This announcement contains forward-looking statements that involve risks and uncertainties. All statements other than statements of historical fact are forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors, some of which are beyond the Company's control, that may cause the actual results, performance or achievements to be materially different from those expressed or implied by the forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

歌礼 ascletis

Ascletis Pharma Inc.
歌禮製藥有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1672)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2025 AND CHANGE IN THE USE OF PROCEEDS

The Board hereby announces the audited condensed consolidated annual results of the Group for the year ended December 31, 2025, together with the comparative figures for the year ended December 31, 2024 as follows.

FINANCIAL HIGHLIGHTS

	2025	2024	Changes
	RMB'000	*RMB'000*	*%*
Total income[(1)]	**127,350**	121,076	5.2
Research and development costs	**(409,053)**	(302,394)	35.3
Administrative expenses	**(75,232)**	(101,744)	(26.1)
Other expenses	**(774)**	(11,809)	(93.4)
Finance costs	**(164)**	(244)	(32.8)
Share of the loss of an associate	**–**	(5,273)	(100.0)
Loss before taxation	**(359,374)**	(300,936)	19.4
Income tax	**(506)**	–	–
Loss for the year	**(359,880)**	(300,936)	19.6
Attributable to:			
Equity shareholders of the Company	**(359,880)**	(300,936)	19.6
	RMB	*RMB*	*RMB*
Loss per share – Basic and diluted	**(37.01) cents**	(30.05) cents	(6.96) cents

Note:

(1) The Group's total income represents revenue, other income and net gains.

CORPORATE PROFILE

Our Vision

Ascletis' vision is to become the most innovative world-class biomedical company addressing global unmet medical needs in the area of metabolic diseases.

Overview

During the Reporting Period and up to the date of this announcement, the Group made significant progress for its metabolic disease pipeline, immune disease pipeline and exploratory indication pipeline: (i) ASC30 oral small molecule GLP-1 once-daily tablet for obesity demonstrated placebo-adjusted weight loss of 7.7% with better GI tolerability. The Phase III studies will be initiated in the third quarter of 2026. (ii) ASC30 oral small molecule GLP-1 once-daily tablet for diabetes is being evaluated in a U.S. 13-week Phase II study. Topline data are expected in the third quarter of 2026. (iii) ASC30 small molecule GLP-1 once-monthly or less frequent subcutaneous (SQ) depot formulation achieved statistically significant and clinically meaningful placebo-adjusted mean weight loss of 7.5% at week 16 after three monthly doses without requiring a weekly lead-in dosing period. It demonstrated an observed half-life of 46 days to 75 days. ASC30 SQ depot formulation maintained weight loss for the four months following the third and final monthly dose, suggesting potential quarterly dosing as a maintenance therapy. (iv) ASC47 small molecule THRβ once-monthly SQ injection for muscle-preserving weight loss treatment, in combination with semaglutide, demonstrated up to 56.2% greater relative reduction in body weight on day 29 compared to placebo in combination with semaglutide (semaglutide monotherapy). ASC47 demonstrated a half-life of up to 40 days. The Phase II combination study with ASC35 will be initiated in 2026. (v) ASC39, a potent and amylin-selective oral small molecule amylin receptor agonist, demonstrated eloralintide-like amylin selectivity and efficacy in preclinical models, and submission of an IND for ASC39 tablets to the FDA is expected in the third quarter of 2026. (vi) ASC36 once-monthly to once quarterly, potentially best-in-class subcutaneously administered amylin receptor agonist for obesity, has been selected as a clinical development candidate and submission of an IND for ASC36 injection to the FDA is expected in the second quarter of 2026. (vii) ASC36 oral tablets, the Company's first oral amylin receptor peptide agonist, has been selected for clinical development and submission of an IND for ASC36 tablets to the FDA is expected in the second quarter of 2026. (viii) ASC35 once-monthly potentially best-in-class subcutaneously administered GLP-1R/GIPR dual peptide agonist for obesity has been selected as a clinical development candidate and submission of an IND for ASC35 to the FDA is expected in the second quarter of 2026. (ix) Co-formulation of ASC36, a once-monthly next-generation amylin receptor agonist and ASC35, a once-monthly next-generation GLP-1R/GIPR dual agonist, has been selected for clinical development, and submission of an IND for ASC36_35 FDC to the FDA is expected in the second quarter of 2026. (x) ASC37 injection, a next-generation, once-monthly, subcutaneously administered GLP-1R/GIPR/GCGR triple peptide agonist, has been selected as a clinical development candidate and submission of an IND for ASC37 injection to the FDA is expected in the third quarter of 2026. (xi) Co-formulation of ASC36, a once-monthly next-generation amylin receptor agonist and ASC37, a once-monthly next-generation GLP-1R/GIPR/GCGR triple peptide agonist, has been selected for clinical development, and submission of an IND for ASC36_37 FDC to the FDA is expected in the third quarter of 2026. (xii) ASC50 oral small molecule IL-17A inhibitor once-daily tablets, demonstrated elimination half-life of

up to 104 hours, strong target engagement after a single oral dose, indicated by elevated plasma IL-17A levels, which continued until day 7 for higher doses of ASC50, and a dose-proportional pharmacokinetic profile from 10 mg to 600 mg. ASC50 was safe and well tolerated in the SAD study. (xiii) Denifanstat (ASC40), a once-daily oral FASN inhibitor, demonstrated statistically significant and clinically meaningful improvement compared to placebo in all primary, key secondary, and secondary endpoints in a randomized, double-blind, placebo-controlled, multicenter clinical trial in China. At week 12, percent treatment success was 33.2% compared to 14.6% for placebo, percent reduction from baseline in total lesion count was 57.4% compared to 35.4% for placebo, and percent reduction from baseline in inflammatory lesion count was 63.5% compared to 43.2% for placebo. Denifanstat (ASC40) also demonstrated favorable safety and tolerability in a Phase III open-label study. The exceptional efficacy of denifanstat (ASC40) observed in the Company's placebo-controlled Phase III trial coupled with a favorable safety profile in two Phase III trials provide a potential major break-through for the treatment of acne. New Drug Application for denifanstat (ASC40) for acne has been accepted by the China National Medical Products Administration.

These achievements underscored the Group's strong R&D capabilities, best execution and longstanding commitments to discovering and developing global best-in-class/first-in-class pipeline to address unmet clinical needs.

As of December 31, 2025, the Group had cash and cash equivalent, time deposits, transferable certificate of deposit, structured deposits, wealth management products and bank deposit in transit of approximately RMB1,932.6 million (December 31, 2024: approximately RMB1,980.8 million).

The Group's investment in research and development has increased by 35.3% from approximately RMB302.4 million for the year ended December 31, 2024 to approximately RMB409.1 million for the year ended December 31, 2025. The loss for the period of the Group increased by 19.6% from approximately RMB300.9 million for the year ended December 31, 2024 to approximately RMB359.9 million for the year ended December 31, 2025.

Despite a 35.3% year-on-year increase in research and development investment, the loss only expanded by 19.6% for the reporting period, mainly contributed by (i) enhanced efficiency in research and development; (ii) enhanced efficiency in administration; and (iii) an increase in other income and net gains.

During the Reporting Period and up to the date of this announcement, the Group has made the following progress in the pipeline of metabolic disease, immune disease and exploratory indication:

Metabolic Disease Pipeline

Small Molecules

Product (Modality)	Target	Indication	Commercial Rights	Discovery	IND Enabling	Phase I	Phase II	Phase III
ASC30 (Once-daily oral small molecule)	GLP-1R	Obesity	Global					
ASC30 (Once-daily oral small molecule)	GLP-1R	Diabetes	Global					
ASC30 (Once-monthly subcutaneous small molecule)	GLP-1R	Obesity	Global					
ASC30 (Once-quarterly subcutaneous small molecule)	GLP-1R	Obesity/ maintenance	Global					
ASC47 (Adipose-targeted once-monthly subcutaneous small molecule)	THRβ	Obesity/ muscle preserving	Global					
ASC39 (Once-daily oral small molecule)	Amylin Receptor	Obesity	Global					

Peptides

Product (Modality)	Target	Indication	Commercial Rights	Discovery	IND Enabling	Phase I	Phase II	Phase III
ASC36 (Once-monthly to once-quarterly subcutaneous peptide)	Amylin Receptor	Obesity	Global					
ASC36 (Oral peptide)	Amylin Receptor	Obesity	Global					
ASC35 (Once-monthly subcutaneous peptide)	GLP-1R/GIPR	Obesity	Global					
ASC36_35 FDC (Once-monthly subcutaneous peptides)	Amylin Receptor+ GLP-1R/GIPR	Obesity	Global					
ASC37 (Once-monthly subcutaneous peptide)	GLP-1R/GIPR/GCGR	Obesity	Global					
ASC36_37 FDC (Once-monthly subcutaneous peptides)	Amylin Receptor+ GLP-1R/GIPR/GCGR	Obesity	Global					

Immune Disease Pipeline

Product (Modality)	Target	Indication	Commercial Rights	Discovery	IND Enabling	Phase I	Phase II	Phase III
ASC50 (Once-daily oral small molecule)	IL-17	Psoriasis and other immune diseases	Global					

Exploratory Indication Pipeline

Product (Modality)	Target	Indication	Commercial Rights	Discovery	IND Enabling	Phase I	Phase II	Phase III	NDA
ASC40 (Oral small molecule)	FASN	ACNE	Greater China[1]						

Note:

1. ASC40 is licensed from Sagimet for the exclusive rights in Greater China.

Abbreviations:

GLP-1R: glucagon-like peptide 1 receptor, GIPR: gastric inhibitory polypeptide receptor, GCGR: glucagon receptor; THRβ: Thyroid hormone receptor beta; IL-17: interleukin-17; FASN: Fatty acid synthase.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

During the Reporting Period and up to the date of this announcement, the Group has made the following progress with respect to its business.

Metabolic Diseases

ASC30 oral once-daily tablet for obesity

During the Reporting Period and up to the date of this announcement, the Group has obtained positive topline results from its 13-week Phase II study evaluating ASC30, an oral small molecule GLP-1R agonist for the treatment of obesity (NCT07002905) in 125 participants with obesity (BMI ≥30.0 kg/m²) or overweight (BMI ≥27.0 kg/m²) with at least one weight-related comorbidity at multiple sites across the U.S.

ASC30 once-daily tablets showed statistically significant and clinically meaningful dose-dependent placebo-adjusted mean body weight reductions with no observed plateau for weight loss. At the 13-week primary endpoint, ASC30 once-daily tablets showed dose-dependent placebo-adjusted mean body weight reductions of 5.4%, 7.0% and 7.7% for 20 mg, 40 mg and 60 mg, respectively.

