Fujian Haixi Pharmaceuticals Co., Ltd.
福建海西新藥創制股份有限公司

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

(Stock Code: 2637)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

Financial Highlights:

- For the year ended 31 December 2025, revenue for the year amounted to RMB582,358,000, representing an increase of 24.79% from RMB466,683,000 in 2024;
- For the year ended 31 December 2025, net profit for the year amounted to RMB177,029,000, representing an increase of 30.09% from RMB136,079,000 in 2024;
- For the year ended 31 December 2025, earnings per share for the year amounted to RMB2.55, representing an increase of 26.24% from RMB2.02 in 2024.

RESULTS

The board (the "**Board**") of directors (the "**Director(s)**") of Fujian Haixi Pharmaceuticals Co., Ltd. (the "**Company**") is pleased to announce the audited 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 corresponding year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	NOTES	**2025**	2024
		RMB'000	*RMB'000*
Revenue	3	**582,358**	466,683
Cost of sales/services		**(96,801)**	(79,489)
Gross profit		**485,557**	387,194
Research and development expenses		**(73,504)**	(67,525)
Distribution and selling expenses		**(197,660)**	(165,682)
Administrative expenses		**(22,133)**	(20,961)
Finance costs		**(5,736)**	(7,221)
Other income, expenses, gains and losses, net	4	**19,672**	31,023
Listing expenses		**(8,120)**	(7,834)
Profit before tax		**198,076**	148,994
Income tax expense	5	**(21,047)**	(12,915)
Profit for the year	6	**177,029**	136,079
Other comprehensive income for the year, net of income tax			
Fair value gain on investment in an equity instrument at fair value through other comprehensive income ("**FVTOCI**"), an item that will not be reclassified subsequently to profit or loss		**281**	—
Total comprehensive income for the year, attribute to owners of the Company		**177,310**	136,079
Earnings per share			
– Basic (RMB)	8	**2.55**	2.02

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2025

	NOTES	**2025**	2024
		RMB'000	*RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**295,227**	275,057
Deposits for acquisition of property, plant and equipment/right-of-use assets		**1,601**	12,479
Intangible assets		**128**	—
Right-of-use assets		**33,189**	34,491
Deferred tax assets		**4,420**	5,867
Equity instrument at FVTOCI		**20,281**	20,000
Long-term fixed deposits		**—**	30,890
Restricted bank deposits		**—**	7,078
Other receivables		**27,978**	23,699
Financial assets at fair value through profit or loss ("**FVTPL**")		**23,384**	—
		406,208	409,561
CURRENT ASSETS			
Inventories		**56,100**	35,333
Trade and other receivables	9	**52,619**	35,044
Contract assets	9	**1,303**	2,643
Financial assets at FVTPL		**533,554**	234,956
Short-term fixed deposits		**151,862**	—
Cash and cash equivalents		**645,054**	38,282
		1,440,492	346,258
CURRENT LIABILITIES			
Trade and other payables	10	**131,919**	144,317
Contract liabilities	10	**1,914**	8,045
Bank and other borrowings		**83,981**	23,123
Lease liabilities		**1,621**	1,511
Tax payable		**8,847**	5,077
		228,282	182,073
NET CURRENT ASSETS		**1,212,210**	164,185
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,618,418**	573,746

	NOTES	**2025**	2024
		RMB'000	*RMB'000*
NON-CURRENT LIABILITIES			
Other borrowings		**19,768**	26,624
Lease liabilities		**4,776**	5,624
Deferred income		**141**	171
		24,685	32,419
NET ASSETS		**1,593,733**	541,327
CAPITAL AND RESERVES			
Share capital	11	**78,707**	67,207
Reserves		**1,515,026**	474,120
TOTAL EQUITY		**1,593,733**	541,327

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1. GENERAL INFORMATION

福建海西新藥創制股份有限公司 (Fujian Haixi Pharmaceuticals Co., Ltd., being translation for identification purpose only) (the "**Company**"; together with its subsidiaries, the "**Group**") was established in the Mainland China as a limited liability company under the Company Law of the People's Republic of China (the "**PRC**") and was converted into a joint stock company with limited liability in prior years. The address of the registered office and the principal place of business of the Company is Floor 3&4, Block B, No. 177 Jinda Road, Jianxin Town, Cangshan District, Fuzhou, Fujian Province, the PRC. Its ultimate controlling party is Mr. Dr. Kang Xinshan, who is also the Chairman and an executive director of the Company.

The Group engages in the businesses of research and development, and manufacture and sale of pharmaceutical products.

The consolidated financial statements are presented in Renminbi ("**RMB**"), which is also the functional currency of the Company and its subsidiaries.

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 20 October 2025 (the "**Listing**").

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

The Group has consistently applied all the new and amendments to IFRS Accounting Standards and interpretations issued by the International Accounting Standards Board (the "**IASB**") which are effective for the accounting periods beginning on January 1, 2025.

New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity[2]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards - Volume 11[2]
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency[3]
IFRS 18	Presentation and Disclosure in Financial Statements[3]

[1] Effective for annual periods beginning on or after a date to be determined.
[2] Effective for annual periods beginning on or after 1 January 2026.
[3] Effective for annual periods beginning on or after 1 January 2027.

IFRS 18 "Presentation and Disclosure in Financial Statements" ("**IFRS 18**") sets out requirements on presentation and disclosures in financial statements and it will replace IAS 1 "Presentation of Financial Statements". The new IFRS 18 introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss and other comprehensive income; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" (the title of which will be changed to "Basis of Preparation of Financial Statements" upon effective of IFRS 18) and IFRS 7 "Financial Instruments and Disclosures". Minor amendments to IAS 7 "Statement of Cash Flows" and IAS 33 "Earnings per Share" are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. IFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

Except as described above, the directors of the Company consider that the application of all the amendments to IFRS Accounting Standards is unlikely to have a material impact on the Group's financial position and performance in foreseeable future.

