refer to the Company’s announcements dated 20 May 2025 and 24 July 2025.

– *Option Agreement*

The option agreement in respect of Pfizer’s option to commercialize 707 in Mainland China (the “**Option Agreement**”) has also come into effect as of 24 July 2025. The Option Agreement grants Pfizer an exclusive option to develop and commercialize 707 in the PRC. The Group will receive non-refundable and non-creditable option fee and exercise fee totaling no more than USD150 million. Upon exercise of such option as contemplated under the Option Agreement, the licensed territory under the License Agreement will be worldwide. The Group retains the right to supply 707 pursuant to the Clinical Supply Agreement executed on 2 July 2025 and the Commercial Supply Agreement to be negotiated if Pfizer exercises the option under the Option Agreement.

For further details, please refer to the Company’s announcements dated 20 May 2025 and 24 July 2025.

– *Subscription of New Shares by Pfizer*

On 24 July 2025, the Company entered into a subscription agreement with Pfizer. Completion of the subscription took place on 1 August 2025. A total of 31,142,500 ordinary shares of the Company (ordinary share(s) of USD0.00001 each in the issued share capital of the Company, “**Share(s)**”) (all such 31,142,500 Shares, “**Pfizer Shares**”) was successfully issued to Pfizer at the subscription price of HKD25.2055 per share. The subscription price represents a discount of approximately 17.09% to the closing price of HKD30.40 per ordinary share as quoted on the HKEx on the date of the subscription agreement and a discount of approximately 15.47% to the average closing price of HKD29.82 per ordinary share as quoted on the HKEx for the last five trading days immediately preceding the date of the subscription agreement. The Pfizer Shares represent (i) approximately 1.30% of the issued share capital of the Company immediately before completion; and (ii) approximately 1.28% of the issued share capital of the Company as enlarged by the issue and allotment of the Pfizer Shares. The aggregate nominal value of the Pfizer Shares was USD311.425.

The aggregate gross proceeds from the subscription amounted to approximately HKD785.0 million and the net proceeds arising from the subscription amounted to approximately HKD785.0 million, after deduction of relevant costs and expenses. Accordingly, the net subscription price was approximately HKD25.2055 per subscription share. As disclosed in the Company’s announcement dated 24 July 2025, the Company intends to use (i) approximately HKD628.0 million (representing 80% of the net proceeds) for the global R&D arrangement of clinical and preclinical programs within its pipeline, as well as to the enhancement of manufacturing facilities; and (ii) approximately HKD157.0 million (representing 20% of the net proceeds) for other general corporate purposes.

The subscription represents a good opportunity to (i) secure additional funding for the Company and enhance the Company’s shareholder base with Pfizer as a strategic investor; and (ii) further empower its business growth and grant the Company more support and flexibility on the pipeline development initiatives, unlocking greater potential of its assets in global market and ultimately generating sustainable long-term returns for the Company and its shareholders.

For further details, please refer to the Company's announcements dated 24 July 2025 and 1 August 2025.

Grant of Awarded Shares by Mandi Inc.

On 20 October 2025, as part of the Group's initiatives to incentivise the performance of its directors, senior management and employees, the board of directors of Mandi Inc., a wholly-owned subsidiary of the Company, has resolved to issue 640 ordinary shares of Mandi Inc. (one ordinary share of Mandi Inc., "**Mandi Share(s)**") for awards (such 640 Mandi Shares as so awarded, "**Awards**") to selected participants, among which 290 Mandi Shares were issued to Mandi Group Limited, a holding company of the trust constituted to service the Mandi Equity Incentive Plan and 350 Mandi Shares were issued to Hero Grand Management Limited ("**Hero Grand**"). The consideration for the issuance of Mandi Shares to Hero Grand and Mandi Group Limited was determined after taking into account, among others, the past contribution made by the selected participants to Mandi Inc. and the Group.

The 640 Awards represent (i) approximately 6.84% of the issued share capital of Mandi Inc. as at 20 October 2025; and (ii) 6.4% of the issued share capital of Mandi Inc. as enlarged by the issue of the Awards. The aggregate nominal value of the Awards is USD640.00.

After the issue of Awards, the Company's effective interest in Mandi Inc. goes down from 100.0% to 93.6%, and Mandi Inc. will remain as a subsidiary of the Company.

The Awards will be allotted and issued for the purpose of the Mandi Equity Incentive Plan in accordance with the forms of share award agreements approved by the Mandi Inc. board pursuant to the Mandi Equity Incentive Plan.

The grant of the Awards is beneficial to and in the interest of Mandi Inc., the Group and the shareholders of the Company as a whole from a business sustainability and stability perspective.

For further details, please refer to the Company's announcement dated 20 October 2025.

Placing of New Shares

On 9 December 2025, an aggregate of 105,169,500 Shares (any one or more such Shares, "**Placing Shares**", the placing of such Shares, "**Placing**") have been placed by the placing agent to not less than six places at the placing price of HKD29.62 per Placing Share pursuant to the terms and conditions of the placing agreement, representing approximately 4.14% of the total number of the Shares in issue as enlarged by the issue of the Placing Shares.

The Placing Price was determined on an arm's length basis between the Company and the sole placing agent and with reference to the prevailing market price of the Shares and represents (i) a discount of 6.50% to the closing price of HKD31.68 per Share as quoted on the HKEx on the trading day immediately preceding the date of the placing agreement; and (ii) a discount of approximately 5.29% to the average closing price of approximately HKD31.28 per Share as quoted on HKEx for the last five consecutive trading days immediately preceding the date of the placing agreement.

The estimated gross proceeds and net proceeds (after deducting the placing commission and other related expenses and professional fees) from the Placing will amount to approximately HKD3,115.12 million and HKD3,086.84 million, respectively.

The Board is of the view that the Placing will enlarge the shareholder base and the capital base of the Company. In addition, the net proceeds of the Placing will strengthen the Group's financial position for its future development. Accordingly, the Board considers that the Placing is in the interests of the Company and its shareholders as a whole.

As disclosed in the Company's announcement dated 9 December 2025, the Company intends to use: (i) approximately 80% or HKD2,469.47 million for R&D-related expenditures, including: (a) advancing clinical research in Mainland China and the United States on innovative drug candidates in the R&D stage to accelerate pipeline progress; (b) supporting indication expansions or clinical trials outside of Mainland China for commercialised drugs to further enhance product value and expand market reach; and (c) building the global infrastructure and facilities; and (ii) approximately 20% or HKD617.37 million for working capital and other general corporate purpose to support the Group's ongoing operations and strategic initiatives.

For further details, please refer to the Company's announcements dated 2 December 2025 and 9 December 2025.