80.0% of participants taking 60 mg of ASC30 once daily lost ≥5% of their body weight, compared to 4.2% with placebo; 45.0% of participants taking 60 mg of ASC30 once daily lost ≥7% of their body weight, compared to 4.2% with placebo.

In addition to achieving statistically significant and clinically meaningful weight loss, ASC30 also met secondary and exploratory endpoints. ASC30 attained reductions in known markers of cardiovascular risk, including total cholesterol, LDL-C, triglyceride, and systolic and diastolic blood pressure across all doses. At steady state, the plasma concentrations of ASC30 increased with increasing doses.

ASC30 demonstrated better GI tolerability with a favourable safety profile. The vomiting rate of ASC30 titrated weekly to target dose was approximately half of the published vomiting rate observed with orforglipron titrated weekly. The GI tolerability of ASC30 titrated weekly was comparable to published results of orforglipron titrated every four weeks in the Phase III ATTAIN-1 study. In the ASC30 Phase II study, all GI AEs were grade 1 (mild) and grade 2 (moderate) in severity and mostly occurred during the dose titration period. There were no grade 3 (severe) or above GI AEs. In the ASC30 Phase II study, there were no any AEs of grade 3 (severe) or above and there were no drug related SAEs. No hepatic safety signal was observed and there were no elevations of alanine transaminase (ALT), aspartate aminotransferase (AST), or total bilirubin (TBL). In addition, there were no abnormal findings in laboratory tests, vital signs, ECGs (electrocardiograms, including QTc intervals), and physical exams.

Based on the Phase II efficacy, tolerability and safety data, ASC30 once-daily tablet for obesity demonstrates a promising and competitive profile, underscoring its strategic value and global positioning within our pipeline.

ASC30 is an investigational GLP-1R biased small molecule agonist and has unique and differentiated properties that enable the same small molecule for both oral tablet and SQ injection administrations. ASC30 is a new chemical entity (NCE), with U.S. and global patent protection through 2044 (excluding potential patent extensions).

Anticipated 2026 Milestone: Initiate the Phase III studies of ASC30 once-daily oral tablet for the treatment of obesity in the third quarter of 2026.

ASC30 oral once-daily tablet for diabetes

During the Reporting Period and up to the date of this announcement, the Group has initiated a U.S. 13-week Phase II study (NCT07321678) with ASC30, an oral small molecule GLP-1R agonist for the treatment of type 2 diabetes mellitus.

The Phase II study will enroll approximately 100 participants with type 2 diabetes mellitus at multiple sites across the U.S. Participants will be randomly assigned in a ratio of approximately 2:3:3:2 to 40 mg, 60 mg and 80 mg ASC30 tablets and matching placebo tablets, respectively. ASC30 will be titrated weekly from 1 mg to target doses of 40 mg, 60 mg and 80 mg.

Anticipated 2026 Milestone: Announce the topline data from the U.S. 13-week Phase II study of ASC30 once-daily tablet for the treatment of diabetes in the third quarter of 2026.

ASC30 once-monthly or less frequent SQ injection for obesity

During the Reporting Period and up to the date of this announcement, the Group has obtained positive topline results from a U.S. Phase II, 24-week study for its SQ depot formulations of small molecule GLP-1R agonist ASC30 for obesity (NCT06679959). All 65 participants enrolled in three cohorts utilizing two formulations (A1 and A2) were obese (BMI $\geq$30 kg/m^2) or overweight (BMI $\geq$27 kg/m^2 but <30 kg/m^2) with at least one weight-related comorbidity.

The Phase II study achieved its primary endpoint, with patients receiving three doses of once-monthly ASC30 SQ depot formulation A1 demonstrating a statistically significant (p<0.05 vs placebo) and clinically meaningful placebo-adjusted mean weight loss of 6.3% at week 12. Additionally, ASC30 SQ depot formulation A1 achieved a statistically significant (p<0.05 vs placebo) and clinically meaningful placebo-adjusted mean weight loss of 7.5% at week 16 after 3 monthly doses.

ASC30 SQ depot formulation A1 was previously studied in the 12-week Phase Ib single dose study (NCT06679959) and demonstrated an observed half-life of 46 days to 75 days. Formulation A1 achieved therapeutic drug exposures in obese patients in this study.

The data demonstrate that ASC30 SQ depot formulation A1 can be dosed once monthly and potentially once every two months for the treatment of obesity without requiring a weekly lead-in dosing period. For ASC30 SQ depot formulation A1, all participants were given three SQ doses of 400 mg each with a four-week dosing interval at day 1, day 29 (week 4) and day 57 (week 8). ASC30 SQ depot formulation A1 achieved placebo-adjusted mean body weight loss of 2.7%, 5.5%, 6.3%, and 7.5% at week 4, week 8, week 12 and week 16, respectively.

ASC30 SQ depot formulation maintained weight loss for the four months following the third and final monthly dose, suggesting potential quarterly dosing as a maintenance therapy.

The results demonstrate that ASC30 SQ depot formulation A1 has the potential to be an effective once-quarterly maintenance therapy for obesity. Patients in the study were evaluated for duration of effect for 16 weeks following the final dose on week 8. ASC30 SQ depot formulation A1 achieved therapeutic drug exposures over this 16-week maintenance period after the final dose. Placebo-adjusted mean weight loss was 5.5% at week 8, 6.4% at week 20 (three months following the final dose), and 5.8% at week 24 (four months following the final dose).

ASC30 SQ depot formulations A1 and A2 were safe and well tolerated, demonstrating a safety and tolerability profile consistent with the GLP-1 drug class. There were no discontinuations due to AEs for either ASC30 SQ depot formulations A1 and A2 or placebo-treated participants. All AEs, including injection site AEs, were mild to moderate in severity. All GI AEs were mild (grade 1) with no moderate (grade 2) or above GI AEs. No hepatic safety signal was observed. In addition, there were no abnormal findings in laboratory tests, vital signs, ECGs (electrocardiograms, including QTc intervals), and physical exams.

ASC30 SQ depot formulation is the first GLP-1 to achieve drug class consistent weight loss with once-monthly injection without requiring lead-in weekly injections, and to maintain weight loss up to four months after the last dose.

The combination of competitive efficacy and a well-tolerated safety profile for ASC30's long-acting formulation underpins our confidence in progressing the ASC30 SQ depot formulation into an expanded clinical program spanning once-monthly treatment and once-quarterly maintenance strategies.

Anticipated 2026 Milestone: Expand clinical development program for ASC30 SQ depot formulation for both once-monthly treatment therapy and once-quarterly maintenance therapy in the second half of 2026.

ASC47 once-monthly or less frequent SQ injection for muscle preserving obesity treatment

During the Reporting Period and up to the date of this announcement, the Group has announced positive topline results of ASC47, a muscle-preserving weight loss drug candidate, in combination with semaglutide.

ASC47 in combination with semaglutide demonstrated up to 56.2% greater relative reduction in body weight on day 29 in participants with obesity (BMI ≥30 kg/m^2) compared to placebo in combination with semaglutide (semaglutide monotherapy).

ASC47-103 study (NCT06972992), conducted in the U.S., was a randomized, double-blind, placebo-controlled study evaluating the safety, tolerability and efficacy of a single-dose, ultra-long-acting subcutaneously administered ASC47 in combination with four weekly doses of 0.5 mg semaglutide in participants with obesity, compared to volume-matched placebo in combination with four weekly doses of 0.5 mg semaglutide. The treatment duration was four weeks and the follow-up period was six weeks. The study, conducted in the U.S., enrolled 28 participants with obesity. Study objectives included evaluations of safety, tolerability, pharmacokinetics, assessment of weight losses of three different single doses (10 mg, 30 mg and 60 mg) of ASC47 in combination with four weekly doses of 0.5 mg semaglutide. The effect on fat and lean mass was not an objective of this study given the short treatment duration (28 days).

The pharmacokinetic profiles of semaglutide and ASC47 in combination were consistent with those observed in their respective monotherapies (semaglutide in this study and ASC47 in a previous study). These topline data suggest that dose adjustments are not necessary when co-administered.

ASC47 in combination with semaglutide was safe and well tolerated. The GI tolerability of ASC47 in combination with semaglutide was significantly improved compared to semaglutide monotherapy. The incidence of vomiting was 6.7% in ASC47 in combination with semaglutide group compared to 57.1% in the semaglutide monotherapy group. Results of all thyroid function tests including thyroid stimulating hormone (TSH), free triiodothyronine (FT3), total triiodothyronine (TT3), free thyroxine (FT4) and total thyroxine (TT4) were within normal limits and no thyroid-related TEAEs were reported. All telemetry assessments and ECGs were within normal limits. No heart rate and QTc increases were observed.

In the current study, there were no titrations for semaglutide. The incidence rates of GI-related TEAEs of semaglutide monotherapy in the study are consistent with those reported in the literature in the absence of titration.

ASC47, an adipose-targeting THRβ agonist, to an incretin regimen led to a significant synergy in terms of body weight reduction, yielding up to an additional 56.2% increase in efficacy, and a substantial improvement in GI tolerability, provides important proof-of-concept data that will further inform the Phase II combination study designs for obesity.

Anticipated 2026 Milestone: Initiate the Phase II combination study of ASC47 and ASC35 for the treatment of obesity in 2026.

ASC39 once-daily oral tablet for obesity

During the Reporting Period and up to the date of this announcement, the Group has selected ASC39, a potent and amylin-selective oral small molecule amylin receptor agonist, as a clinical development candidate.

In a head-to-head cyclic adenosine monophosphate (cAMP) activation assay vs. eloralintide, oral small molecule amylin receptor agonist ASC39 demonstrated similar selectivity and potency to that of eloralintide. EC_{50} for human amylin 1 receptor (hAMY1R) was 21.4 pM and 21.2 pM for ASC39 and eloralintide, respectively. EC_{50} for human calcitonin receptor (hCTR) was 846.1 pM and 1,350.8 pM for ASC39 and eloralintide, respectively. These data indicate ASC39 and eloralintide have similar selectivity for hAMY1R over hCTR.

In a head-to-head DIO rat study vs. eloralintide, efficacy of ASC39 oral dosing was comparable to that of eloralintide, demonstrating significant placebo adjusted weight loss of 6.6% and 5.6% for ASC39 and eloralintide, respectively.

Anticipated 2026 Milestone: Submit an IND to the FDA for ASC39 oral tablets for the treatment of obesity in the third quarter of 2026.