3. REVENUE AND SEGMENT INFORMATION

(a) Disaggregation of revenue from contracts with customers

	2025	2024
	RMB'000	*RMB'000*
Type of goods/services:		
– sale of pharmaceutical products	**581,055**	461,529
– service income	**1,303**	5,154
Total	**582,358**	466,683
Timing of revenue recognition for contracts with customers:		
– at point in time	**581,055**	461,529
– over time	**1,303**	5,154
Total	**582,358**	466,683

(b) Segment information

In previous years, for the purposes of resources allocation and performance assessment, the executive directors of the Company, being the chief operating decision makers ("**CODM**"), reviewed the consolidated results and financial position when making decisions about allocating resources and assessing performance of the Group as a whole and accordingly, the Group had only one reportable segment and no further analysis of this single segment is presented. With the shifting focus towards research and developments of innovative drugs, the CODM determines that the business units of innovative drugs and generic drugs should be reviewed separately from each other to better reflect the relevant businesses of the Group, assessments of performance across different operating units and allocations of resources thereto. Discrete financial information of the operating results of the business units of innovative drugs and generic drugs are therefore reported separately and regularly reviewed by the CODM separately in current year. Prior year segment disclosures are restated to conform with the current year presentation.

Specifically, the Group's reportable segments under IFRS 8 "Operating Segments" in the current year are as follows:

– Innovative Drugs segment focus in research and developments of innovative drugs; and

– Generic Drugs segment focus in research and developments, production and sales of generic drugs.

Individual operating segments for which discrete financial information is available are identified by the CODM. No individual operating segment is aggregated in arriving at the reportable segments of the Group.

The following is an analysis of the Group's revenue and results by reportable and operating segments:

	Innovative Drugs *RMB'000*	Generic Drugs *RMB'000*	Total *RMB'000*
For the year ended 31 December 2025			
External Revenue	**—**	**582,358**	**582,358**
Segment (loss) profit	**(48,954)**	**272,164**	**223,210**
Finance costs			**(5,736)**
Unallocated corporate income and expenses			**(11,278)**
Listing expenses			**(8,120)**
Profit before tax			**198,076**
For the year ended 31 December 2024 (restated)			
External Revenue	**—**	**466,683**	**466,683**
Segment (loss) profit	**(47,804)**	**218,508**	**170,704**
Finance costs			**(7,221)**
Unallocated corporate income and expenses			**(6,655)**
Listing expenses			**(7,834)**
Profit before tax			**148,994**

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit/(loss) represents the profit earned by/loss from each segment without allocation of administration costs, finance costs, certain other income, expenses, gains and losses and listing expense. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

The CODM makes decisions according to operating results of each segment. No analysis of segment asset and segment liability is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

The following set out the Group's other segment information:

	Innovative Drugs *RMB'000*	Generic Drugs *RMB'000*	Unallocated *RMB'000*	Total *RMB'000*
For the year ended 31 December 2025				
Amounts included in the measure of segment profit or loss				
Research and developments expenses	**(48,954)**	**(24,550)**	**—**	**(73,504)**
Marketing expenses	**—**	**(187,552)**	**—**	**(187,552)**
Depreciation of property, plant and equipment and right-of-use assets	**(1,595)**	**(4,148)**	**(1,974)**	**(7,717)**
Changes in carrying amount of other borrowings measured at amortised cost	**—**	**7,874**	**—**	**7,874**
Gains from partners of collaborative arrangements	**—**	**943**	**—**	**943**
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss:				
Interest income	**—**	**—**	**8,930**	**8,930**
Finance costs	**—**	**—**	**(5,736)**	**(5,736)**
Income tax	**—**	**—**	**(21,047)**	**(21,047)**
For the year ended 31 December 2024 (restated)				
Amounts included in the measure of segment profit or loss				
Research and developments expenses	**(47,804)**	**(19,721)**	**—**	**(67,525)**
Marketing expenses	**—**	**(156,353)**	**—**	**(156,353)**
Depreciation of property, plant and equipment and right-of-use assets	**(1,542)**	**(1,539)**	**(1,899)**	**(4,980)**
Gains from partners of collaborative arrangements	**—**	**16,717**	**—**	**16,717**
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss:				
Interest income	**—**	**—**	**5,640**	**5,640**
Finance costs	**—**	**—**	**(7,221)**	**(7,221)**
Income tax	**—**	**—**	**(12,915)**	**(12,915)**

(c) Geographical information

All of the Group's non-current assets are located in the Mainland China and all of the Group's external customers are based in the Mainland China as well. Accordingly, no analysis of the operations of its external customers' geographical segment is presented.

(d) Information about major customers

Revenue from customers contributing over 10% of total revenue of the Group is as below:

Customer	Type of revenue	**2025**	2024
		RMB'000	*RMB'000*
Customer A	Sale of pharmaceutical products	**238,972**	212,664

Note: Revenue from Generic Drugs segment. Based on the best knowledge of the directors of the Company, Customer A is a group of companies under the control of the same holding company.