Mandi Spin-off

The Company proposed to spin-off and separately list the shares of Mandi Inc. (together with its subsidiaries, the "**Spin-off Group**"), a subsidiary of the Company, on the Main Board of the HKEx (the "**Proposed Spin-off**"). The Proposed Spin-off, if proceeded, is expected to be implemented through (i) a distribution in specie by the Company of all the Mandi Shares that it holds to the shareholders of the Company in proportion to their respective shareholding in the Company as of a record date to be determined by the Board for the purpose of ascertaining the shareholders' entitlements and the (ii) global offering of new shares of Mandi Inc., comprising the offer of Mandi Shares for subscription by the public in Hong Kong and the placing of Mandi Shares to professional and institutional investors (the "**Global Offering**").

The Spin-off Group is a leading specialized consumer pharmaceuticals company in Mainland China dedicated to developing and delivering comprehensive and long-term solutions for skin health and weight management. Mandi Inc. primarily focuses on, and has established a leadership position in, the hair health sector within the broader skin health industry. Mandi Inc. introduced Mainland China's first 5% minoxidil tincture in 2001 under the Mandi (蔓迪®) brand, and further launched the second-generation minoxidil-based product, Mandi (蔓迪®) 5% minoxidil foam, in 2024.

The Company considers that the Proposed Spin-off is in the interests of the Group and the shareholders of the Company taken as a whole given, among others, the Proposed Spin-off will better position the Group (excluding the Spin-off Group and Sunshine Guojian) and the Spin-off Group for growth in their respective businesses and deliver benefits to both groups. The HKEx has confirmed that the Company may proceed with the Proposed Spin-off.

On 20 November 2025, Mandi Inc. submitted an application to the HKEx for the listing of the shares of Mandi Inc. on the Main Board of the HKEx by way of (i) a distribution in specie of all the Mandi Shares the Company holds in Mandi Inc. and (ii) the Global Offering of Mandi Inc.’s new shares. A redacted version of the application proof of the listing document of Mandi Inc. is available for viewing and downloading on the HKEx’s website.

The distribution in specie shall be approved by the shareholders of the Company or the Board as required under the articles of association of the Company.

As the listing is conditional upon, among other things, the approvals of the Listing Committee of the HKEx, the final decision of the Board and the board of Mandi Inc., the market and other considerations, the Proposed Spin-off may or may not occur. Shareholders of the Company and other investors are reminded to exercise caution when dealing in the securities of the Company.

For further details, please refer to the announcements of the Company dated 20 November 2025 and 30 March 2026.

Key Commercialized Products

TPIAO

TPIAO is the Group’s self-developed proprietary product, and has been the only commercialized rhTPO product in the world since its launch in 2005. TPIAO has been approved by the NMPA for four indications: the treatment of chemotherapy-induced thrombocytopenia (“**CIT**”), immune thrombocytopenia (“**ITP**”), pediatric ITP and Chronic Liver Disease-Related Thrombocytopenia (“**CLDT**”). TPIAO has the advantages of higher efficacy, faster platelet recovery and fewer side effects as compared to alternative treatments.

TPIAO has been listed on the National Reimbursement Drug List for Basic Medical Insurance, Work-Related Injury Insurance and Maternity Insurance (《國家基本醫療保險、工傷保險和生育保險藥品目錄》) (“**NRDL**”) as a Class B Drug for the treatment of CIT in patients with solid tumors or ITP since 2017. In the “*Guidelines of CSCO – Cancer Therapy Induced Thrombocytopenia (2024 version)*”^{#2}, rhTPO is listed as a treatment choice with the highest level recommendation, the Grade I recommendation. According to the “*Adapted Guideline for the Diagnosis and Treatment of Primary Immune Thrombocytopenia for Chinese Children (2021)*”³, rhTPO is the preferred choice among the conventional second line treatments. According to the “*Chinese Guideline on the Diagnosis and Management of Adult Primary Immune Thrombocytopenia (2020 version)*”⁴, rhTPO is one of the primary treatments for ITP

[#] In this announcement cited clinical guidelines and expert consensuses may have newer editions, with relevant contents in respect to any product of the Group still unchanged and current.

² Issued by the Chinese Society of Clinical Oncology (“**CSCO**”)

³ Issued by the Subspecialty Group of Hematologic Diseases, the Society of Pediatrics, Chinese Medical Association (the “**CMA**”); the Editorial Board, Chinese Journal of Pediatrics

⁴ Issued by the Thrombosis and Hemostasis Group of the Chinese Society of Hematology of the CMA

emergency cases and is the preferred choice in the second line treatments list for both ITP and ITP in pregnancy. In “*Consensus on the Clinical Diagnosis, Treatment, and Prevention of Chemotherapy-Induced Thrombocytopenia in China (2019 version)*”⁵, rhTPO is one of the primary treatments for CIT. rhTPO has also received similar professional endorsements in several national guidelines and experts consensus on treating certain other diseases in Mainland China.

Future growth of TPIAO may be driven by: (i) the enhanced market position as for inpatients attributable to its safety and efficacy, and its continually supplanting traditional interleukin (“**IL**”) platelet-raising drugs in clinical use; (ii) the continued increase in the number of hospitals covered; and (iii) the expansion of indications. During the Reporting Period, its market share for the treatment of thrombocytopenia in Mainland China was 27.7% in terms of sales volume and 60.4% in terms of sales value. In December 2025, TPIAO in the treatment of CLDT has been approved by the NMPA.

EPIAO

EPIAO is approved by the NMPA for the following three indications: the treatment of anemia associated with chronic kidney disease (“**CKD**”), the treatment of chemotherapy-induced anemia (“**CIA**”), and the reduction of allogeneic blood transfusion in surgery patients. rhEPO products has been listed on the NRDL as a Class B Drug for renal anemia since 2000, for CIA in patients with non-hematological malignancies since 2019, and, additionally, rhEPO products for the reduction of allogeneic blood transfusion in surgery patients also is under NRDL coverage since 2024. EPIAO has also been listed on the 2018 National Essential Drug List. EPIAO has consistently been the premier market leader in the Mainland China rhEPO market since 2002 in terms of both sales volume and sales value. The multi-center biosimilar clinical trials for EPIAO in Russia and Thailand were completed in 2021. These trials demonstrate that EPIAO has promising effectiveness and manageable safety in patients with end-stage renal disease on hemodialysis. EPIAO is in the process of registration in several countries in Asia, Africa, Europe, South and North America.