ASC36 once-monthly to once-quarterly SQ peptide for obesity

During the Reporting Period and up to the date of this announcement, the Group has selected ASC36, a once-monthly to once-quarterly, potentially best-in-class subcutaneously administered amylin receptor agonist, as a clinical development candidate.

In head-to-head non-human primate (NHP) studies, average observed half-life of ASC36 was 6-fold longer than MET-233i.

ASC36 demonstrated approximately 91% greater relative body weight reduction compared to petrelintide in a head-to-head DIO rat study.

ASC36 has excellent chemical and physical stability with no fibrillation around neutral pH, allowing for co-formulation with other peptides including ASC35, a GLP-1R/GIPR dual agonist.

Anticipated 2026 Milestone: Submit an IND to the FDA for ASC36 SQ injection for the treatment of obesity in the second quarter of 2026.

ASC36 oral peptide for obesity

During the Reporting Period and up to the date of this announcement, the Group has selected ASC36 oral tablets, its first oral amylin receptor peptide agonist, for clinical development.

Utilizing Ascletis' Peptide Oral Transport ENhancement Technology (POTENT), ASC36 oral tablets achieved absolute oral bioavailability of 6% to 8% at steady state, in non-human primate (NHP) studies.

The long elimination half-life (116 hours to 167 hours) of ASC36 oral tablets supports once-daily and less frequent oral dosing.

In NHPs, ASC36 oral tablets reduced mean body weight up to 13.2% from baseline after once-daily dosing for 7 days. ASC36 tablets also reduced food intake significantly.

In a head-to-head diet-induced obese (DIO) rat model, ASC36 demonstrated approximately 32% and 91% greater relative body weight reduction compared to eloralintide and petrelintide, respectively.

ASC36 oral tablets are expected to utilize a lower dose due to potentially better oral bioavailability and efficacy. This superior weight loss per milligram of ASC36 peptide may also provide scalability advantages in manufacturing.

ASC36, an amylin receptor peptide agonist, was discovered and developed in-house utilizing Ascletis' Artificial Intelligence-assisted Structure-Based Drug Discovery (AISBDD). ASC36 oral tablet formulation was developed and optimized by Ascletis' POTENT technology for delivery of oral peptides.

Anticipated 2026 Milestone: Submit an IND to the FDA for ASC36 oral tablets for the treatment of obesity in the second quarter of 2026.

ASC35 once-monthly SQ peptide for obesity

During the Reporting Period and up to the date of this announcement, the Group has selected ASC35, a once-monthly, potentially best-in-class subcutaneously administered GLP-1R/GIPR dual peptide agonist, as a clinical development candidate.

In head-to-head non-human primate (NHP) studies, average observed half-life of ASC35 was approximately 14 days, 6-fold longer than tirzepatide, which supports once-monthly SQ dosing in humans.

In head-to-head NHP studies, drug exposures of ASC35 intravenous (I.V.) and SQ administration were approximately 80% and 70% greater than tirzepatide I.V. and SQ administration, respectively.

ASC35 was approximately 4-fold more potent than tirzepatide for both GLP-1R and GIPR in vitro.

ASC35 demonstrated approximately 71% greater relative body weight reduction compared to tirzepatide in a head-to-head DIO mouse study.

Anticipated 2026 Milestone: Submit an IND to the FDA for ASC35 for the treatment of obesity in the second quarter of 2026.

ASC36_35 FDC once-monthly SQ peptides for obesity

During the Reporting Period and up to the date of this announcement, the Group has selected the co-formulation of ASC36, a once-monthly next-generation amylin receptor agonist and ASC35, a once-monthly next-generation GLP-1R/GIPR dual agonist for clinical development.

Using Ascletis' proprietary Ultra-Long-Acting Platform technology, co-formulation of ASC36, a once-monthly subcutaneously administered amylin receptor peptide agonist and ASC35, a once-monthly subcutaneously administered GLP-1R/GIPR dual peptide agonist, demonstrated a comparable pharmacokinetic (PK) profile to ASC36 and ASC35 dosed alone in head-to-head non-human primate studies.

ASC36 monotherapy demonstrated approximately 32% greater relative body weight reduction compared to eloralintide monotherapy in a head-to-head DIO rat study, while ASC35 monotherapy demonstrated approximately 71% greater relative body weight reduction compared to tirzepatide monotherapy in a head-to-head DIO mouse study.

Co-formulation of ASC36 and ASC35 demonstrated approximately 51% greater relative body weight reduction compared to the co-formulation of eloralintide and tirzepatide in a head-to-head DIO rat study.

Co-formulation of ASC36 and ASC35 demonstrated approximately 47% greater relative body weight loss compared to the coformulation of MET-233i and tirzepatide in a head-to-head DIO rat study and approximately 98% greater relative body weight loss compared to the co-formulation of eloralintide and tirzepatide in a head-to-head DIO rat study.

Co-formulation of ASC36 and ASC35 had excellent chemical and physical stability with no aggregation or precipitation caused by fibrillation at neutral pH.

Anticipated 2026 Milestone: Submit an IND to the FDA for ASC36_35 FDC SQ injection for the treatment of obesity in the second quarter of 2026.

ASC37 once-monthly SQ peptide for obesity

During the Reporting Period and up to the date of this announcement, the Group has selected ASC37 injection, a next-generation, once-monthly, subcutaneously administered GLP-1R/GIPR/GCGR triple peptide agonist, as a clinical development candidate.

In head-to-head non-human primate (NHP) studies, average observed half-life of ASC37 was approximately 15 days, 6-fold longer than retatrutide, which supports once-monthly SQ dosing in humans.

ASC37's average *in vitro* activity was approximately 12-, 11-, and 6-fold more potent than retatrutide for GLP-1R, GIPR and GCGR, respectively.

Anticipated 2026 Milestone: Submit an IND to the FDA for ASC37 injection for the treatment of obesity in the third quarter of 2026.

Immune Diseases

ASC50 oral small molecule IL-17 inhibitor for the treatment of psoriasis

During the Reporting Period and up to the date of this announcement, the Group has obtained positive topline results from a randomized, double-blind, placebo-controlled Phase I clinical trial in the U.S., evaluating the safety, tolerability, pharmacokinetics and peripherally circulating IL-17 target engagement profile of ASC50 (NCT07024602) in a single ascending dose (SAD) study in healthy participants.

The elimination half-life of ASC50 after a single oral dose was 43, 89, 91, 87, 104, and 85 hours for 10 mg, 30 mg, 100 mg, 200 mg, 400 mg, and 600 mg, respectively, supporting once-daily or potentially once-weekly oral dosing.

ASC50 had strong target engagement after a single oral dose, indicated by elevated plasma IL-17A levels, which continued until day 7 for higher doses of ASC50.

ASC50 demonstrated a dose-proportional pharmacokinetic profile from 10 mg to 600 mg.

Following oral dosing in non-human primates (NHPs) in head-to-head studies, ASC50 demonstrated higher absolute oral bioavailability, higher drug exposure, longer half-life and lower clearance than LY4100511 (DC-853), an oral small molecule IL-17 inhibitor currently in clinical development.

ASC50 was safe and well tolerated in the SAD study. All AEs were mild (Grade 1) and transient. No SAEs were reported. There was no discontinuation in the study. No hepatic safety signal was detected.

Based on the favorable safety, tolerability, pharmacokinetics and strong target engagement, ASC50 has progressed into the next phase clinical development (multiple ascending dose study) in participants with mild to moderate plaque psoriasis.

ASC50 is an in-house discovered and developed oral small molecule inhibitor targeting IL-17, an important biologically and commercially validated target for multiple autoimmune and inflammatory diseases, including psoriasis. ASC50 is a new chemical entity (NCE), with U.S. and global patent protection through 2043 (excluding potential patent extensions).

Anticipated 2026 Milestone: Announce topline data of multiple ascending dose (MAD) study for ASC50.

Exploratory Indication

Denifanstat (ASC40) for moderate to severe acne

During the Reporting Period and up to the date of this announcement, the Group has announced denifanstat (ASC40), a first-in-class, once-daily oral small molecule FASN inhibitor, meets all primary, key secondary, and secondary endpoints in the randomized, double-blind, placebo-controlled, multicenter Phase III clinical trial (NCT06192264) in China for the treatment of moderate to severe acne vulgaris, and announced positive topline results from the Phase III open-label study (NCT06248008) in patients with moderate-to-severe acne vulgaris. New Drug Application for denifanstat (ASC40) for acne was accepted by the China National Medical Products Administration (NMPA).

The Phase III clinical trial (NCT06192264) was a randomized, double-blind, placebo-controlled, multicenter clinical trial in China to evaluate the safety and efficacy of denifanstat (ASC40) once-daily oral tablet in 480 patients with moderate to severe acne vulgaris. Patients were enrolled and randomized into one active treatment arm and one placebo control arm at the ratio of 1:1 to receive 50 mg denifanstat (ASC40) oral tablet once daily or matching placebo for 12 weeks. Baseline characteristics were well balanced between denifanstat (ASC40) and placebo arms.

Denifanstat (ASC40), a once-daily oral FASN inhibitor, demonstrated statistically significant and clinically meaningful improvement compared to placebo in all primary, key secondary, and secondary endpoints. At week 12, percent treatment success was 33.2% compared to 14.6% for placebo, $p<0.0001$, percent reduction from baseline in total lesion count was 57.4% compared to 35.4% for placebo, $p<0.0001$, and percent reduction from baseline in inflammatory lesion count was 63.5% compared to 43.2% for placebo, $p<0.0001$. The key secondary endpoint, percent reduction from baseline in non-inflammatory lesion count at week 12, was 51.9% compared to 28.9% for placebo, $p<0.0001$.

Denifanstat (ASC40) demonstrated a favorable safety and tolerability profile following 12 weeks of once-daily oral administration at 50 mg. The incidence rates of TEAEs were comparable between denifanstat (ASC40) and placebo. No incidence rates of TEAEs related to study drug in any category exceeded 10%. Only two categories of TEAEs had an incidence rate of more than 5% (6.3% dry skin in denifanstat (ASC40)-treated patients versus 2.9% in the placebo group; 5.9% dry eye in denifanstat (ASC40)-treated patients versus 3.8% in the placebo group). All denifanstat (ASC40)-related AEs were mild or moderate. There were no denifanstat (ASC40)-related grade 3 or 4 AEs and no denifanstat (ASC40)-related SAEs. No deaths were reported.

Denifanstat (ASC40) was 98% and 178% more effective than FDA-approved sarecycline and doxycycline with regard to placebo-adjusted percent treatment success, respectively, 18.6% for denifanstat (ASC40) versus 9.4% for sarecycline, 18.6% versus 6.7% for doxycycline.