4. OTHER INCOME, EXPENSES, GAINS AND LOSSES, NET

	2025	2024
	RMB'000	*RMB'000*
Other income (expenses):		
– interest income from		
– short-term and long-term fixed deposits	**3,786**	4,364
– bank deposits	**5,144**	1,276
– government grants		
– related to assets (Note i)	**30**	31
– related to expense items (Note ii)	**5,135**	7,569
– others	**227**	54
	14,322	13,294
Impairment losses (recognised) reversed on:		
– trade receivables	**(114)**	81
– contract assets	**49**	11
– bills receivables	**74**	(221)
– other receivables	**1**	—
	10	(129)
Other gains (losses):		
– gains from partners of collaborative arrangements (Note iii)	**943**	16,717
– loss on disposal of property, plant and equipment	**(153)**	—
– fair value gain of financial assets at FVTPL	**1,559**	1,141
– change in the carrying amount of other borrowings measured at amortised cost	**7,874**	—
– net foreign exchange losses	**(4,883)**	—
	5,340	17,858
Total	**19,672**	31,023

Notes:

(i) Amount being granted by a local government in the Mainland China for the addition of property, plant and equipment, which is recognised as deferred income and is transferred to profit or loss on a systematic basis over the estimated useful life of the property, plant and equipment related to the government grants on capital expenditure.

(ii) Amount recognised mainly represent subsidies granted by certain local government authorities to support the operating activities of the Group, in which no future related cost is expected to be incurred. These government grants with no unfulfilled conditions are recognized when payments were received or became receivable.

(iii) Amount recognised represents gain on derecognition of the payables to partners of collaborative generic drug research and development arrangements (under trade and other payables) that are not required to be returned to the relevant counterparties.

5. INCOME TAX EXPENSE

	2025	2024
	RMB'000	*RMB'000*
PRC Enterprise Income Tax ("**EIT**")		
– current year	**19,260**	9,361
– underprovision in prior years	**340**	—
Deferred tax	**1,447**	3,554
Total	**21,047**	12,915

6. PROFIT FOR THE YEAR

	2025	2024
	RMB'000	*RMB'000*
Profit for the year has been arrived at after charging (crediting):		
Directors', chief executive's and supervisors' remuneration	**4,153**	3,438
Other staff costs		
– salaries, wages and allowances	**33,885**	27,543
– performance-related bonus	**5,583**	3,385
– retirement benefits	**1,455**	869
Total staff costs	**45,076**	35,235
Less: capitalised in inventories	**(1,028)**	(730)
	44,048	34,505
Depreciation of property, plant and equipment	**5,638**	2,929
Depreciation of right-of-use assets	**2,079**	2,051
Total depreciation	**7,717**	4,980
Less: capitalised in inventories	**(2,904)**	(256)
	4,813	4,724
(Reversal of) allowances for inventories, net (included in cost of sales/services)	**314**	(125)
Marketing expenses (included in distribution and selling expenses) (Note)	**187,552**	156,353
Auditor's remuneration:		
- Auditor of the Company	**1,390**	10

Note: Amounts mainly represent service fees paid to third-party marketing service providers for various marketing services.

7. DIVIDENDS

No dividend was paid or declared by the Company during the years ended 31 December 2025 and 2024, nor proposed after the end of the reporting period.

8. EARNINGS PER SHARE

The calculation of the basic earnings per share from operations attributable to owners of the Company is based on the following data:

	2025	2024
Earnings for the year (RMB'000)		
Earnings for the purpose of basic earnings per share	**177,029**	136,079
Number of shares ('000)		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**69,507**	67,207

No diluted earnings per share were presented as there were no potential ordinary shares in issue for any of the year ended 31 December 2025 or 2024.

9. TRADE AND OTHER RECEIVABLES AND CONTRACT ASSETS

	2025	2024
	RMB'000	*RMB'000*
Trade receivables from contracts with customers	**9,693**	8,189
Less: allowance for credit losses	**(484)**	(370)
	9,209	7,819
Bills receivables	**19,538**	12,488
Less: allowance for credit losses	**(425)**	(499)
	19,113	11,989
Deposits, prepayments and other receivables		
Rental deposit	**477**	477
Other receivables	**329**	280
Prepayments to suppliers	**17,813**	9,213
Other tax recoverables	**33,656**	27,640
Deferred issue cost	**—**	1,325
	52,275	38,935
Total	**80,597**	58,743
Analysed as:		
Current	**52,619**	35,044
Non-current	**27,978**	23,699
	80,597	58,743
Contract assets for service income	**1,303**	2,643

At 1 January 2024, the carrying amount of trade receivables net of allowance for credit losses from contracts with customers and contract assets for service income amounted to RMB9,976,000 and RMB2,607,000, respectively.

The following is an aging analysis of trade and bills receivables presented based on the dates of goods delivery at the end of each reporting period:

	2025	2024
	RMB'000	*RMB'000*
Less than 90 days	**19,469**	13,456
More than 90 days	**8,853**	6,352
	28,322	19,808

10. TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES

	2025	2024
	RMB'000	*RMB'000*
Trade payables	**15,862**	5,744
Bills payables	**—**	10,039
Total trade and bills payables	**15,862**	15,783
Other payables and accruals		
Salaries and wages payables	**9,753**	8,902
Other tax payables	**6,218**	2,641
Deposits received from suppliers	**913**	1,148
Payables for research services	**25,490**	11,109
Payables for marketing expenses	**36,015**	29,867
Payables for purchases of property, plant and equipment	**15,838**	45,546
Payables to partners of collaborative arrangements	**18,290**	23,867
Accrued listing expenses	**2,543**	4,711
Accrued issue costs	**449**	486
Others	**548**	257
	116,057	128,534
Total	**131,919**	144,317
Contract liabilities from		
- sale of pharmaceutical products	**1,914**	7,609
- service income	**—**	436
	1,914	8,045

The credit period on trade and bills payables is 0 to 90 days (2024: 0 to 90 days). The following is an aging analysis of trade and bills payables presented based on the invoice date/issuance date at the end of the reporting period:

	2025	2024
	RMB'000	*RMB'000*
Less than 90 days	**14,660**	15,703
More than 90 days	**1,202**	80
	15,862	15,783

11. SHARE CAPITAL OF THE COMPANY

	Number of shares		Share capital	
	2025	2024	**2025**	2024
	'000	*'000*	***RMB'000***	*RMB'000*
Ordinary shares of RMB1.0 each, issued and fully paid				
As at beginning of year	**67,207**	67,207	**67,207**	67,207
Issue of new shares upon Listing (Note)	**11,500**	—	**11,500**	—
At end of year	**78,707**	67,207	**78,707**	67,207

Note: On 20 October 2025, the shares of the Company were listed on the Stock Exchange with an offer price of HK$86.40 per share. Upon Listing, the Company issued a total of 11,500,000 shares for total proceeds (before related fees and expenses) of HK$993,600,000 (equivalent to RMB907,922,000). The newly issued shares rank pari passu with the existing shares in all respects.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview

The Company is a commercial-stage pharmaceutical company that integrates research and development ("**R&D**"), production and sales capacities, with a pipeline of innovative drug candidates. It has established a diversified product portfolio and pipeline in the largest and fastest growing therapeutic areas in China. As of 31 December 2025, the commercialised product portfolio primarily consisted of generic drugs for digestive system diseases, cardiovascular system diseases, endocrine system diseases, nervous system diseases and inflammatory diseases. The innovative drug pipeline focuses on drug candidates in a variety of indications, including one innovative oncology drug candidate, one potential first oral drug therapy for wet age-related macular degeneration (wAMD, a retinal disease caused by abnormal growth of blood vessels under the retina)/diabetic macular edema (DME, fluid leakage into macula from diabetes)/retinal vein occlusion (RVO, vision loss from blockage of retinal veins), and two other innovative preclinical-stage drug candidates in oncology and respiratory diseases. All of the said innovative drug candidates are proprietarily discovered and developed in house.

The Company has obtained approval from the National Medical Products Administration (the "**NMPA**") for 15 generic drugs and established a pipeline of four innovative drug candidates as of 31 December 2025, making it a key market participant in the pharmaceutical industry in China. During the Reporting Period, the Company generated revenue from 14 approved products. To protect the said products and drug candidates throughout their lifecycle, the Company has established a global patent portfolio that consisted of 39 patents as of 31 December 2025, including 20 in overseas jurisdictions covering U.S., Canada, Australia, Japan, Korea, Singapore, India and 29 European countries. In addition, the Company plans to actively explore opportunities to collaborate with multinational corporations (MNCs) to expand its international clinical research and commercialisation capacities.

During the Reporting Period, the Company has persisted in its development strategy of "fast-follow fuels innovation, and innovation shapes the future" and has made further progress in all aspects of R&D, sales and marketing.

Market Positioning and Key Products

Key products related to digestive system diseases

The Company's commercialised product portfolio consisted of two drugs for digestive system diseases: (i) Anbili (安必力®), the first-to-market generic of mosapride citrate tablets that was regarded as passing the consistency evaluation in China and a generic of mosapride citrate tablets selected in the Fourth National volume-based procurement (VBP) Scheme; and (ii) Anliding (安立定®), a generic of rebamipide tablets selected in the provincial VBP scheme.

Key products related to cardiovascular system diseases

The Company's commercialised product portfolio consisted of five drugs for cardiovascular system diseases: (i) Haihuitong (海慧通®), a generic of amlodipine besilate and atorvastatin calcium tablets, selected in the Eighth National VBP Scheme; (ii) Haibiping (海必平®), a generic of valsartan and amlodipine tablets (I) was selected in provincial VBP scheme; (iii) Haikexi (海可喜®), a generic of valsartan tablets selected in provincial VBP scheme; (iv)

Haihuining (海惠宁®), a generic of bisoprolol fumarate and amlodipine besilate tablets; and (v) Hailiping(海立平®), a generic of benidipine tablets.

Key products related to endocrine system diseases

The Company had one commercialised product for endocrine system diseases, namely Ruiantuo (瑞安妥®). Ruiantuo (瑞安妥®) is a generic of cinacalcet hydrochloride tablets selected in the Fifth National VBP Scheme.

Key products related to nervous system diseases

As of 31 December 2025, the Company had one commercialised product for nervous system diseases, namely Anyoufan (安優凡®). Anyoufan (安優凡®) was selected in the provincial VBP scheme.

Key products related to other therapeutic area

The Company's commercialised product portfolio in other therapeutic areas consisted of three drugs: (i) Saixifu (賽西福®), a generic of hydroxychloroquine sulfate tablets (anti-inflammatory) selected in the Tenth National VBP Scheme in December 2024; (ii) Anfeiping (安飞平®), a generic of diclofenac sodium enteric-coated tablets (anti-inflammatory) selected in the Guangdong 21-Province Alliance VBP Scheme in October 2025; and (iii) Jishuning (及舒宁®), a generic of cetirizine hydrochloride oral solution (anti-allergic) selected in the Guangdong 21-Province Alliance VBP Scheme in October 2025.

The Company's commercialised products are competitively positioned globally for high prevalence medical conditions and their market positions are expected to grow or maintain at its current level.

Research and Development

With over a decade of experience, the Company has established an R&D team that covers the entire cycle of pharmaceutical R&D, including medicinal chemistry, formulation, preclinical research, quality control, quality assurance, clinical operation and regulatory affairs. The Company has built two product development platforms which form the bedrock of its R&D capabilities. These product development platforms include (i) the Multi-target Innovative Drug Development Platform ("**MultiSel-Opt Platform**"), through which the Company facilitates the screening, discovery and optimisation of compound candidates in preclinical research and advances development candidates in clinical studies; and (ii) the Generic Drug Development Platform, through which the Company continues to develop drug candidates with market potential. They enable the Company to continuously and quickly identify therapeutic targets with huge market potential and develop products towards commercialisation.