Yisaipu

Yisaipu (Recombinant Human TNF- α Receptor II: IgG Fc Fusion Protein for Injection), is a TNF- α inhibitor product. It was first launched in 2005 in Mainland China for rheumatoid arthritis (“**RA**”). Its indications were expanded to ankylosing spondylitis (“**AS**”) and psoriasis in 2007. Yisaipu has been listed on the NRDL as a Class B Drug since 2017 for RA and for AS, each subject to certain medical prerequisites, and additionally, since 2019 for the treatment of adult patients with severe plaque psoriasis. Yisaipu is the first-to-market TNF- α inhibitor product in Mainland China that filled a gap among domestic peers in regard to the fully-human therapeutic antibody-drugs. Compared with competitors, the efficacy and safety of Yisaipu have been proven in the domestic market over two decades. In “*2018 China Rheumatoid Arthritis Treatment Guidance*”, an authoritative document issued by the CMA, Yisaipu was adopted under ‘TNF- α inhibitors’ as one of the RA treatment options, and TNF- α inhibitors was

⁵ Issued by the Society of Chemotherapy, China Anti-Cancer Association; and Committee of Neoplastic Supportive-Care (CONS), China Anti-Cancer Association

deemed as a group of biological agents with relatively sufficient evidence and relatively wide adoption in treating RA. TNF- α inhibitors have been recommended in a number of professional guidelines, such as “*EULAR Recommendations for the Management of Rheumatoid Arthritis with Synthetic and Biological Disease-Modifying Anti-rheumatic Drugs: 2022 Update*”, “*Group for Research and Assessment of Psoriasis and Psoriatic Arthritis (GRAPPA): Updated Treatment Recommendations for Psoriatic Arthritis 2021*” and “*Recommendations for Diagnosis and Treatment of Ankylosing Spondylitis*”.⁶

The Group will continue to enhance the awareness and application of Yisaipu within the medical profession and foster market growth of rheumatic immune biological agents in key third and fourth tier cities, and meanwhile, actively expand the application of Yisaipu in different departments and fields including Chinese traditional medicine. The pre-filled syringe of Yisaipu, launched since 2023, improves patient convenience and enhances the overall market competitiveness of Yisaipu.

Cipterbin

Cipterbin (Inetetamab) is the first innovative anti-HER2 monoclonal antibody (“**mAb**”) in Mainland China with the engineered Fc region and optimized production process. Sunshine Guojian independently developed this product based on its proprietary technology platform. It was approved by the NMPA in June 2020 for treatment of HER2-positive metastatic breast cancer in combination with chemotherapy. Cipterbin has been listed on the NRDL since 2020. Inetetamab has been included in several clinical guidelines and experts consensus, including “*Guidelines of CSCO – Breast Cancer (2025 edition)*” and “*Guidelines for Breast Cancer Diagnosis and Treatment by China Anti-Cancer Association (2026 edition)*”. In addition, positive research progress has been made in the application of Cipterbin in early neo-adjuvant therapy, treatment of advanced HER2-positive breast cancer, and pan-HER2. These researches provide a strong scientific basis for Cipterbin in the treatment of breast cancer at different stages, and also provide new ideas for the treatment of other HER2-positive cancers.

Mandi (蔓迪®) minoxidil

Mandi (蔓迪®) minoxidil tincture was launched in 2001 as the first over-the-counter (“**OTC**”) drug in Mainland China for androgenetic alopecia (“**AGA**”) and alopecia areata. Minoxidil is the world’s only topical OTC drug for male and female alopecia that is approved for marketing by the U.S. FDA as well as the NMPA. The topical minoxidil can promote hair growth through: (i) promoting angiogenesis to increase regional blood supply and dilate scalp vascular, so as to improve microcirculation; (ii) directly stimulating proliferation and differentiation of hair follicle epithelial cells to extend hair growth cycle; and (iii) regulating the balance between calcium ion and potassium ion. In the “*Guideline for Diagnosis and Treatment of Androgenetic Alopecia*” issued by Chinese Medical Doctor Association, minoxidil receives the highest level of endorsement, as it is superior to other AGA treatments in terms of anti-alpecia and improvement effects and safety. In “*Chinese Experts Consensus on the Diagnosis and Treatment of Female Androgenetic Alopecia (2022 edition)*” (issued by the CMA), 5% minoxidil also receives the highest level of endorsement for the treatment of female androgenetic alopecia (FAGA).

⁶ Issued by Chinese Rheumatology Association of the CMA, Chin J Intern Med, August 2022, Vol. 61, N

In 2025, Mandi still had a dominant position in the Mainland China hair loss drug market. The Group believes that Mandi's continuous growth in the future will be driven by: (i) persistent market education, as the Group will continue to invest resources in promotion and market education regarding the science of hair growth, enhancing the social recognition of Mandi as the top brand of scientific hair growth; (ii) professional digital marketing system, as Mandi expands its online layout from traditional e-commerce platforms such as Ali, JD, to new e-commerce platforms like TikTok store and RedNote, creating diversified and fine-tuned operation, accurately reaching and converting potential customers, and continuously boosting sales on e-commerce platforms; and (iii) launch of new SKUs of the brand.

CDMO Business

The Group's contract development and manufacturing operation ("**CDMO**") business currently comprises Northern Medicine Valley Desen (Shenyang) Biologics Co., Ltd. ("**Desen Biologics**"), Shanghai Shengguo Pharmaceutical Development Co., Ltd., Guangdong Sunshine Pharmaceutical Co., Ltd. ("**Guangdong Sunshine**") and Sirton in Italy, all being the Group's subsidiaries. Among them, Desen Biologics has a total planned area of 500 Chinese mu, designed as a biopharmaceutical CDMO base, a manufacturing base of biopharmaceutical raw and auxiliary materials and consumables, and a biopharmaceutical core process equipment base that are domestically-leading, oriented to the international market and compliant with relevant Chinese, EU and U.S. Good Manufacturing Practice (GMP) regulations. Guangdong Sunshine focuses on services in GCT (Gene and Cell Therapy).

Research and Development

The Group's integrated R&D platform covers a broad range of technical expertise in the discovery and development of various innovative large and small molecule products, including antibody discovery, molecular cloning, antibody/protein engineering, gene expression, cell line construction, manufacturing process development, pilot and large-scale manufacturing, quality control and assurance, design and management of pre-clinical and clinical trials, and regulatory filing and registration. The Group is well experienced in the R&D of mammalian cell-expressed, bacterial cell-expressed and chemically-synthesized pharmaceuticals.

The Group focuses its R&D efforts on researching and developing innovative biologicals. Currently, the Group has several leading biological products in various clinical development stages in the areas of nephrology, oncology, autoimmune and inflammatory diseases, ophthalmology, dermatological and metabolic diseases.

The Group's R&D team, consisting of nearly 800 experienced scientists, is working diligently to research and discover new medicines, to accelerate the progress of clinical development, and to bring breakthrough therapies to fulfill the unmet medical needs of patients.