Denifanstat (ASC40) was 60% more effective than FDA-approved clascoterone cream with regard to placebo-adjusted percent treatment success, 18.6% for denifanstat (ASC40) versus 11.6% for clascoterone cream, respectively.

The second Phase III study (NCT06248008) was an open-label, multicenter study in China designed to evaluate the long-term safety of denifanstat (ASC40) in 240 patients with moderate to severe acne vulgaris. All the 240 patients, previously treated with denifanstat (ASC40) or placebo for 12 weeks, were designed to receive denifanstat (ASC40) once daily for up to 40 weeks.

Denifanstat (ASC40) demonstrated a favorable safety and tolerability profile. Most TEAEs were mild (grade 1) and moderate (grade 2). There were no denifanstat (ASC40)-related grade 3 or 4 AEs and no denifanstat (ASC40)-related SAEs. No deaths were reported.

The mechanisms of action of denifanstat (ASC40) for the treatment of acne are (1) direct inhibition of facial sebum production, through inhibition of de novo lipogenesis (DNL) in human sebocytes; and (2) inhibition of inflammation, through decreasing cytokine secretion and Th17 differentiation. Denifanstat (ASC40)'s unique mechanism of action directly reduces one of the main underlying causes of acne which is the overproduction of sebum. This makes denifanstat (ASC40) unique as most other acne treatments do not treat the underlying cause of the condition.

The exceptional efficacy of denifanstat (ASC40) observed in the Company's previously reported placebo-controlled Phase III trial coupled with a favorable safety profile in two Phase III trials provide a potential major break-through for the treatment of acne.

Anticipated Next Milestone: Obtain the NDA approval from China NMPA for denifanstat for acne treatment.

Preclinical Discovery

Based on its three core discovery engines: (i) Artificial Intelligence-assisted Structure-Based Drug Discovery (AISBDD); (ii) Ultra-Long-Acting Platform (ULAP); and (iii) Peptide Oral Transport ENhancement Technology (POTENT), the Group continues to strengthen discovery efforts to develop more pipeline assets of both small molecules and peptides with global best-in-class and first-in-class competitiveness.

Cautionary statement required by Rule 18A.05 of the Listing Rules: We cannot guarantee that we will be able to ultimately develop, market and/or commercialize the drug candidates in our pipeline successfully.

THE GROUP'S FACILITIES

The Group has manufacturing facilities located in Shaoxing, Zhejiang Province with a total gross floor area of 17,000 square meters. Our manufacturing facility is equipped with state-of-the-art production equipment with cutting-edge technology capabilities such as hot-melt extrusion and high-speed press to ensure the high quality of our products.

As of December 31, 2025, we had 10 wholly-owned subsidiaries. Our business was mainly conducted through four operating subsidiaries, namely Ascletis Pharma (China) Co., Limited, Ascletis BioScience, Ascletis Pharmaceuticals and Gannex Pharma.

OTHER UPDATES

While vigorously developing its candidates in the metabolic disease pipeline, the Group is seeking proper opportunities to license out its multiple clinical assets.

FUTURE AND OUTLOOK

The Group has established a comprehensive metabolic disease pipeline with key clinical stage assets. The followings are strategies and outlook:

1. Initiate the Phase III studies of ASC30 once-daily oral tablet for the treatment of obesity in the third quarter of 2026;

2. Announce the topline data from the U.S. 13-week Phase II study of ASC30 once-daily tablet for the treatment of diabetes in the third quarter of 2026;

3. Expand clinical development program for ASC30 SQ depot formulation for both once-monthly treatment therapy and once-quarterly maintenance therapy in the 2nd half of 2026;

4. Initiate the Phase II combination study of ASC47 and ASC35 for the treatment of obesity in 2026;

5. Submit an IND to the FDA for ASC39 oral tablets for the treatment of obesity in the third quarter of 2026;

6. Submit an IND to the FDA for ASC36 SQ injection for the treatment of obesity in the second quarter of 2026;

7. Submit an IND to the FDA for ASC36 oral tablets for the treatment of obesity in the second quarter of 2026;

8. Submit an IND to the FDA for ASC35 for the treatment of obesity in the second quarter of 2026;

9. Submit an IND to the FDA for ASC36_35 FDC SQ injection for the treatment of obesity in the second quarter of 2026;

10. Submit an IND to the FDA for ASC37 injection for the treatment of obesity in the third quarter of 2026;

11. Submit an IND to the FDA for ASC36_37 FDC for the treatment of obesity in the third quarter of 2026;

12. Announce topline data of multiple ascending dose (MAD) study for ASC50 in 2026;

13. Obtain the NDA approval from China NMPA for denifanstat (ASC40) for acne treatment;

14. Continue to strengthen early discovery efforts to develop more pipeline assets with global best-in-class and first-in-class competitiveness; and

15. Seek license-out opportunities with global large pharma companies to maximize the value of the Group.

FINANCIAL REVIEW

Total income

The Group's total income represents revenue, other income and net gains. It increased from approximately RMB121.1 million for the year ended December 31, 2024 to approximately RMB127.4 million for the year ended December 31, 2025 due to increased other income and net gains.

Other income and net gains

The other income and net gains of the Group increased by 4.6% from approximately RMB119.8 million for the year ended December 31, 2024 to approximately RMB125.3 million for the year ended December 31, 2025, primarily due to (i) we recorded net realized and unrealized gain arising from equity investment of approximately RMB22.7 million for the year ended December 31, 2025 which mainly represents the increase in the fair value of interest of Sagimet measured at FVPL, as compared to an unrealized loss of interest in Sagimet measured at FVPL of approximately RMB1.7 million for the year ended December 31, 2024; (ii) a significant decrease in net loss arising from fair value remeasurement of interest in a former associate from approximately RMB24.5 million for the year ended December 31, 2024 to nil for the year ended December 31, 2025, because the Group ceased to account for its equity interest in Sagimet under equity method and recognized a loss of approximately RMB24.5 million following the Group's loss of significant influence on Sagimet on June 5, 2024; and (iii) a significant increase in government grants from approximately RMB21.1 million for the year ended December 31, 2024 to approximately RMB37.3 million for the year ended December 31, 2025, offset by a significant decrease in gain on dilution of interest in a former associate from approximately RMB21.1 million for the year ended December 31, 2024 to nil for the year ended December 31, 2025, which represents the decrease in interest of Sagimet resulting from the dilution due to the post-IPO financing completed on January 30, 2024.

Government grants mainly represented subsidies received from the local governments for the purpose of compensation for expenses arising from research activities, clinical trials and daily operating activities and capital expenditure incurred on certain projects, and awarding the new drug development.

The following table sets forth the components of our other income and net gains for the years indicated:

	Year ended December 31,			
	2025		2024	
	RMB'000	***%***	*RMB'000*	*%*
Bank interest income	**65,676**	**52.4**	92,237	77.0
Government grants	**37,262**	**29.7**	21,148	17.7
Net realized and unrealized gain/(loss) arising from equity investment	**22,706**	**18.1**	(1,653)	(1.4)
Net realized and unrealized gain arising from management product	**3,840**	**3.1**	6,351	5.3
Net realized and unrealized gains on financial assets at FVOCI	**868**	**0.7**	949	0.8
Others	**642**	**0.5**	11	0.0
Foreign exchange (loss)/gain, net	**(5,672)**	**(4.5)**	4,149	3.5
Gain on dilution of interest in associate	**–**	**–**	21,147	17.7
Net loss arising from fair value remeasurement of interest in a former associate	**–**	**–**	(24,546)	(20.6)
Total	**125,322**	**100.0**	119,793	100.0

Administrative Expenses

The administrative expenses of the Group decreased by 26.1% from approximately RMB101.7 million for the year ended December 31, 2024, to approximately RMB75.2 million for the year ended December 31, 2025, primarily due to decrease in consulting fees.

Our administrative expenses primarily consisted of (i) staff salary and welfare costs for non-R&D personnels; (ii) agency and consulting fees; and (iii) utilities, rent and general office expenses.

The following table sets forth the components of our administrative expenses for the years indicated:

	Year ended December 31,			
	2025		2024	
	RMB'000	***%***	*RMB'000*	*%*
Staff salary and welfare costs	**35,417**	**47.1**	34,047	33.5
Agency and consulting fees	**29,788**	**39.6**	50,671	49.8
Utilities, rent and general office expenses	**9,543**	**12.7**	12,137	11.9
Others	**484**	**0.6**	4,889	4.8
Total	**75,232**	**100.0**	101,744	100.0

R&D Expenses

The Group's R&D expenses primarily consisted of preclinical and clinical trial expenses, staff costs and depreciation and amortization costs.

The R&D expenses of the Group increased by 35.3% from approximately RMB302.4 million for the year ended December 31, 2024 to approximately RMB409.1 million for the year ended December 31, 2025, primarily due to the group's increased investment in metabolic disease pipeline.

The Group's increased investment in metabolic disease pipeline aligns with the significant advancements made in this area.

The following table sets forth the components of our research and development costs for the years indicated:

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Preclinical and clinical expenses	**231,315**	176,402
Staff costs	**152,700**	101,532
Depreciation and amortization costs	**11,034**	12,353
Others	**14,004**	12,107
Total	**409,053**	302,394

The following table sets forth the components of our R&D costs by product pipeline for the years indicated:

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Metabolic diseases	**143,531**	99,237
Exploratory indications	**96,801**	151,309
Pre-clinical	**168,721**	51,848
Total	**409,053**	302,394

Finance Costs

The Group recorded finance costs of approximately RMB0.2 million for the year ended December 31, 2025, due to the interest on the lease liabilities (for the year ended December 31, 2024: approximately RMB0.2 million).

Other Expenses

Other expenses of the Group decreased by 93.4% from approximately RMB11.8 million for the year ended December 31, 2024 to approximately RMB0.8 million for the year ended December 31, 2025, mainly due to the decreased impairment of other intangible assets.

The following table sets forth the components of other expenses for the years indicated:

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Others[1]	**751**	1,230
Donation	**23**	–
Impairment of other intangible assets	**–**	10,579
Total	**774**	11,809

1. "Others" include costs of disposal of inventories and items of property, plant and equipment, and impairment of prepayments, among others.

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 operated.

The Group calculates the income tax expense by using the tax rate that would be applicable to the expected total annual earnings.

The Group recorded income Tax of approximately RMB0.5 million for the year ended December 31, 2025 (for the year ended December 31, 2024: Nil).