Empowered by the said R&D team, the Company has established a patent portfolio to protect its diversified products and drug candidates. As of 31 December 2025, the Company had been granted 39 patents globally, including 20 in overseas jurisdictions covering U.S., Canada, Australia, Japan, Korea, Singapore, India and 29 European countries.

During the Reporting Period and up to the date of this announcement, the Company had remarkable R&D achievements in the following product candidates.

R&D progress for the product candidates

The Company is actively exploring the combination potential of the major innovative drug C019199 and the potential of another major innovative drug HXP056 to become the first oral drug therapy for wAMD/DME/RVO. The Company also may explore potential license-out opportunities or other collaboration arrangements for its innovative drug candidates in overseas market in the future.

C019199

C019199 is a multi-mechanism immuno-modulator targeting CSF-1R/DDR1/VEGFR2, which is the first innovative drug candidate developed from the MultiSel-Opt Platform. The Company is developing C019199 both as monotherapy and in combination therapies with drugs such as anti-PD-1 mAbs on a variety of oncology diseases. C019199's indications include, among others, osteosarcoma, breast cancer, colorectal cancer, pancreatic cancer and TGCT. In July 2020, the Company obtained the Investigational New Drug Application (IND) approval from the NMPA for C019199. As of 31 December 2025, the Company had (i) completed Phase Ia clinical trials and initiated Phase Ib/II clinical trials for osteosarcoma and TGCT; and (ii) completed Phase I clinical trial and initiated Phase II clinical trial in different types of solid tumors for combination therapy with anti-PD-1 mAbs. In the first half of 2026, the Company expects to initiate Phase III clinical trials for C019199 for osteosarcoma in China. In the U.S., the Company also expects to initiate Phases I/II clinical trials for osteosarcoma after the Company obtains Food and Drug Administration (FDA) IND approval.

HXP056

HXP056 is an innovative drug candidate and is designed to provide an oral therapy for the treatment of ocular fundus diseases. HXP056 is expected to overcome the technical challenges of achieving BRB penetration to reach the retinal disease site, while simultaneously optimising systemic exposure to ensure patients' safety. HXP056 has the potential to become the world's first oral therapy for the treatment of the said retinal diseases, rendering both a significant technological advancement and an explosive global market potential.

Preliminary data from the Phase I clinical study of HXP056 in wAMD demonstrated favourable safety and tolerability, with a good dose-exposure relationship. Furthermore, in both treatment-naive and previously treated patients with wAMD enrolled in Phase I clinical trial, initial improvements in both fundus morphology and retinal function were observed. Based on these promising early results, the Company has already commenced patient enrollment for the Phase II expansion study in China in the fourth quarter of 2025 while the Phase I dose escalation was still ongoing. The Company's goal is to expeditiously evaluate and determine the optimal dose for treatment, thereby laying a solid foundation for the upcoming Phase III clinical studies in the near future.

Marketing and Collaboration

Manufacturing

During the Reporting Period, the Company, as a marketing authorisation holder ("**MAH**"), primarily focused on the R&D and commercialisation of the generic and innovative drug candidates in the pipeline. As of 31 December 2025, Rebamipide Tablets, Cobamamide Capsules, Amlodipine and Atorvastatin Calcium Tablets (5/10mg), Amlodipine and Atorvastatin Calcium Tablets (5/20mg) and Celecoxib Capsules have completed site transfers to the Company's manufacturing base. Among these products, Adenosylcobalamin Capsules have been fully transitioned to in-house production, while the remaining products are manufactured through a parallel combination of in-house production and outsourcing to qualified contract manufacturing organisations (CMOs).

Currently, the Company owns the manufacturing facility in Fuzhou with a total GFA of around 90,000 sq.m. As of 31 December 2025, the Company has obtained the drug manufacturing license issued by the Fujian Medical Products Administration (福建省藥品監督管理局), and has completed the installation of production lines for oral solid dosage production with designed annual production capacity of 2.0 billion tablets and capsules. As of 31 December 2025, the Changle Facility, which has completed the construction and obtained the final acceptance report, had met the requirements concerning its completion timeline.

Outlook

The fundamental financial and business situation of the Company advances steadily as usual after 31 December 2025. The Company is steadily following its strategy as in 2025 to keep developing its business progressively. The pharmaceutical industry in China also continues the trend of 2025 in that more and more biotech and pharmaceutical companies start to show their research progress especially in R&D of innovative therapeutic projects, and keep gaining more and more attention from the MNCs and investors from Western countries. It is gradually becoming a common notion in the West that for every dollar invested in the R&D, there is a clear advantage in terms of the return and the efficiency if the R&D is done in China, especially in the preclinical phase and early clinical trial phases. These aspects were well expected by the Company thus there is no need for any major adjustments to Company's strategies or business models. The Company continues to focus on the discovery and development of the innovative drug research projects. With the help of a strong financial basis, both from the Group's robust cash flow and from the funds collected from the Global Offering in 2025, the research team is able to push forward all working projects efficiently without material funding constraints. This enables the research of the Company to progress in a great pace on one hand, and to hold the creativity and the quality of the drug design in really high standards on the other hand. Therefore the Company is seeing and will continue to see significant progress of the innovative drug projects, including pushing clinical trials further down to later phases and filing additional INDs for upcoming projects. With the hardcore innovations that are the central theme and bear no much resemblance to peers, the Company is building a strong foundation to not only excel in the pharmaceutical industry in China, but also make our vision a reality to grow into a top international company.