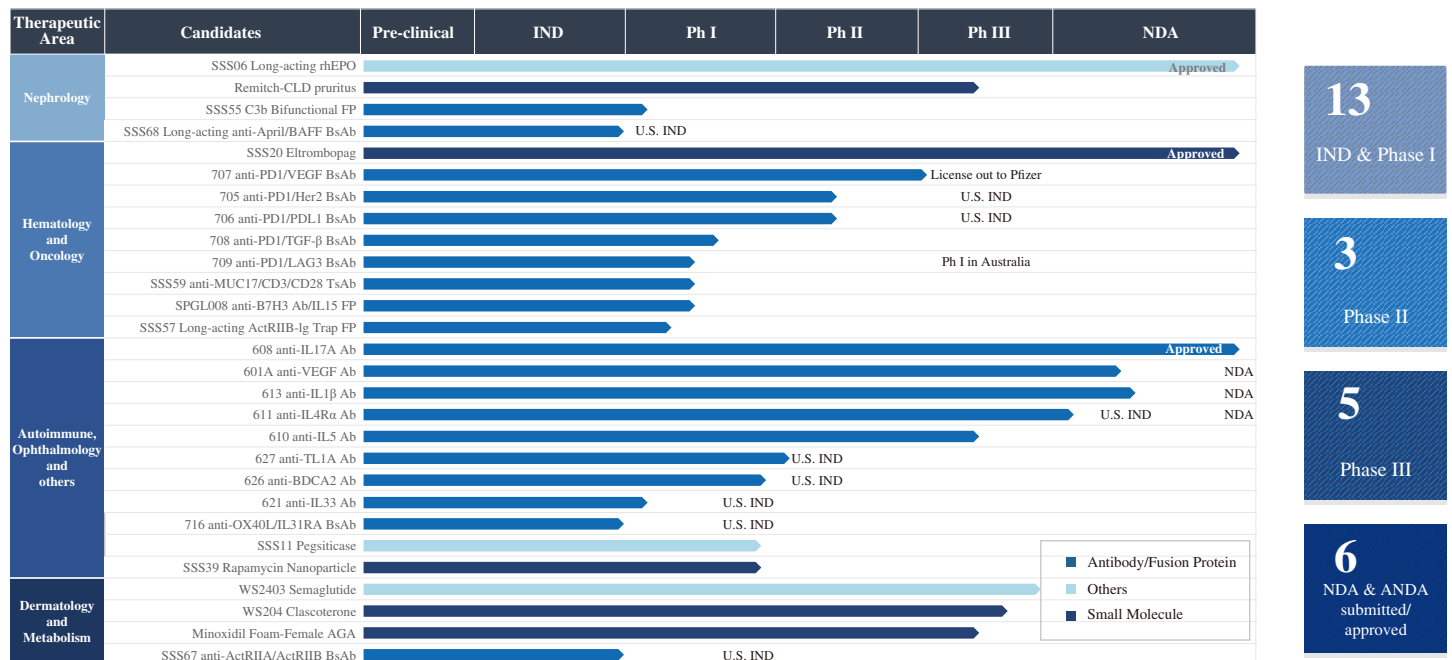
R&D Pipeline

As at 31 December 2025, amongst the 27 key product candidates within the Group's active pipeline, 24 were being developed as innovative drugs in Mainland China. 19 are antibodies or fusion proteins, 3 are other biologic products, and 5 are small molecule drugs. The Group has 8 product candidates in hematology/oncology; 11 product candidates that target auto-immune diseases including plaque psoriasis, atopic dermatitis (AD), gouty arthritis, etc., ophthalmic disease (branch retinal vein occlusion (“**BRVO**”)), and other diseases; 4 product candidates in nephrology; 2 product candidates in dermatology and 2 product candidate in metabolic diseases.

Notes to R&D Pipeline Chart (below):

- (1) ANDA: abbreviated NDA; and
- (2) The chart only displays the highest clinical stage of all the indications of a product candidate.
- (3) TPO-106 CLDT indication has been approved in 2025.

R&D Pipeline



Leveraging more than thirty years of experience in biopharmaceuticals R&D, the Group has deployed a number of early discovery projects in hematology, oncology and autoimmune fields, covering more than 10 innovative targets, which provide a long-term strategic reserve for the Group's R&D pipeline.

Key Product Developments

(Unless otherwise noted, this section headed “Key Product Developments” addresses the developments in Mainland China.)

– New Drug Application

Anti-IL-17A mAb (608): 608 in patients with moderate-to-severe plaque psoriasis was approved for marketing in February 2026. The patient enrollment for the phase III clinical study of 608 for the treatment of patients with ankylosing spondylitis is ongoing. The phase II clinical trial of 608 for patients with non-radiographic axial spondylitis has been completed and achieved positive results, while the phase III clinical trial for this indication has initiated.

Eltrombopag (SSS20): SSS20 in patients with ITP and Severe Aplastic Anemia (SAA) was approved for marketing in March 2026.

NuPIAO (Loncipoetin alfa Injection, SSS06): The NDA for SSS06 is approved for marketing by the NMPA for the treatment of adult dialysis patients undergoing erythropoietin therapy with a biweekly dosing interval. Moreover, the patient enrollment of the phase II clinical study of SSS06 targeting CIA is completed.

Anti-IL-1 β mAb (613): The NDA of 613 for the treatment of acute gouty arthritis (AG) was accepted for review in June 2025. Additionally, the phase II clinical trial treating patients in the intermittent phase of gouty arthritis (PFG) has been completed.

Anti-IL-4R α mAb (611): The NDA of 611 in adult patients with AD was accepted for review in February 2026. The phase III clinical trial for Chronic Rhinosinusitis with Nasal Polyps (CRSwNP) is ongoing. The phase II clinical trial of 611 for moderate-to-severe Chronic Obstructive Pulmonary Disease has been completed, and the phase III clinical trial of the product is currently ongoing. Furthermore, the phase II clinical trial of 611 in adolescent AD indication has been completed with positive results, and the phase III clinical trial of the product is currently ongoing, while the patient enrollment for the phase II clinical trial for children with moderate-to-severe AD has been completed.

Anti-VEGF mAb (601A): The NDA of 601A for BRVO was accepted for review in October 2025.

– *Phase III development*

Anti-IL-5 mAb (610): The patient enrollment for phase III clinical trial of 610 for the treatment of severe eosinophilic asthma is currently ongoing, with phase II data indicating positive efficacy outcomes.

Semaglutide Injection (WS2403): The phase III clinical trial of the Group's collaborative product, Semaglutide Injection in weight management indication, has been completed by the Group's partner, Hybio Pharmaceutical Co., Ltd. The Group plans to submit the NDA for the product in the near future.

Clascoterone (WS204): The phase III bridging clinical trial of WS204 for treatment of moderate-to-severe acne vulgaris is ongoing.

– *Phase II development*

Anti-PD-1/HER2 BsAb (705): It is an anti-PD-1/HER2 BsAb independently developed by the Group. It simultaneously inhibits the PD-1/PD-L1 signaling pathway and the HER2 signaling pathway, integrating the mechanisms of action of targeted therapy and immunotherapy, thus having the potential to achieve enhanced tumor immune surveillance. The patient enrollment for the phase II clinical trial of 705 for HER-2 positive advanced solid tumors is currently ongoing in Mainland China; the IND application of 705 has been approved by the U.S. FDA.