Inventories

The inventories of the Group consisted of raw materials used in R&D. Our inventories decreased by 57.1% from approximately RMB4.4 million for the year ended December 31, 2024 to approximately RMB1.9 million as at December 31, 2025, mainly due to strengthen the management of inventory.

The following table sets forth the inventory balances as of the dates indicated:

	December 31,	
	2025	2024
	RMB'000	*RMB'000*
Raw materials	**1,874**	4,373
Total	**1,874**	4,373

Trade Receivables

The Group's trade receivables remained stable at approximately RMB0.2 million as at December 31, 2024 and December 31, 2025.

	December 31,	
	2025	2024
	RMB'000	*RMB'000*
Trade receivables	**223**	152
Total	**223**	152

The Group's trading terms with its customers are mainly on credit. The credit period is generally from 30 days to 90 days. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are regularly reviewed by senior management. Trade receivables are non-interest-bearing.

An aging analysis of the trade receivables as at the dates indicated, based on the invoice date and net of loss allowance, is as follows:

	December 31,	
	2025	2024
	RMB'000	*RMB'000*
Within 3 months	**223**	152
Total	**223**	152

Prepayments, Other Receivables and Other Assets

The following table sets forth the components of prepayment, other receivables and other assets as at the dates indicated:

	December 31,	
	2025	2024
	RMB'000	*RMB'000*
Value-added tax recoverable	**9,940**	9,111
Prepayments	**3,544**	1,248
Deposits and other receivables	**3,056**	4,990
Prepaid expenses	**1,207**	1,009
Cash in transit	**–**	1,404
Total	**17,747**	17,762

Our value-added tax recoverable represented value-added tax that can be carried forward for future offset against output VAT or refunded by the relevant tax authorities. Our value-added tax recoverable increased by 9.1% from approximately RMB9.1 million as at December 31, 2024 to approximately RMB9.9 million as at December 31, 2025, which was mainly due to the decrease in value-added taxes refund.

Our prepayments mainly consisted of payments for clinical trial services and raw materials used in R&D. Our prepayments increased by 184.0% from approximately RMB1.2 million as at December 31, 2024 to approximately RMB3.5 million as at December 31, 2025, primarily due to the increased prepayments for raw materials used in R&D.

Prepayments to suppliers as at December 31, 2025 are due within one year.

Deposits and other receivables are miscellaneous expenses including rental and other deposits.

As of the date of this announcement, no impairment losses were provided for the Group's prepayments, other receivables and other assets.

Financial Assets at Fair Value through Profit and Loss – Non-current

The non-current portion of financial assets at FVPL of the Group increased from RMB53.5 million as at December 31, 2024 to approximately RMB56.4 million as at December 31, 2025, primarily due to primarily due to the Group's non-current balances of financial assets at FVPL represent investments in equity securities listed on the NASDAQ. The fair value of listed equity investment is determined based on the quoted market bid price.

Financial Assets at Fair Value through Profit and Loss – Current

The current portion of financial assets at FVPL of the Group increased from approximately RMB7.4 million as at December 31, 2024 to approximately RMB26.1 million as at December 31, 2025, primarily due to increased investment in wealth management products.

Cash and Bank Balances

The following table sets forth the components of the Group's time deposits and cash and cash equivalents as at the dates indicated:

	December 31,	
	2025	2024
	RMB'000	*RMB'000*
Time deposits	**431,259**	1,074,436
Cash and cash equivalents	**1,443,513**	864,326
Total	**1,874,772**	1,938,762

Time deposits with original maturity over three months are made for varying periods depending on our immediate cash requirements, and earn interest at the respective time deposit rates. Cash and cash equivalents and time deposits earn interest at floating rates based on daily bank deposit rates and the respective time deposit rates. The cash and cash equivalents and time deposits are deposited with creditworthy banks with no recent history of default.

Trade Payables

Trade payables of the Group primarily consisted of payments to raw materials suppliers. The following table sets forth the component of trade payables as at the dates indicated:

	December 31,	
	2025	2024
	RMB'000	*RMB'000*
Trade payables	**1,344**	31
Total	**1,344**	31

The following table sets forth an aging analysis of the trade payables as at the dates indicated, which is based on invoice date:

	December 31,	
	2025	2024
	RMB'000	*RMB'000*
Within 3 months	**1,344**	31
Total	**1,344**	31

Other Payables and Accruals

The following table sets forth the components of other payables and accruals outstanding as at the dates indicated:

	December 31,	
	2025	2024
	RMB'000	*RMB'000*
Accrued expenses	**69,375**	66,002
Other payables	**30,630**	45,737
Payroll payable	**17,217**	13,715
Provisions	**4,038**	15,265
Taxes other than income tax	**529**	4,078
Contract liabilities	**–**	391
Total	**121,789**	145,188

The accrued expenses as at December 31, 2025 mainly represented the R&D expenses actually incurred but not yet invoiced. The accrued expenses increased from approximately RMB66.0 million as at December 31, 2024 to approximately RMB69.4 million as at December 31, 2025. The accrued expenses are non-interest-bearing and due within one year.

Our other payables decreased from approximately RMB45.7 million as at December 31, 2024 to approximately RMB30.6 million as at December 31, 2025, mainly due to the payment of preclinical and clinical expenses.

Our payroll payables increased from approximately RMB13.7 million as at December 31, 2024 to approximately RMB17.2 million as at December 31, 2025, mainly due to the increased accrued salary and bonus.

The provisions decreased from RMB15.3 million as at December 31, 2024 to approximately RMB4.0 million as at December 31, 2025, mainly due to the settlement of approximately RMB11.2 million pursuant to an arbitration with Fujian Cosunter Pharmaceutical Co., Ltd. (福建廣生堂藥業股份有限公司) and Fujian Guangsheng Zhonglin Biotechnology Co., Ltd. (福建廣生堂中霖生物科技有限公司).

Deferred Income

The deferred income of the Group represented government grants which have been awarded, but we have yet to meet the conditions of the grants as of the relevant dates. The following table sets forth the deferred income as of the dates indicated:

	December 31,	
	2025	2024
	RMB'000	*RMB'000*
Government grants		
– Current	**1,588**	1,588
– Non-current	**2,382**	3,970
Total	**3,970**	5,558

Liquidity and Capital Resources

The primary uses of cash of the Group are to fund its R&D activities, purchase of equipment and raw materials and other recurring expenses. During the Reporting Period, the Group funded its working capital and other capital expenditure requirements by the proceeds from the Global Offering.

The following table sets forth a condensed summary of our Group's consolidated statement of cash flows for the years indicated and analysis of balances of cash and cash equivalents for the years indicated:

	December 31,	
	2025	2024
	RMB'000	*RMB'000*
Net cash used in operating activities	**(416,776)**	(341,579)
Net cash generated from investing activities	**662,179**	978,906
Net cash generated from/(used in) financing activities	**345,226**	(103,508)
Net increase in cash and cash equivalents	**590,629**	533,819
Cash and cash equivalents at the beginning of year	**864,326**	330,117
Effect of foreign exchange rate changes, net	**(11,442)**	390
Cash and cash equivalents at the end of year	**1,443,513**	864,326

As at December 31, 2025, our cash and cash equivalents were mainly denominated in Renminbi and U.S. dollars.

Operating Activities

Our cash inflows from operating activities mainly consisted of trade receivables received from customers, government grants. Our cash outflows from operating activities mainly consisted of payment of R&D costs and administrative expenses.

For the year ended December 31, 2025, we had net cash used in operating activities of approximately RMB416.8 million, primarily due to operating loss before changes in working capital of approximately RMB421.2 million offset by changes of working capital of RMB4.4 million.

Investing Activities

Our cash generated from investing activities mainly consisted of changes in time deposits with original maturity of over three months, purchase and disposals of financial assets at FVPL and financial assets at FVOCI, interest received on time deposits, purchase and disposal of property, plant and equipment and purchase of intangible assets.

For the year ended December 31, 2025, our net cash generated from investing activities was approximately RMB662.2 million, primarily related to decrease in time deposits of approximately RMB580.1 million.

Financing Activities

Our cash generated from financing activities primarily consisted of proceeds from issuance of shares under top-up placement and payments for share repurchases.

For the year ended December 31, 2025, our net cash generated from financing activities was approximately RMB345.2 million, primarily attributable to proceeds from issuance of shares under top-up placement of approximately RMB428.0 million.

Capital Expenditures

The principal capital expenditures of the Group primarily consisted of the purchase of office equipment, plant and machinery and expenditures for construction in progress. The following table sets forth our net capital expenditures as at the dates indicated:

	December 31,	
	2025	2024
	RMB'000	*RMB'000*
Office equipment	**872**	1,493
Plant and machinery	**468**	477
Construction in progress	**–**	–
Total	**1,340**	1,970

Our capital expenditures decreased by 32.0% from approximately RMB2.0 million as at December 31, 2024 to approximately RMB1.3 million as at December 31, 2025, primarily because we reduced the purchase of the machinery and office equipment for laboratory renovation.

Significant Investments, Material Acquisitions and Disposals

During the year ended December 31, 2025, the Group did not have any significant investments, material acquisitions or disposals of subsidiaries and associate companies.

Indebtedness

Borrowings, Charges of Assets and Guarantees

As at December 31, 2025, the Group did not have any outstanding mortgages, charges, debentures, other issued debt capital, bank overdrafts, borrowings, liabilities under acceptance or other similar indebtedness, any guarantees or other material contingent liabilities.

Future Plans for Material Investments or Capital Assets

Save as disclosed under the section headed "Future Plans and Use of Proceeds" in the Prospectus and in this announcement, the Group does not have any other plans for material investments or capital assets.

Contingent Liabilities

(a) Viking case

On 29 December 2022, Viking Therapeutics, Inc. ("**Viking**"), a pharmaceutical company in the United States, filed certain complaints against the Company, its founder Jinzi Jason WU and certain subsidiaries of the Company in connection with the Group's drug candidates ASC41 and ASC43F. One complaint was made with the United States International Trade Commission, Washington D.C. (the "**ITC**") and another complaint was made with the United States District Court, Southern District of California, (the "**USDC**") San Diego Division, each covering similar allegations.

The Company received initial determination and final judgment (together the "**Judgment**") from ITC on the complaint on 4 October 2024 and 29 May 2025. The Judgment, made by an Administrative Law Judge of the ITC, found a violation of Section 337 of the Tariff Act of 1930 (as amended) in the importation of the Company's drug candidates ASC41 and ASC43F into the United States. In additional, a monetary sanction of USD567,000 (equivalent to approximately RMB4,038,000) was proposed due to certain procedural issues during the investigation phase. The Company has made a provision for this monetary sanction in the financial statements.