FINANCIAL REVIEW

Revenue

The breakdown of revenue from sales of pharmaceutical products by marketed products are set out as follows:

	Year ended 31 December			
	2025		2024	
	Amount	**(%)**	Amount	(%)
Haihuitong (海慧通®)	**292,223**	**50.29**	187,339	40.60
Anbili (安必力®)	**162,358**	**27.94**	145,984	31.60
Ruiantuo (瑞安妥®)	**37,728**	**6.49**	47,949	10.40
Saixifu (賽西福®)	**35,739**	**6.15**	43,729	9.50
Haibiping (海必平®)	**28,068**	**4.83**	20,779	4.50
Others	**24,939**	**4.30**	15,749	3.40
Total	**581,055**	**100.00**	461,529	100.00

Revenue for the year ended 31 December 2025 amounted to RMB582,358,000, representing an increase of 24.79% from RMB466,683,000 for the year ended 31 December 2024. The increase was primarily attributable to the Group's enhanced marketing efforts during the year, which drove growth in sales revenue of **Haihuitong (海慧通®)** and **Anbili (安必力®)**. In particular, **Haihuitong (海慧通®)** added a newly selected specification (5mg/20mg × 14 tablets) under the national VBP scheme in 2025, which effectively drove hospital channel development and end-market sales growth.

Cost of sales/services

The cost of sales/services for the year ended 31 December 2025 amounted to RMB96,801,000, representing an increase of 21.78% from RMB79,489,000 for the year ended 31 December 2024, primarily attributable to the growth in revenue during the year.

Gross Profit and Gross Profit Margin

Gross profit for the year ended 31 December 2025 amounted to RMB485,557,000, representing an increase of 25.40% from RMB387,194,000 for the year ended 31 December 2024, primarily attributable to the growth in revenue. The gross profit margin for the year ended 31 December 2025 was 83.38%, compared to 82.97% for the year ended 31 December 2024, remaining relatively stable.

Other Income and Gains/(losses)

Other income for the year ended 31 December 2025 amounted to RMB19,672,000, representing a decrease of RMB11,351,000 from RMB31,023,000 for the year ended 31 December 2024, primarily attributable to a decrease in government grants received during the year.

Administrative Expenses

Administrative expenses for the year ended 31 December 2025 amounted to RMB22,133,000, compared to RMB20,961,000 for the year ended 31 December 2024, representing an increase of RMB1,172,000. The increase was primarily attributable to higher professional services fees paid during 2025 and the commencement of operations at the Changle Facility in 2025, which resulted in an increase in day-to-day administrative expenses.

Distribution and Selling Expenses

Distribution and selling expenses for the year ended 31 December 2025 amounted to RMB197,660,000, representing an increase of 19.30% from RMB165,682,000 for the year ended 31 December 2024, primarily due to increased investment in marketing and promotion expenditure in order to maintain and grow the market share of Anbili (安必力®) and Haihuitong (海慧通®) in an increasingly competitive market.

Finance Costs

The Group's finance costs consist of interest expenses on lease liabilities and bank and other borrowings. Interest expenses on bank and other borrowings primarily represent the payments to the collaborative partners of certain generic drugs pursuant to the relevant R&D collaboration agreements. For the year ended 31 December 2025, the Group's finance costs were RMB5,736,000, comprising interest expenses on lease liabilities of RMB314,000 and interest expenses on bank and other borrowings of RMB5,422,000. For the year ended 31 December 2024, the Group's finance costs were RMB7,221,000, comprising interest expenses on lease liabilities of RMB379,000 and interest expenses on bank and other borrowings of RMB6,842,000. The decrease in finance costs for the year ended 31 December 2025 was primarily attributable to a reduction in the carrying amount of other borrowings during the year.

Listing Expenses

Listing expenses consist of professional fees, underwriting commissions and other fees incurred in connection with the initial public offering (the "**Global Offering**"). As disclosed in the prospectus of the Company dated 9 October 2025 (the "**Prospectus**"), the total listing expenses were expected to amount to approximately RMB46.2 million (HK$50.6 million), of which approximately RMB19.7 million (HK$21.6 million) was expected to be charged to the consolidated statement of profit or loss and approximately RMB26.5 million (HK$29.1 million) was expected to be deducted from equity upon completion of the Global Offering. For the year ended 31 December 2024, listing expenses of RMB7,834,000 were charged to the consolidated statement of profit or loss. The listing expenses for the year ended 31 December 2025 were RMB8,120,000, representing an increase of RMB286,000 from RMB7,834,000 for the year ended 31 December 2024, primarily attributable to the increased intermediary fees due to the Company's Global Offering in 2025.

Income Tax Expenses

Income tax expenses for the year ended 31 December 2025 amounted to RMB21,047,000, representing an increase of 62.97% from RMB12,915,000 for the year ended 31 December 2024, primarily attributable to a decrease in the amount of deferred tax utilised to offset prior losses and an increase in profit for the year.

Research and Development Expenses

Research and development expenses for the year ended 31 December 2025 amounted to RMB73,504,000, representing an increase of 8.85% from RMB67,525,000 for the year ended 31 December 2024, primarily attributable to an increase in clinical trial expenses for the Group's innovative drug projects during 2025.

Profit for the Year

As a result of the foregoing factors, profit for the year ended 31 December 2025 amounted to RMB177,029,000, representing an increase of 30.09% from RMB136,079,000 for the year ended 31 December 2024.