Anti-PD-1/PD-L1 BsAb (706): It is an anti-PD-1/PD-L1 BsAb independently developed by the Group. It simultaneously targets PD-1 and PD-L1 and can effectively avoid the mismatch of BsAb with good physicochemical properties. The patient enrollment for the phase II clinical trial of 706 for advanced solid tumors is currently ongoing in Mainland China; the IND application of 706 has been approved by the U.S. FDA.

Anti-TL1A Ab (627): It is a tumor necrosis factor-like ligand 1A (TL1A) targeting mAb independently developed by Sunshine Guojian. The Group has initiated the phase II clinical trial of 627 for ulcerative colitis (UC) in Mainland China. The U.S. IND application for UC indication has also been approved by the U.S. FDA.

– *Phase I development and new IND applications*

Anti-BDCA2 Ab (626): It is an anti-blood dendritic cell antigen 2 (BDCA2) antibody (“Ab”) independently developed by Sunshine Guojian. The Group has completed the phase Ia clinical trial of 626 with positive safety and PK/PD data in Mainland China, while patient enrollment for the phase Ib clinical trial of 626 for systemic lupus erythematosus (SLE) has been completed. The U.S. IND applications for 626 for SLE and Cutaneous Lupus Erythematosus (CLE) have both been approved.

Anti-PD-1/TGF- β BsAb (708): It is an anti-PD-1/transforming growth factor β (TGF- β) BsAb independently developed by the Group. The phase I clinical trial of 708 for advanced solid tumors is currently ongoing.

Anti-PD-1/LAG3 BsAb (709): It is an anti-PD-1/lymphocyte activation gene-3 (LAG3) BsAb independently developed by the Group. The phase I clinical trial of 709 for advanced solid tumors is currently ongoing in Australia. In Mainland China, the IND application for advanced solid tumors has been approved by the CDE.

Anti-MUC17/CD3/CD28 Tri-specific Ab (SSS59): It is a recombinant human anti-Mucin 17 (MUC17)/cluster of differentiation 3(CD3)/cluster of differentiation 28 (CD28) tri-specific Ab independently developed by the Group. The phase I clinical trial of SSS59 for advanced solid tumor is currently ongoing.

Anti-B7H3 Ab/IL15R α sushi-IL15 Fusion Protein (SPGL008): SPGL008 is a bi-functional molecule in which an anti-B7H3 mAb with a novel structure and sequence is conjugated to IL-15R α sushi-IL-15. The phase I clinical trial of SPGL008 for advanced solid tumor is currently ongoing.

C3b-targeting Bi-functional Fusion Protein (SSS55): The phase I clinical trial of SSS55 for paroxysmal nocturnal hemoglobinuria (PNH) is currently ongoing.

Long-acting ActRIIB-Ig Trap (SSS57): It is an activin receptor IIB ligand trap (ActRIIB-Ig Trap) independently developed by the Group. The phase I clinical trial of SSS57 for myelodysplastic syndromes (MDS) related anemia is currently ongoing.

Rapamycin Nanoparticle (SSS39): The patient enrollment of phase I clinical trial of SSS39 is completed. Rapamycin nanoparticle is a new type of macrolide immuno-suppressant that can be co-administered with biological agents to induce immune tolerance, thereby reducing the immunogenicity of the biological agents and maintaining their efficacy.

Anti-ActRIIA/ActRIIB BsAb (SSS67): SSS67 is a tetravalent BsAb independently developed by the Group. It is able to simultaneously bind to both ActRIIA and ActRIIB receptors, thereby regulating fat metabolism and muscle synthesis pathways to achieve the dual effects of reducing fat and increasing muscle mass. The Group has submitted the Mainland China and U.S. IND application for SSS67, while the U.S. IND application for overweight or obesity has been approved by the FDA.

Long-acting anti-April/BAFF BsAb (SSS68): SSS68 is a long-acting anti-A proliferation-inducing ligand (April)/B cell activating factor (BAFF) innovative tetravalent BsAb independently developed by the Group. The Group has submitted the Mainland China and U.S. IND application for SSS68, while the U.S. IND application for IgA nephropathy has been approved by the FDA.

Sales, Marketing and Distribution

The Group's sales and marketing efforts are characterized by a strong emphasis on academic promotion. The Group aims to promote and strengthen the Group's academic recognition and the brand awareness of its products among medical experts. The Group markets and promotes its key products mainly through its in-house team. The Group sells these products to distributors who are responsible for delivering products to hospitals and other medical institutions. Mandi is also sold through online stores and retail pharmacies.

As at 31 December 2025, the Group's extensive sales and distribution network in Mainland China was supported by 2,916 sales and marketing employees. During the Reporting Period, the Group's products were sold in over 3,600 Grade III hospitals and over 8,200 Grade II or lower hospitals and medical institutions across all provinces, autonomous regions and special municipalities in Mainland China. In addition, TPIAO, Yisaipu, EPIAO, SEPO and some of the Group's other products are exported to a number of countries through international promoters. During the Reporting Period, the Group's products were sold in 39 overseas markets, including Thailand, Brazil, the Philippines and Pakistan.

Outlook

The year 2025 marked the conclusion of the "14th Five-Year Plan" period. Cross-departmental coordination among drug regulatory, medical insurance, and health authorities centered on the theme of "comprehensively deepening reform in drug and medical device regulation". This involved optimizing drug evaluation and approval processes, strengthening quality management throughout the product lifecycle, and standardizing the development of cutting-edge technologies. At the end of 2025, the National Healthcare Security Administration released the new NRDL, and for the first time, established the Commercial Health Insurance Innovative Drug List. This landmark policy transcended the coverage limitations of a single basic medical insurance scheme, opening a new pathway for commercializing high-value innovative drugs.

Concurrently, 2025 emerged as a breakout year for out-licensing deals involving Chinese innovative drugs, driven by increased recognition of the quality of domestic innovation from multinational corporations. According to the latest data disclosed by the NMPA, the cumulative value of out-licensing deals for Chinese innovative drugs surpassed US\$130 billion in 2025, with total upfront payments reaching US\$7 billion across over 150 transactions. Our Group's out-licensing agreement with Pfizer for our in-house developed PD-1/VEGF bi-specific anti-body, SSGJ-707, secured front-end payments of US\$1.5 billion. Notably, the upfront payment ratio up to 24% (as a percentage of total deal value) set a new record for upfront payments in any single out-licensing transaction for Chinese innovative drugs. This also reflects the "value certainty premium" that high-quality assets developed independently by Chinese companies command, as paid by large multinational corporations.