Regarding the compliant made with USDC, there has been no major progress since 1 January 2025, and the relevant investigation and litigation proceedings are ongoing. The Company will vigorously defend against the complaint. Accordingly, the Group has not made any provision for the allegations arising from the compliant made with USDC filed by Viking as at 31 December 2025.

(b) Arbitration case

In September 2025, Ascletis Pharmaceuticals became involved in an arbitration proceeding initiated by a previous customer due to commercial contracts dispute on sales of certain products.

The claimant seeks compensation in an aggregate amount around RMB25 million, comprising (i) contract payments, (ii) interest on the alleged occupied funds, and (iii) arbitration and legal fees.

As at the date of this report, the arbitration is ongoing and no ruling has been issued. Based on the information currently available, the outcome of the arbitration and its potential financial impact on the Group cannot be reliably estimated. As at 31 December 2025, the Group has not made any provision for the arbitration.

Charges of Assets

As at December 31, 2025, the Group had no charge on its assets.

Contractual Commitments

We leased certain of our properties and warehouse under operating lease arrangements. Leases for properties and warehouse are negotiated for terms ranging mainly from one to three years.

The Group had RMB0.6 million of capital commitment as at December 31, 2025 and RMB0.6 million of capital commitment as at December 31, 2024.

Key Financial Ratios

The following table sets forth our key financial ratios as of the dates indicated:

	December 31,	
	2025	2024
	RMB'000	*RMB'000*
Current ratio[(1)]	**15.1**	12.9
Quick ratio[(2)]	**15.0**	12.8
Gearing ratio[(3)]	**6.4%**	7.5%

Notes:

(1) Current ratio represents current assets divided by current liabilities as of the same date.

(2) Quick ratio represents current assets less inventories and divided by current liabilities as of the same date.

(3) Gearing ratio represents total liabilities divided by total assets as of the same date and multiplying by 100%.

Our current ratio increased from 12.9 as at December 31, 2024 to 15.1 as at December 31, 2025, and our quick ratio increased from 12.8 as at December 31, 2024 to 15.0 as at December 31, 2025, primarily due to a decrease in current liabilities.

Our gearing ratio decreased from 7.5 % as at December 31, 2024 to 6.4% as at December 31, 2025, primarily due to a decrease in current liabilities.

Foreign Exchange Risk

Foreign currency risk refers to the risk of loss resulting from changes in foreign currency exchange rates. Fluctuations in exchange rates between Renminbi and other currencies in which the Group conducts business may affect our financial condition and results of operation.

The Group mainly operates in the PRC and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD. Foreign exchange risk arises from recognized assets and liabilities in foreign operations. The conversion of Renminbi from foreign currencies, including the USD, has been based on rates set by the People's Bank of China. The Group seeks to limit our exposure to foreign currency risk by closely monitoring and minimizing its net foreign currency position. During the Reporting Period, the Group did not enter into any currency hedging transactions.

Employees and Remuneration Policies

The emoluments of the Directors and senior management of the Group are decided by the Board with reference to the recommendation given by the Remuneration Committee, having regard to the Group's operating results, salaries paid by comparable companies, time commitment and responsibilities and employment conditions of the Directors and senior management.

As at December 31, 2025, the Group had a total of 202 employees, 201 of which were located in the PRC. Over 80.2% of our employees obtained a bachelor's degree or higher. The table below sets forth our Group's employees by function as disclosed:

	As at December 31, 2025	
	Numbers of employees	**% of total**
Management	3	1.5
R&D	134	66.3
Manufacturing	30	14.9
Operations	35	17.3
Total	202	100.0

Our Group's total staff costs for the year ended December 31, 2025 was approximately RMB188.1 million, compared to approximately RMB136.1 million for the year ended December 31, 2024.

The Group recruits employees through recruitment websites, recruiters, internal referral and job fairs. The Group conducts new employee training, as well as professional and compliance training programs for employees.

The Group enters into employment contracts with employees to cover matters such as wages, benefits and grounds for termination. The remuneration package of our employees includes salary and bonus, which are generally determined by the qualifications, industry experience, position and performance. The Group makes contributions to social insurance and housing provident funds for our employees as required by the PRC laws and regulations.

The Group also has adopted the share schemes under Chapter 17 of the Listing Rules to provide incentives to employees for their persistent devotion in achieving long-term growth of the Group.

Employee Benefits

A majority of the Group's employees are located in the PRC. These employees are required to participate in a central pension scheme (the "**PRC Pension Scheme**") operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the PRC Pension Scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the PRC Pension Scheme.

For the year ended December 31, 2025, approximately RMB7.0 million was charged in the consolidated income statement of the Group (for the year ended December 31, 2024: approximately RMB6.4 million), which represented contributions paid to the PRC Pension Scheme at rates specified in the rules of the scheme, such as contribution to defined benefit retirement plans. Under the PRC Pension Scheme, no forfeiture contributions will be used by the employers to reduce the existing level of contributions.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the year ended 31 December 2025

(Expressed in Renminbi)

	Notes	**2025** ***RMB'000***	2024 *RMB'000*
Revenue	*3*	**2,028**	1,283
Cost of sales		**(1,501)**	(548)
Gross profit		**527**	735
Other income and net gains	*4*	**125,322**	119,793
Research and development costs		**(409,053)**	(302,394)
Administrative expenses		**(75,232)**	(101,744)
Other expenses		**(774)**	(11,809)
Loss from operations		**(359,210)**	(295,419)
Finance costs	*5*	**(164)**	(244)
Share of the loss of an associate		**–**	(5,273)
Loss before taxation	*5*	**(359,374)**	(300,936)
Income tax	*6*	**(506)**	–
Loss for the year		**(359,880)**	(300,936)
Attributable to:			
Equity shareholders of the Company		**(359,880)**	(300,936)
Loss per share			
		RMB	RMB
Basic and diluted	*7*	**(37.01) cents**	(30.05) cents

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

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

	2025	2024
	RMB'000	*RMB'000*
Loss for the year	**(359,880)**	(300,936)
Other comprehensive income		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**3,615**	987
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of the Company's financial statements into the presentation currency	**(35,112)**	19,573
Other comprehensive income for the year, net of tax	**(31,497)**	20,560
Total comprehensive loss for the year	**(391,377)**	(280,376)
Attributable to:		
Equity shareholders of the Company	**(391,377)**	(280,376)
Total comprehensive loss for the year	**(391,377)**	(280,376)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Expressed in Renminbi)

	Notes	**31 December 2025** ***RMB'000***	31 December 2024 *RMB'000*
Non-current assets			
Property, plant and equipment		**39,625**	49,249
Advance payments for property, plant and equipment		**259**	130
Right-of-use assets		**7,077**	7,825
Other intangible assets		**10,285**	12,118
Financial assets at fair value through other comprehensive income ("**FVOCI**")		**31,733**	30,865
Financial assets at fair value through profit or loss ("**FVPL**")		**56,367**	53,526
Long-term deferred expenditure		**460**	77
		145,806	153,790
Current assets			
Inventories		**1,874**	4,373
Trade receivables	*8*	**223**	152
Financial assets at FVPL		**26,103**	7,365
Prepayments, other receivables and other assets	*9*	**17,747**	17,762
Restricted deposits		**–**	2,368
Time deposits		**431,259**	1,074,436
Cash and cash equivalents		**1,443,513**	864,326
		1,920,719	1,970,782
Current liabilities			
Trade payables	*10*	**1,344**	31
Other payables and accruals	*11*	**121,789**	145,188
Lease liabilities		**2,871**	6,246
Deferred income		**1,588**	1,588
		127,592	153,053
Net current assets		**1,793,127**	1,817,729
Total assets less current liabilities		**1,938,933**	1,971,519

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
(Expressed in Renminbi)

	Notes	**31 December 2025** ***RMB'000***	31 December 2024 *RMB'000*
Non-current liabilities			
Lease liabilities		**2,287**	1,387
Deferred income		**2,382**	3,970
		4,669	5,357
NET ASSETS		**1,934,264**	1,966,162
CAPITAL AND RESERVES			
Share capital	*12(b)*	**679**	689
Reserves		**1,933,585**	1,965,473
Total equity attributable to equity shareholders of the Company		**1,934,264**	1,966,162
TOTAL EQUITY		**1,934,264**	1,966,162

1 GENERAL INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on 25 February 2014. The registered office address of the Company is located at 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands. The principal place of business in China is located in Zhejiang Province.

The Company is an investment holding company. The Company's subsidiaries (together with the Company, referred to as the "**Group**") are principally engaged in the research and development of pharmaceutical products.

The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 1 August 2018.

2 MATERIAL ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards ("**HKFRSs**"), Hong Kong Accounting Standards ("**HKASs**") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Material accounting policies adopted by the Group are disclosed below.

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

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2025 comprise the Company and its subsidiaries.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets are stated at their fair value as explained in the accounting policies set out below:

– financial assets at fair value through profit or loss;

– financial assets at fair value through other comprehensive income.

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

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

2 MATERIAL ACCOUNTING POLICIES (continued)

(c) Changes in accounting policies and disclosures

The Group has applied amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the HKICPA to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products is as follows:

	2025	2024
	RMB'000	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15		
Recognised at a point in time:		
– Sale of products	**382**	681
Recognised over time:		
– Provide R&D service	**1,619**	602
– Others	**27**	–
	2,028	1,283

(ii) Information about major customers

In 2025, two customers of the Group with whom transactions have exceeded 10% of the Group's revenues, of which Sagimet Biosciences Inc. ("**Sagimet**") contributed 20.2%, Northridge Health Group (Hong Kong) Co., Limited ("**Northridge**") contributed 79.8%, and arose outside Chinese Mainland.

In 2024, two customers of the Group with whom transactions have exceeded 10% of the Group's revenues, of which Sagimet Biosciences Inc. ("**Sagimet**") contributed 53.1%, Northridge contributed 46.9%, and arose outside Chinese Mainland.

(iii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date.

As at 31 December 2024 and 2025, the remaining performance obligations (unsatisfied or partially unsatisfied) for contracts with customers are part of contracts that have original expected duration of one year or less.

The Group has applied the practical expedient in paragraph 121(a) of IFRS 15 to its sales contracts for maternal, infant and child products such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for sales of maternal, infant and child products that had an original expected duration of one year or less.

3 REVENUE AND SEGMENT REPORTING (continued)

(b) Segment reporting

Operating segments are identified on the basis of internal reports that the Group's most senior executive management reviews regularly in allocating resources to segments and in assessing their performances.