Liquidity, Financial and Capital Resources

The Group primarily finances its operations through cash generated from business operations, and following the completion of the Global Offering, the net proceeds thereof. As at 31 December 2025, the Group's net current assets were RMB1,212,210,000, with a current ratio of 6.31. As at 31 December 2024, the Group's net current assets were RMB164,185,000, with a current ratio of 1.9. The Group's cash and cash equivalents were RMB645,054,000 as at 31 December 2025 (31 December 2024: RMB38,282,000), with additional financial assets at FVTPL of RMB533,554,000 (31 December 2024: RMB234,956,000) and short-term fixed deposits of RMB151,862,000 (31 December 2024: nil), reflecting the significant increase in the Group's liquid resources following the completion of the Global Offering, primarily attributable to the increase in cash received from the issuance of shares of the Company during the year 2025.

Borrowings and Pledge of Assets

As at 31 December 2025, the Group's bank and other borrowings were RMB103,749,000 (comprising current bank and other borrowings of RMB83,981,000 and non-current other borrowings of RMB19,768,000), and lease liabilities were RMB6,397,000 (comprising current lease liabilities of RMB1,621,000 and non-current lease liabilities of RMB4,776,000). The increase in borrowings for the year ended 31 December 2025 was primarily attributable to the increase in short-term borrowings in year 2025.

Funding and Treasury Policies

The Group primarily finances its operations through cash generated from business operations and the net proceeds from the Global Offering. The Group's treasury activities are managed by its finance department in accordance with the Group's internal monetary fund management policies and external investment management policies. The primary objectives of the Group's treasury management are to safeguard the Group's assets, manage its liquidity position and minimise financial risks. The finance department is responsible for monitoring and managing the Group's cash flows, foreign exchange exposures and investment activities under the oversight of the management and the Board.

Currencies of Borrowings and Cash

The Group primarily operates in the PRC and its borrowings are denominated in RMB. As at 31 December 2025, the Group's cash and cash equivalents amounted to approximately RMB645,054,000 and short-term fixed deposits amounted to approximately RMB151,862,000, which were principally held in RMB and Hong Kong dollars.

Interest Rate Profile of Borrowings

As at 31 December 2025, the Group's total bank and other borrowings amounted to approximately RMB103,749,000 (being RMB78,514,000 at fixed interest rates and RMB25,235,000 at floating interest rates). Approximately 75.68% of the Group's total borrowings were at fixed interest rates, while approximately 24.32% were at floating interest rates. The Directors consider that the Group's exposure to interest rate risk arising from floating rate borrowings is not material.

Foreign Exchange and Exchange Rate Risk

The Group primarily operates in the PRC and is exposed to foreign currency risk arising from fluctuations in exchange rate between RMB and other currencies in which the Group conducts its business. The Group did not enter into any hedging transactions in respect of foreign currency risk as at 31 December 2025. The Directors expect that the fluctuation of the RMB exchange rate will not have a material adverse effect on the operation of the Group.

Gearing Ratio

As at 31 December 2025, the gearing ratio of the Group, which is calculated by dividing total borrowings by total equity, increased to 4.93% from 3.29% as at 31 December 2024. The increase was primarily due to the increase in share capital and share premium as a result of the Company's public listing and issuance of shares during the year, as well as the increase in net profit for the year resulting in a higher balance of retained earnings at year end.

Hedging Activities

As at 31 December 2025, the Group did not use any financial instruments for hedging purposes and did not enter into any hedging transactions in respect of foreign currency risk or interest rate risk.

Other Information

Material Investments

The Group did not make any material investments during the year ended 31 December 2025.

Material Acquisitions and Disposals

The Group did not have any material acquisitions or disposals of subsidiaries, consolidated affiliated entities or associated companies for the year ended 31 December 2025.

Significant Investments, Material Acquisitions and Disposals of Subsidiaries

The Group did not make any significant investments during the year ended 31 December 2025, and did not have any material acquisitions or disposals of subsidiaries, consolidated affiliated entities or associated companies for the year ended 31 December 2025.

Pledge of Assets

As at 31 December 2025, the Group did not have any assets pledged to secure its loans and banking facilities.

Litigation and Contingent Liabilities

The Company was not involved in any material litigation or arbitration during the year ended 31 December 2025. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group as at 31 December 2025 and up to the date of this announcement. As at 31 December 2025, the Group did not have any material contingent liabilities.

Events after the Reporting Period

There were no significant events affecting the Group that occurred after 31 December 2025 and up to the date of this announcement.

Future Plans for Material Investments or Capital Assets

Save as disclosed in this announcement, the Group does not have any concrete plans for material investments or capital assets acquisitions as at the date of this announcement.

Use of Proceeds

The Company completed its Global Offering on the Stock Exchange on 20 October 2025. After deducting underwriting commissions and other expenses payable in connection with the Global Offering, the net proceeds from the Global Offering amounted to approximately HK$940.13 million.

The intended allocation of net proceeds as set out in the Prospectus and the details of net proceeds of the Global Offering which had been utilised as at 31 December 2025, at the total amount of approximately RMB74.66 million, are summarised as follows:

No.	Intended Use	Approximate % of net proceeds	Allocated amount (HK$ million)	Amount utilised as at 31 December 2025 (HK$ million)	Unutilised amount as at 31 December 2025 (HK$ million)	Expected timeline for full utilisation
1	Continuous investment in R&D to advance drug candidates in the pipeline and to enrich the product portfolio (including approximately 40.0% for R&D of innovative drugs and approximately 12.0% for R&D of generic drugs)	52.0%	488.87	16.85	472.02	Before 31 December 2027
2	Improvement of the Group's R&D capacities and pursuit of collaboration opportunities	23.0%	216.23	4.14	212.09	Before 31 December 2027
3	Improvement and optimisation of the Group's R&D and manufacturing systems	7.0%	65.81	8.44	57.37	Before 31 December 2027
4	Enhancement of the Group's commercialisation capabilities and expansion of its market presence	8.0%	75.21	33.29	41.92	Before 31 December 2027
5	Working capital and other general corporate purposes	10.0%	94.01	11.94	82.07	Before 31 December 2027
	Total	100.0%	940.13	74.66	865.47	

As at 31 December 2025, the unutilised net proceeds from the Global Offering were deposited with licensed banks in the PRC and Hong Kong. The proceeds from the Global Offering have been and will continue to be utilised in accordance with the intended purposes as disclosed in the Prospectus. There has been no change in the intended use of the net proceeds from the Global Offering, nor has there been any material delay in the utilisation of such proceeds, as compared to the intentions previously disclosed in the Prospectus.