Looking ahead to 2026, the starting year of the “15th Five-Year Plan period”, the Government Work Report at the National People’s Congress and the Chinese People’s Political Consultative Conference (NPC & CPPCC) elevated the bio-pharmaceutical industry to a new strategic height, explicitly designating it as a national “emerging pillar industry”. The report encourages government investment funds to act as “patient capital” and utilize national venture capital guidance funds to incentivize cutting-edge technology and original innovation, thereby driving the industry’s transformation from a “pharmaceutical manufacturing power” to a “pharmaceutical power house”. Currently, our Group is at a critical juncture in its development, transitioning from scale to quality and from imitation to innovation. Building on over three decades of experience, the Group will continue to uphold the principle of “integrity and innovation” and steadfastly pursue the “hard but right path”. Particularly in therapeutic areas with substantial patient needs, such as oncology, autoimmune diseases, and nephrology, the Group will leverage more abundant capital and human resources to support broader and more technologically advanced target exploration and drug development. We are dedicated to improving the efficacy and safety profiles of our innovative drugs. Regarding external collaboration, the Group will persistently implement a dual-track strategy of independent R&D and external partnerships, actively seeking global partners to jointly advance the worldwide development of our pipeline products. In the commercialization arena, we will focus on accelerating market access and academic promotion for newly approved products, including Liporaxel[®] (paclitaxel oral solution) and Yisaituo[®] (Amubita mAb). We will also proactively search for potential in-licensing opportunities with clinical value to complement our existing product portfolio, supporting the R&D and launch processes for more high-quality partnered products. Driven by the mission of making innovative biopharmaceuticals accessible, the Group will accelerate the market launch of more high-quality products to benefit patients.

Financial Review

Revenue

For the Reporting Period, the Group's revenue amounted to approximately RMB17,695.7 million, as compared to approximately RMB9,108.0 million for the year ended 31 December 2024, representing an increase of approximately RMB8,587.7 million, or approximately 94.3%. The increase was mainly attributable to the out-license income in the licensing transaction with Pfizer in respect to the Group's breakthrough PD-1/VEGF BsAb 707.

The Group's out-license income was RMB9,425.9 million for the Reporting Period, while there was no such revenue for the year ended 31 December 2024. The significant increase was mainly attributable to the upfront fee and the option fee received during the Reporting Period in the licensing transaction with Pfizer for 707, majority of which was recognized as license income which significantly contributed to the Group's revenue for the Reporting Period.

For the Reporting Period, the Group's sales of biopharmaceuticals decreased to approximately RMB8,006.4 million, as compared to approximately RMB8,927.9 million for the year ended 31 December 2024, representing a decrease of approximately RMB921.5 million, or approximately 10.3%. The decrease was primarily attributable to the price reductions from volume-based procurement and the impact of healthcare insurance policies.

For the Reporting Period, the Group's revenue from CDMO business increased to approximately RMB263.5 million, as compared to approximately RMB180.1 million for the year ended 31 December 2024, representing an increase of approximately RMB83.4 million, or approximately 46.3%. The increase was mainly attributable to the increased CDMO orders from customers.

Cost of Sales

The Group's cost of sales increased from approximately RMB1,279.6 million for the year ended 31 December 2024 to approximately RMB1,348.4 million for the Reporting Period, which accounted for approximately 7.6% of the Group's total revenue for the same period. The increase in the Group's cost of sales was due to the increased production costs related to 707 for the Reporting Period.

Gross Profit

For the Reporting Period, the Group's gross profit increased to approximately RMB16,347.3 million, as compared to approximately RMB7,828.4 million for the year ended 31 December 2024, representing an increase of approximately RMB8,518.9 million, or approximately 108.8%. The increase in the Group's gross profit was broadly in line with its revenue growth during the year. The Group's gross profit margin increased to approximately 92.4% for the year ended 31 December 2025 from approximately 86.0% for the corresponding period in 2024.

Other Income and Gains

The Group's other income and gains mainly comprised government grants, interest income, fair value changes on financial assets at FVTPL, net foreign exchange differences, and other miscellaneous income. For the Reporting Period, the Group's other income and gains increased to approximately RMB488.8 million, as compared to approximately RMB4.7 million for the year ended 31 December 2024, representing an increase of approximately RMB484.1 million. The increase was mainly attributable to the fair value changes on financial assets at FVTPL and the increase in interest income, which was partially offset by foreign exchange loss in 2025, as compared to 2024.

Selling and Distribution Expenses

The Group's selling and distribution expenses primarily consisted of marketing and promotion expenses, staff costs, transportation expenses, consulting fees and other miscellaneous selling and distribution expenses. For the Reporting Period, the Group's selling and distribution expenses amounted to approximately RMB3,630.9 million, as compared to approximately RMB3,351.3 million for the year ended 31 December 2024, representing an increase of approximately RMB279.6 million, or approximately 8.3%. The increase was mainly due to the deal expenditures related to the 707 transaction. In terms of the percentage of revenue, the Group's selling and distribution expenses represented approximately 20.5% for the Reporting Period as compared to approximately 36.8% for the year ended 31 December 2024.

Administrative Expenses

The Group's administrative expenses consisted of staff costs, professional fees, depreciation and amortization, property expenses, share-based compensation, and other miscellaneous administrative expenses. For the Reporting Period, the Group's administrative expenses amounted to approximately RMB651.2 million, as compared to approximately RMB501.9 million for the year ended 31 December 2024, representing an increase of approximately RMB149.3 million, or approximately 29.7%. The increase was mainly attributable to the increased share-based compensation. The administrative expenses as a percentage of revenue was approximately 3.7% for the Reporting Period, as compared to approximately 5.5% for the corresponding period in 2024.

R&D Costs

The Group's R&D costs primarily consisted of staff costs, materials consumption, clinical trials costs, depreciation and amortization, and other miscellaneous R&D expenses. For the Reporting Period, the Group's R&D costs amounted to approximately RMB1,520.4 million, as compared to approximately RMB1,326.5 million for the year ended 31 December 2024, representing an increase of approximately RMB193.9 million, or approximately 14.6%. The increase was mainly due to the speed-up of the Group's R&D projects. The R&D costs as a percentage of revenue was approximately 8.6% for the Reporting Period, as compared to approximately 14.6% for the corresponding period in 2024.

Other Expenses

The Group's other expenses primarily consisted of donation expenses, provisions for impairment of other intangible assets, loss on disposal of items of property, plant and equipment, and other miscellaneous expenses. For the Reporting Period, the Group's other expenses amounted to approximately RMB107.6 million, as compared to approximately RMB93.3 million for the year ended 31 December 2024, representing an increase of approximately RMB14.3 million, or approximately 15.3%.

Finance Costs

For the Reporting Period, the Group's finance costs amounted to approximately RMB76.4 million, as compared to approximately RMB190.8 million for the year ended 31 December 2024, representing a decrease of approximately RMB114.4 million, or approximately 60.0%. The decrease was primarily attributable to a timing difference in the borrowing structure.