The Group's most senior executive management makes resources allocation decisions based on internal management functions and assess the Group's business performance as one integrated business instead of by separate business lines or geographical regions. Accordingly, the Group has only one operating segment and therefore, no segment information is presented.

(c) Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment and intangible assets ("**specified non-current assets**"). The geographical location of customers is based on their operating location. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment, and the location of the operation to which they are allocated, in the case of intangible assets.

(i) Revenue from external customers

	2025	2024
	RMB'000	*RMB'000*
Hong Kong	**1,619**	602
Other regions	**409**	681
Total	**2,028**	1,283

(ii) Non-current assets

	2025	2024
	RMB'000	*RMB'000*
Chinese Mainland	**49,906**	61,362
United States	**4**	5
Total	**49,910**	61,367

4 OTHER INCOME AND NET GAINS

	2025	2024
	RMB'000	*RMB'000*
Government grants *(note i)*	**37,262**	21,148
Bank interest income	**65,676**	92,237
Gain on dilution of interest in associate *(note ii)*	**–**	21,147
Net loss arising from fair value remeasurement of interest in a former associate	**–**	(24,546)
Net realized and unrealized gain/(loss) arising from equity investment	**22,706**	(1,653)
Net realized and unrealized gain arising from management product	**3,840**	6,351
Net realized and unrealized gains on financial assets at FVOCI	**868**	949
Foreign exchange (loss)/gain, net	**(5,672)**	4,149
Others	**642**	11
	125,322	119,793

Notes:

(i) The government grants mainly represent subsidies received from the local governments for the purpose of compensation for expenses arising from research activities, clinical trials and daily operating activities and capital expenditure incurred on certain projects, and awarding the new drug development.

(ii) Gain on dilution of interest in associate represents the decrease in interest of Sagimet results from the dilution due to the IPO financing and post-IPO financing.

5 LOSS BEFORE TAXATION

The Group's loss before taxation is arrived at after charging/(crediting):

(a) Finance costs

	2025	2024
	RMB'000	*RMB'000*
Interest on lease liabilities	**164**	244

(b) Staff costs

	2025	2024
	RMB'000	*RMB'000*
Salaries, wages and other benefits	**173,522**	126,680
Contribution to defined contribution retirement plans	**6,968**	6,443
Equity-settled share-based payment expenses	**7,630**	3,003
	188,120	136,126

5 LOSS BEFORE TAXATION (continued)

(c) Other items

	2025	2024
	RMB'000	*RMB'000*
Cost of services provided	**1,501**	548
Depreciation charge:		
– property, plant and equipment	**10,892**	12,107
– right-of-use assets	**4,732**	4,677
Amortisation of intangible assets	**1,993**	3,670
Auditors' remuneration		
– audit services	**1,800**	1,800
– tax services	**234**	122
Research and development costs *(note i)*	**409,053**	302,394
Reversal of impairment loss on trade and other receivables	**–**	(2)
Impairment of other intangible assets	**–**	10,579
Lawsuit expenses *(note ii)*	**5,238**	47,017

Notes:

(i) Research and development costs include amounts relating to staff costs, depreciation and amortization expenses, which are also included in the respective total amounts disclosed separately above or in note 5(b) for each of these types of expenses.

(ii) The lawsuit expenses mainly contain lawyer's service fees and provisions recognised related to the litigation disclosed in note 11 and note 13.

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(a) Taxation in the consolidated statement of profit or loss represents:

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.

Cayman Islands

Under the current laws of the Cayman Islands, the Company is not subject to tax on income or capital gains. In addition, upon payments of dividends by the Company to its shareholders, no Cayman Islands withholding tax is imposed.

British Virgin Islands

Under the current laws of the British Virgin Islands ("**BVI**"), PowerTree Investment (BVI) Ltd. ("**PowerTree**") is not subject to tax on income or capital gains. In addition, upon payments of dividends by PowerTree to its shareholder, no BVI withholding tax is imposed.

Hong Kong

Under the current laws of the Hong Kong, the subsidiary in Hong Kong is subject to profits tax at a rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong. During the year, no provision for profits tax has been made as the subsidiary did not generate any assessable profits in Hong Kong.

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)

(a) Taxation in the consolidated statement of profit or loss represents: (continued)

United States

Under the current laws of the United States, the subsidiary in the United States is subject to tax at a maximum of 21% (2024: 21%) federal corporate income tax rate and 2.5% (2024: 2.5%) North Carolina state tax rate. During the year, no provision for income tax has been made as the subsidiary did not generate any assessable income in United States.

Australia

Under the current laws of Australia, the subsidiary in the Australia is subject to profits tax at a rate of 30% (2024: 30%). During the year, no provision for income tax has been made as the subsidiary did not generate any assessable income in Australia.

Chinese Mainland

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the "**CIT Law**"), the subsidiaries which operate in Mainland China are subject to CIT at a rate of 25% (2024: 25%) on the taxable income.

Pursuant to the CIT Law, non-resident enterprises without an establishment or place of business in the PRC or which have an establishment or place of business in the PRC but whose relevant income is not effectively connected with the establishment or a place of business in the PRC, will be subject to withholding tax at the rate of 10% (unless reduced by treaty) on various types of passive income such as dividends derived from sources within the PRC.

Preferential tax treatment is available to Ascletis Pharmaceuticals Co., Ltd. ("**Ascletis Pharmaceuticals**") (歌禮藥業(浙江)有限公司) since it was recognised as a High and New Technology Enterprise, and it was entitled to a preferential tax rate of 15% (2024: 15%) during the year.

Certain subsidiaries in the PRC were entitled to a preferential PRC CIT rate of 5% as it was accredited as small and micro business.

According to the new tax incentive policies promulgated by the State Tax Bureau of Chinese Mainland in March 2023, effective from 1 January 2023, an additional 100% of qualified research and development expenses incurred is allowed to be deducted from taxable income.

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

	2025	2024
	RMB'000	*RMB'000*
Loss before taxation	**(359,374)**	(300,936)
Notional tax on loss before taxation, calculated at the rates applicable to losses in the jurisdictions concerned	**(76,924)**	(75,449)
Tax effect of non-deductible expenses	**79**	830
Tax effect of unused tax losses and temporary differences not recognised	**117,671**	105,736
Tax benefit of subsidiaries subject to preferential tax rates *(Note 6(a))*	**4,143**	11,062
Tax effect of super deduction for research and development expenses *(Note 6(a))*	**(44,969)**	(42,179)
Withholding income tax on interest income derived from PRC by non-resident enterprises *(Note 6(a))*	**506**	–
Actual tax expense	**506**	–

7 LOSS PER SHARE

The calculation of the basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of RMB359,880,000 (2024: RMB300,936,000), and the weighted average number of ordinary shares of 972,512,060 (2024: 1,001,588,704) in issue during the year calculated as follows:

Weighted average number of ordinary shares

	2025	2024
Issued ordinary shares at 1 January (excluding treasury shares)	**964,717,000**	1,042,721,000
Effect of shares repurchased *(note 12(b))*	**(3,684,869)**	(41,132,296)
Effect of issuance of shares *(note 12(b))*	**11,479,929**	–
Weighted average number of ordinary shares at 31 December	**972,512,060**	1,001,588,704

No adjustment has been made to the basic loss per share amounts presented for the years ended 31 December 2024 and 2025 in respect of a dilution as the impact of the share award had an anti-dilutive effect on the basic loss per share amounts presented.

8 TRADE RECEIVABLES

	2025	2024
	RMB'000	*RMB'000*
Trade receivables	**223**	152

All of the trade receivables are expected to be recovered within one year.

Aging analysis

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

	2025	2024
	RMB'000	*RMB'000*
Within 3 months	**223**	152

9 PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	2025	2024
	RMB'000	*RMB'000*
Value-added tax recoverable	**9,940**	9,111
Deposits and other receivables	**3,056**	4,990
Cash in transit	**–**	1,404
Prepayments	**3,544**	1,248
Prepaid expenses	**1,207**	1,009
	17,747	17,762

All of the Prepayments, other receivables and other assets are expected to be recovered or recognised as expense within one year.

10 TRADE PAYABLES

	2025	2024
	RMB'000	*RMB'000*
Trade payables	**1,344**	31

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

	2025	2024
	RMB'000	*RMB'000*
Within 3 months	**1,344**	31

The trade payables are non-interest-bearing, and all trade payables are expected to be settled within one year or are repayable on demand.

11 OTHER PAYABLES AND ACCRUALS

	Note	**2025** ***RMB'000***	2024 *RMB'000*
Other payables	*(i)*	**30,630**	45,737
Accrued expenses		**69,375**	66,002
Payroll payable		**17,217**	13,715
Provisions	*(ii)*	**4,038**	15,265
Taxes other than income tax		**529**	4,078
Contract liabilities		**–**	391
		121,789	145,188

Notes:

(i) Other payables are non-interest-bearing.

(ii) Provisions primarily include:

In March 2024, Ascletis Pharmaceuticals Co., Ltd. (歌禮藥業(浙江)有限公司), a subsidiary of the Company was involved in arbitration proceedings initiated by Fujian Cosunter Pharmaceutical Co., Ltd. (福建廣生堂藥業股份有限公司) and Fujian Guangsheng Zhonglin Biotechnology Co., Ltd. (福建廣生堂中霖生物科技有限公司) (together "**Claimants**"), two pharmaceutical companies in the same group in China, due to commercial contracts dispute on ritonavir tablets sales and ritonavir non-exclusive license. On 10 March 2025 the arbitration tribunal issued a final ruling requiring the Group to compensate the Claimants and the Group recognised a provision of RMB11,227,000 which was subsequently settled on 20 March 2025.

A monetary sanction of USD567,000 (equivalent to approximately RMB4,038,000) related to the litigation disclosed in note 13.

(iii) All of the other payables are expected to be settled within one year or repayable on demand.

12 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

The board does not recommend the payment of any dividend in respect for the year ended 31 December 2025 (2024: Nil).

(b) Share capital

(i) Issued share capital

	2025		2024	
	No. of shares ('000)	***RMB'000***	*No. of shares ('000)*	*RMB'000*
Ordinary shares, issued and fully paid:				
At 1 January	**1,012,758**	**689**	1,072,739	731
Shares cancelled *(note ii)*	**(44,897)**	**(32)**	(59,981)	(42)
Issuance of shares *(note iii)*	**31,097**	**22**	–	–
At 31 December	**998,958**	**679**	1,012,758	689

The par value of the ordinary shares of the Company is US$0.0001 each.