FINAL DIVIDEND

The Board does not recommend the distribution of a final dividend for the year ended 31 December 2025.

ANNUAL GENERAL MEETING

The annual general meeting is scheduled to be held on 21 May 2026 (the "**AGM").** A notice convening the AGM will be published and dispatched to the shareholders of the Company, upon request, in the manner required by the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules")** in due course.

CLOSURE OF REGISTER OF SHAREHOLDERS

The Company's annual general meeting will be held on 21 May 2026. For determining eligibility to attend and vote at the annual general meeting, the register of shareholders of the Company will be closed from 18 May 2026 to 21 May 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 annual general meeting will be 21 May 2026. In order to be eligible to attend and vote at the annual general meeting, all transfer of shares of the Company, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong share registrars, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on 15 May 2026.

Corporate Governance Practices

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules as its own code of corporate governance. From the listing date of the Company (i.e. 20 October 2025 to 31 December 2025, and up to the date of this announcement), the Company has complied with all applicable code provisions set out in Part 2 of the CG Code, save that Dr. Kang Xinshan serves as both the chairman of the Board and the general manager as discussed below.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Dr. Kang Xinshan, is our co-founder, chairman of the Board and general manager (same nature as chief executive). From the inception of our business, Dr. Kang has been responsible for the overall strategy planning of business operations and making key business and operational decisions of our Company. Since Dr. Kang is the key person for our Company's development and he will not undermine our Company's interests in any way under any circumstances, the Board believes that vesting the roles of both chairman of the Board and general manager in the same person has the benefit of ensuring consistent leadership within our Company and enables more effective and efficient overall strategic planning for our Company. The Board considers that the balance of power and authority for the present arrangement will not be impaired, and this structure will enable our Company to make and implement decisions promptly and effectively.

Model Code For Securities Transactions

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules. Specific enquiry has been made of all the Directors and the supervisors (the "**Supervisor(s)**") of the Company, the Directors and Supervisors have confirmed that they have complied with the Model Code from the listing date of the Company (i.e. 20 October 2025) to 31 December 2025.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 30 March 2026 . The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

Purchase, Sale or Redemption of Listed Securities

There was no purchase, sale or redemption by the Company or any of its subsidiaries of any listed securities (including treasury shares (as defined under the Listing Rules)) of the Company from the listing date of the Company (i.e. 20 October 2025) to 31 December 2025. As at 31 December 2025, the Company did not hold any treasury shares.

Board Committees

Audit Committee

The Audit Committee comprises three members, namely Ms. Pu Meiting, Mr. Gong Weimin and Ms. Wang Shan Shan, with Ms. Pu Meiting as the chairperson of the Audit Committee.

The Audit Committee has reviewed together with the Board the accounting principles and policies adopted by the Group, the audited annual results and the audited consolidated financial statements of the Group for the Reporting Period. The Audit Committee also approved the annual results and the consolidated financial statements for the Reporting Period and submitted them to the Board for approval.

Remuneration and Appraisal Committee

The Remuneration and Appraisal Committee comprises three members, namely Mr. Gong Weimin, Dr. Kang Xinshan, and Ms. Pu Meiting, with Mr. Gong Weimin as the chairperson of the Remuneration and Appraisal Committee. The Remuneration and Appraisal Committee's primary duties include, among others, researching the criteria for performance evaluation of Directors, Supervisors and senior management, formulating their job responsibilities, and reviewing and supervising the implementation of remuneration plans and incentive schemes.

Nomination Committee

The Nomination Committee comprises three members, namely Dr. Kang Xinshan, Ms. Wang Shan Shan and Ms. Pu Meiting, with Dr. Kang Xinshan as the chairperson of the Nomination Committee. The Nomination Committee's primary duties include, among others, researching standards and procedures for the election of Directors and senior management, conducting searches for suitable candidates, and making recommendations to the Board.

Strategy Committee

The Strategy Committee comprises three members, namely Dr. Kang Xinshan, Ms. Feng Yan and Mr. Gong Weimin, with Dr. Kang Xinshan as the chairperson of the Strategy Committee. The primary duties of the Strategy Committee include researching and making recommendations on the Company's long-term development strategies, major investments, financing plans, capital operations and management projects, and other significant matters affecting the Company's development, while also supervising the implementation of these matters and handling any additional matters authorized by the Board.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.hxpharma.com). In accordance with the requirements under the Listing Rules applicable to the Reporting Period, the 2025 annual report containing all the information about the Company in accordance with the requirements under the Listing Rules will be posted on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
Fujian Haixi Pharmaceuticals Co., Ltd.
Dr. Kang Xinshan
Chairman and Executive Director

Fujian, the PRC, 30 March 2026

As at the date of this announcement, the executive Directors are Dr. Kang Xinshan, Ms. Feng Yan, Dr. Chen Guangming and Dr. Chen Shuyi; the non-executive Directors are Mr. Xu Dong and Mr. Wang Xinkun; and the independent non-executive Directors are Mr. Gong Weimin, Ms. Wang Shan Shan and Ms. Pu Meiting.