Income Tax Expense

For the Reporting Period, the Group's income tax expense amounted to approximately RMB1,652.0 million, as compared to approximately RMB500.5 million for the year ended 31 December 2024, representing an increase of approximately RMB1,151.5 million, or approximately 230.1%. The effective tax rates for the Reporting Period and the corresponding period in 2024 were approximately 15.4% and 18.4%, respectively.

EBITDA and Net Profit Attributable to Owners of the Parent

The EBITDA for the Reporting Period increased by approximately RMB7,889.6 million or approximately 248.6% to approximately RMB11,063.4 million, as compared to approximately RMB3,173.8 million for the year ended 31 December 2024. The EBITDA adjusted for non-operating items is defined as the EBITDA for the period excluding, as applicable, the Excluded Items. The Group's EBITDA adjusted for non-operating items for the Reporting Period increased by approximately RMB7,633.1 million or approximately 224.4% to approximately RMB11,035.4 million, as compared to approximately RMB3,402.3 million for the year ended 31 December 2024.

The net profit attributable to owners of the parent for the Reporting Period was approximately RMB8,482.2 million, as compared to approximately RMB2,090.3 million for the year ended 31 December 2024, representing an increase of approximately RMB6,391.9 million, or approximately 305.8%. The net profit attributable to owners of the parent adjusted for non-operating items is defined as the profit attributable to owners of the parent for the period excluding, as applicable, the Excluded Items. The Group's net profit attributable to owners of the parent adjusted for non-operating items for the Reporting Period was approximately RMB8,454.2 million, as compared to approximately RMB2,318.8 million for the year ended 31 December 2024, representing an increase of approximately RMB6,135.4 million, or approximately 264.6%.

Earnings Per Share

The basic earnings per share for the Reporting Period was approximately RMB3.51 as compared to approximately RMB0.86 for the year ended 31 December 2024, representing an increase of approximately 308.1%.

Financial Assets Measured at Fair Value

As at 31 December 2025, financial assets measured at fair value primarily comprised the investment in treasury or cash management products issued by certain banks, the investment in listed companies and the investments in private equity funds which focus on the healthcare industry.

The treasury or cash management products subscribed by the Group for treasury management purposes from time to time during the Reporting Period included wealth management products offered by various independent commercial banks. For further information, please refer to the section headed "Management Discussion and Analysis – Liquidity, Financial and Capital Resources – Significant Investments Held" in this announcement, which relates to the Group's subscriptions from certain independent commercial banks.

Liquidity, Financial and Capital Resources

The Group's liquidity remained strong. For the Reporting Period, the Group's operating activities generated a net cash inflow of approximately RMB9,668.9 million, as compared to approximately RMB3,201.3 million for the year ended 31 December 2024, representing an increase of approximately RMB6,467.6 million or approximately 202.0%. The increase was mainly attributable to the increased cash inflow from the operating activities of the Group. As at 31 December 2025, the Group's cash and cash equivalents, non-pledged time deposits and pledged deposits were approximately RMB15,860.9 million.

Net Current Assets

As at 31 December 2025, the Group had net current assets of approximately RMB18,255.1 million, as compared to net current assets of approximately RMB3,883.4 million as at 31 December 2024. The current ratio of the Group was approximately 5.1 as at 31 December 2025, as compared to approximately 1.7 at 31 December 2024. The increase in net current assets and current ratio was attributable to the increase in cash and cash equivalents.

Funding and Treasury Policies, Borrowing and Pledge of Assets

The Group's finance department is responsible for the funding and treasury policies with regard to the overall business operation of the Group. The Company expects to fund its working capital and other capital requirements from a combination of various sources, including but not limited to internal financing and external financing at reasonable market rates. The Group continues to seek ways to improve the return of the equity and assets while maintaining a prudent funding and treasury policy.

As at 31 December 2025, the Group had an aggregate interest-bearing bank borrowing of approximately RMB2,553.9 million, as compared to approximately RMB2,281.4 million as at 31 December 2024. The increase in bank borrowings primarily reflected the additional of bank loans of approximately RMB3,342.7 million, which was partially offset by the repayment of bank loans of approximately RMB3,094.7 million in 2025. Among the short-term deposits, none was pledged to secure the aforementioned bank loans as at 31 December 2025.

As at 31 December 2025, the Group had no outstanding Panda Bonds, as compared to approximately RMB1,226.1 million as at 31 December 2024. For more information on the Group's Panda Bonds, please refer to Note 15 "BONDS PAYABLE" to the Group's draft consolidated financial statements for the Reporting Period in this announcement above.

Gearing Ratio

The gearing ratio of the Group, which was calculated by dividing the total borrowings, lease liabilities, financial liabilities and bonds by the total equity, decreased to approximately 9.8% as at 31 December 2025 from approximately 19.7% as at 31 December 2024. The decrease was primarily due to the repayment of the outstanding Panda Bonds and the increase in total equity during the Reporting Period.

Charge on Assets

As at 31 December 2025, the Group had charge on assets of approximately RMB34.4 million (31 December 2024: RMB33.2 million).

Contingent Liabilities

As at 31 December 2025, the Group had no significant contingent liabilities.

Contractual Obligations

The Group's capital commitment amounted to approximately RMB151.6 million as at 31 December 2025, as compared to approximately RMB901.9 million as at 31 December 2024.

Foreign Exchange and Exchange Rate Risk

The Group mainly operates in Mainland China, with all material aspects of its regular business conducted in Renminbi other than: (i) the operations of Sirton; and (ii) the Group's exports, which amounted to approximately RMB122.7 million, or approximately 0.7% of the Group's revenue, for the Reporting Period. Except for the operations of Sirton, the Group's exports, possible international deal expenditures (such as the 707 transaction expenditures, and expenditures related to other international licensing and acquisitions), and foreign currency denominated bank borrowings and bank deposits, the Group believes that it does not have any other material direct exposure to foreign exchange fluctuations. As at 31 December 2025, the Group's foreign currency denominated bank deposits primarily comprised: (i) approximately USD1,416.3 million (equivalent to approximately RMB9,954.9 million); (ii) approximately HKD2,092.6 million (equivalent to approximately RMB1,890.0 million); (iii) approximately EUR15.3 million (equivalent to approximately RMB125.9 million); (iv) approximately CHF120.0 million (equivalent to approximately RMB1,062.2 million); and (v) approximately SGD0.2 million (equivalent to approximately RMB1.1 million). The Group expects that the fluctuation of the Renminbi exchange rate will not have a material adverse effect on the operations of the Group in the foreseeable future.

Significant Acquisitions and Disposals

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

Significant Investments Held

As at 31 December 2025, the Group did not hold any significant investments. As at 31 December 2025, the Group held (i) equity investments designated at fair value through other comprehensive income of approximately RMB774.9 million; and (ii) wealth management products issued by various independent commercial banks, which were classified as financial assets at FVTPL, together with derivative financial instruments, of approximately RMB3,857.7 million. None of such investments, whether held in any entities, or any products issued by the same commercial bank or group of commercial banks, individually or in aggregate, represented 5% or more of the total assets of the Group as at 31 December 2025.

Future Plans for Material Investments or Capital Assets

The Group estimates that its total capital expenditure over the next three years will range from RMB1,200 million to RMB1,500 million. These expected capital expenditures will primarily be incurred for the maintenance of the Group's existing facilities and the expansion of its production capabilities. The Group expects to finance its capital expenditures through a combination of internally generated funds and bank borrowings.

EMPLOYEES AND EMOLUMENTS POLICY

As at 31 December 2025, the Group employed a total of 6,109 employees, as compared to a total of 5,577 employees as at 31 December 2024. Staff costs, including Directors' emoluments but excluding any contributions to the pension scheme, were approximately RMB1,723.7 million for the Reporting Period, as compared to approximately RMB1,469.8 million for the corresponding period in 2024. The Group generally structures its employees' remuneration package to include salary, bonus and allowance elements. The compensation programs are designed to remunerate and reward the employees based on their performance, measured against specified objective criteria. The Group also provides welfare benefits in accordance with applicable regulations and its internal policies. Following the expiry of a share option scheme (adopted by the Company in May 2015) and the termination of a share award scheme (adopted by the Company in July 2019), the Company has adopted a new share award scheme and a new share option scheme in June 2025; and there are other incentive initiatives such as cash awards, all of which are for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. In addition, Sunshine Guojian has adopted two restricted share incentive plans respectively in February 2021 and in July 2024, and Mandi Inc. has adopted an Equity Incentive Plan in October 2025, and there is also a gratuitous incentive scheme set up by founding and management members of the Group that serves to recognise employees' contributions.

FINAL DIVIDEND

The Board resolved to declare a final dividend of HKD25 cents per share for the year ended 31 December 2025 (2024: HKD25 cents) to those shareholders whose names appeared on the register of members of the Company on Monday, 27 July 2026, which will be paid out of the Company's share premium account. Subject to the approval of shareholders of the Company at the forthcoming annual general meeting ("AGM"), the final dividend will be paid in cash on or around Tuesday, 4 August 2026.

Furthermore, the Board also declared a conditional special dividend out of the share premium account of the Company to be implemented by way of a distribution in specie of all of the Mandi Shares held by the Company immediately before the completion of the Proposed Spin-off to qualifying shareholders in proportion to their respective shareholding interest in the Company on the record date to be determined by the Board. Please refer to the other announcement of the Company dated 30 March 2026 for further details.

CLOSURE OF REGISTER OF SHAREHOLDERS

The AGM is scheduled to be held on Thursday, 25 June 2026. For determining the entitlement to attend and vote at the AGM, the register of shareholders of the Company will be closed from Monday, 22 June 2026 to Thursday, 25 June 2026, both days inclusive, during which period no transfer of shares of the Company will be registered. The record date for determining the entitlement of the shareholders of the Company to attend and vote at the AGM will be Thursday, 25 June 2026. In order to be eligible to attend and vote at the AGM, all transfer of shares of the Company, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 18 June 2026.

For determining the entitlement to the final dividend, the register of shareholders of the Company will be closed from Thursday, 23 July 2026 to Monday, 27 July 2026, both days inclusive, during which period no transfer of shares of the Company will be registered. The record date for determining the entitlement of the shareholders of the Company to the final dividend will be Monday, 27 July 2026. In order to qualify for the final dividend, all transfer of shares of the Company, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 22 July 2026.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company and to enhance corporate value and accountability. The Company has applied the principles and code provisions as set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**HKEx Listing Rules**”) as its own code of corporate governance.

Except as expressly described below, the Company has complied with all the applicable code provisions set out in the CG Code during the Reporting Period.

Separation of the Roles of the Chairman of the Board and Chief Executive Officer

Pursuant to code provision C.2.1 of the CG Code, companies listed on the HKEx are expected to comply with, but may choose to deviate from, the requirement that the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. The Company does not have a separate chairman and chief executive officer. Dr. LOU Jing currently performs these two roles. The Board believes that vesting both the roles of chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and facilitating more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. In addition, all major decisions are made in consultation with members of the Board, including the relevant Board committees and independent non-executive Directors.

The Board will from time to time review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company at an appropriate time, taking into account the circumstances of the Group as a whole.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the “Model Code for Securities Transactions by Directors of Listed Issuer” as set out in Appendix C3 to the HKEx Listing Rules (the “**Model Code**”) as its code of conduct regarding securities transactions by the Directors. Having made specific enquiry with the Directors, all Directors confirmed that they had complied with the required standards as set out in the Model Code during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

There was no purchase, sale or redemption of any of the Company’s listed securities (including sale of treasury shares (as defined under the HKEx Listing Rules)) by the Company or any of its subsidiaries during the Reporting Period.

AUDIT COMMITTEE

The Board has established an audit committee (the “**Audit Committee**”) of the Company which comprises the three independent non-executive Directors, namely Mr. PU Tianruo (chairman), Ms. YANG Hoi Ti Heidi and Mr. NG Joo Yeow Gerry.

The Audit Committee, together with the Board, has reviewed and approved the accounting standards and practices adopted by the Group and the annual results for the Reporting Period. The Audit Committee has also reviewed the effectiveness of the risk management and internal control systems of the Company and considers them to be effective and adequate.

SCOPE OF WORK OF ERNST & YOUNG

The financial information in the preliminary results announcement of the Group for the Reporting Period has been reviewed and agreed to by the Group’s auditors, Ernst & Young, to the amounts set out in the Group’s draft consolidated financial statements for the Reporting Period. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with International Standards on Auditing, International Standards on Engagements or International Standards on Assurance Engagements issued by the International Auditing and Assurance Standards Board and consequently no assurance has been expressed by Ernst & Young on the preliminary announcement.

PUBLICATION OF THE ANNUAL RESULTS AND 2025 ANNUAL REPORT ON THE WEBSITES OF THE HKEX AND THE COMPANY

This annual results announcement is published on the respective websites of the HKEx (www.hkexnews.hk) and the Company (www.3sbio.com).

The Company’s 2025 annual report containing all the information required under the HKEx Listing Rules will be published on the respective websites of the HKEx and the Company.

By Order of the Board
3SBio Inc.
Dr. LOU Jing
Chairman

Hong Kong SAR, the PRC
30 March 2026

As at the date of this announcement, the Board comprises Dr. LOU Jing and Ms. SU Dongmei as executive Directors; Ms. ZHANG Jiaoe as non-executive Director; and Mr. PU Tianruo, Ms. YANG Hoi Ti Heidi, and Mr. NG Joo Yeow Gerry as independent non-executive Directors.