(ii) Repurchase and cancellation of shares

During the year, the company repurchased its own ordinary shares on The Stock Exchange of Hong Kong Limited as follows:

Month/year	**Number of shares repurchased** *('000)*	**Highest price paid per share** *HKD*	**Lowest price paid per share** *HKD*	**Aggregate price paid** *RMB'000*
January 2025	2,640	4.13	2.94	8,802
April 2025	800	6.74	4.57	3,956
October 2025	1,260	11.12	8.86	11,078
November 2025	100	9.32	9.10	845
December 2025	4,926	14.80	11.17	56,897
	9,726			81,578

Notes:

(a) Purchase and cancellation of own shares

In 2025, the Company repurchased 9,726,000 of its shares on the Stock Exchange at a total cash consideration of HK$89,148,000 (equivalent to approximately RMB81,578,000). In the same year, the Company cancelled 44,897,000 treasury shares on 7 January 2025 and 13 February 2025. The aggregate carrying amount of the treasury shares cancelled was RMB54,848,000, of which RMB32,000 was debited to share capital and RMB54,816,000 was debited to share premium.

In 2024, the Company repurchased 78,004,000 of its shares on the Stock Exchange at a total cash consideration of HK$107,834,000 (equivalent to approximately RMB98,531,000). In the same year, the Company cancelled 59,981,000 treasury shares on 4 January 2024 and 5 March 2024. The aggregate carrying amount of the treasury shares cancelled was RMB93,780,000, of which RMB42,000 was debited to share capital and RMB93,738,000 was debited to share premium.

12 CAPITAL, RESERVES AND DIVIDENDS (continued)

(b) Share capital (continued)

(iii) Issuance of shares

In 2025, options were exercised to subscribe for 2,277,000 ordinary shares in the Company at a consideration of RMB5,452,000. An amount of RMB1,000 was credited to share capital and an amount of RMB5,451,000 was credited to share premium.

On 25 August 2025, the Company issued 28,820,000 ordinary shares with a par value of US$0.0001 at a price of HK$16.45 per share under top-up placement. The net proceeds amounted RMB427,975,000, of which RMB21,000, representing the par value, were credited to the Company's share capital, and the remaining proceeds, net of share issuance expenses, of RMB427,954,000 was credited to share premium.

13 CONTINGENT LIABILITIES

(a) Viking case

On 29 December 2022, Viking Therapeutics, Inc. ("**Viking**"), a pharmaceutical company in the United States, filed certain complaints against the Company, its founder Jinzi Jason WU and certain subsidiaries of the Company in connection with the Group's drug candidates ASC41 and ASC43F. One complaint was made with the United States International Trade Commission, Washington D.C. (the "**ITC**") and another complaint was made with the United States District Court, Southern District of California, (the "**USDC**") San Diego Division, each covering similar allegations.

The Company received initial determination and final judgment (together the "**Judgment**") from ITC on the complaint on 4 October 2024 and 29 May 2025. The Judgment, made by an Administrative Law Judge of the ITC, found a violation of Section 337 of the Tariff Act of 1930 (as amended) in the importation of the Company's drug candidates ASC41 and ASC43F into the United States. In additional, a monetary sanction of USD567,000 (equivalent to approximately RMB4,038,000) was proposed due to certain procedural issues during the investigation phase. The Company has made a provision for this monetary sanction in the financial statements.

Regarding the compliant made with USDC, there has been no major progress since 1 January 2025, and the relevant investigation and litigation proceedings are ongoing. The Company will vigorously defend against the complaint. Accordingly, the Group has not made any provision for the allegations arising from the compliant made with USDC filed by Viking as at 31 December 2025.

(b) Arbitration case

In September 2025, Ascletis Pharmaceuticals became involved in an arbitration proceeding initiated by a previous customer due to commercial contracts dispute on sales of certain products.

The claimant seeks compensation in an aggregate amount around RMB25 million, comprising (i) contract payments, (ii) interest on the alleged occupied funds, and (iii) arbitration and legal fees.

As at the date of this announcement, the arbitration is ongoing and no ruling has been issued. Based on the information currently available, the outcome of the arbitration and its potential financial impact on the Group cannot be reliably estimated. As at 31 December 2025, the Group has not made any provision for the arbitration.

PLACING OF SHARES UNDER THE GENERAL MANDATE

Placing of Existing Shares and Top-up Subscription of New Shares in August 2025 ("2025 Placing and Subscription")

References are made to the announcements of the Company dated August 19, 2025 and August 25, 2025, respectively. The completion of the 2025 Placing took place on August 21, 2025, and the completion of the 2025 Subscription took place on August 25, 2025. A total of 52,400,000 Shares held by the 2025 Top-up Vendor have been successfully placed at the placing price of HK$16.45 per Share to not less than six (6) placees who (to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries), together with their respective ultimate beneficial owners, are independent third parties. As far as the Company and the 2025 Top-up Vendor are aware, none of the Placees and their ultimate beneficial owners became a substantial shareholder (as defined under the Listing Rules) of the Company as a result of the 2025 Vendor Placing.

In connection with the Subscription, a total of 28,820,000 2025 Subscription Shares have been issued to the Top-up Vendor at the subscription price of HK$16.45 per Share as all the conditions for the Subscription have been fulfilled. The net subscription price (after deducting the fees, costs and expenses) is approximately HK$16.23 per Subscription Share. The closing price was HK$18.26 as quoted on the Stock Exchange on August 18, 2025, being the last trading day prior to the date of the 2025 Placing and Subscription Agreement.

The gross proceeds to the Company from the 2025 Subscription are approximately HK$474.09 million, and the net proceeds (after deducting the commissions and estimated expenses) from the 2025 Subscription are approximately HK$468.8 million in aggregate. Approximately 90% of the net proceeds from the 2025 Subscription are proposed to be used for the research and development of its drug candidates with respect to both subcutaneously injected peptides and oral peptides, into clinical trials for obesity, and approximately 10% of the net proceeds from the 2025 Subscription are proposed to be used for working capital and other general corporate purposes.

The 2025 Placing and Subscription is being undertaken to enhance the Group's financial strength, market competitiveness and comprehensive strength, and promote the long-term healthy and sustainable development of the Group. The 2025 Placing and Subscription also further diversifies the Company's Shareholder base by attracting a number of high-quality institutional investors, and to further enhance the liquidity in the Shares.

EVENTS AFTER THE REPORTING PERIOD

Placing of New Shares in February 2026 ("2026 Placing")

References are made to the announcements of the Company dated February 3, 2026 and February 10, 2026, respectively. On February 10, 2026, the Company completed the placing of a total of 69,256,000 new shares of the Company to not less than six (6) placees at a placing price of HK$12.18 per Share. The gross proceeds from the 2026 Placing are approximately HK$843.5 million. The net proceeds (after deducting the commissions and estimated expenses) from the 2026 Placing are approximately HK$835.2 million in aggregate.

The 2026 Placing is being undertaken to enhance the Group's financial strength, market competitiveness and comprehensive strength, and promote the long-term healthy and sustainable development of the Group. The 2026 Placing further diversifies the Company's Shareholder base by attracting a number of high-quality, long-term global investment funds, demonstrating their high recognition of the Company's R&D capabilities and commercialization potential.

Approximately 90% of the net proceeds from the 2026 Placing are proposed to be used for preparation, groundwork and launch of global Phase III trials of small molecule oral GIPR agonist ASC30 for the treatment of obesity, and approximately 10% of the net proceeds from the Placing are proposed to be used for working capital and other general corporate purposes.

USE OF PROCEEDS

Change of Use of Proceeds

References are made to (i) the prospectus issued by the Company dated July 20, 2018 (the "**Prospectus**") in relation to the proposed use of proceeds from the Global Offering (the "**Proceeds**"); (ii) the announcement of the Company dated November 18, 2020 in relation to the change in the use of Proceeds; (iii) the announcement of the Company dated June 14, 2023 in relation to the change in the use of Proceeds; (iv) the announcement of the Company dated September 23, 2024 in relation to the change in the use of Proceeds (the "**2024 Allocation**") and (v) the announcement of the Company dated March 26, 2025 in relation to the change in the use of Proceeds (the "**2025 Allocation**").

On March 31, 2026, the Board has resolved to further change the use of the unutilized Proceeds (the "**2026 Allocation**"). Set out below is a summary of the planned usage pursuant to the 2025 Allocation and the proposed changes in the use of the unutilized Proceeds

Use of Proceeds	Allocation of Proceeds pursuant to the 2025 Allocation		Unutilized Proceeds as at December 31, 2025	Revised usage of the unutilized Proceeds pursuant to the 2026 Allocation	The unutilized amount pursuant to the 2026 Allocation		Expected timeframe for the use of utilized Proceeds after the 2026 Allocation
	(HK$ million)	*(%)*	*(HK$ million)*		*(HK$ million)*	*(%)*	
For supporting the R&D of pipeline products in metabolic diseases	505.0	63.6	374.1	For supporting the R&D of pipeline products in metabolic diseases	259.7	64.0	The remaining amount is expected to be utilized in around one year from December 31, 2025
For supporting the R&D of new pipeline drug candidates	147.4	18.6	–	For supporting the R&D of new pipeline drug candidates	84.4	20.8	The remaining amount is expected to be utilized in around one year from December 31, 2025
For continued R&D of pipeline products in oncology	34.5	4.3	16.5				
For continued R&D of pipeline products in MASH/PBC	25.0	3.2	14.1				
For continued R&D of ASC22 and pipeline products in other virus diseases	3.2	0.4	1.1				
				For supporting the R&D of new pipeline drug candidates in immune disease	21.1	5.2	The remaining amount is expected to be utilized in around one year from December 31, 2025
For the working capital and other general corporate purposes	78.6	9.9	–	For the working capital and other general corporate purposes	40.6	10.0	The remaining amount is expected to be utilized in around one year from December 31, 2025
Total	**793.7**	**100.0**	**405.8**		**405.8**	**100.0**	

Reasons for and Benefits of the Change in the Use of Proceeds from the 2025 Allocation

As disclosed in the announcement dated March 26, 2025 in relation to the 2025 Allocation, approximately 90.1% of the revised net proceeds would be used for supporting the R&D of pipeline products and new pipeline drug candidates. Taking into account the latest progress in the Company's metabolic disease and immune disease pipeline, the Company has resolved to allocate 90.0% of the unutilized Proceeds after the 2026 Allocation for the aforementioned purpose, among which (i) 64.0% of the unutilized Proceeds after the 2026 Allocation for supporting the R&D in metabolic diseases, (ii) 20.8% of the unutilized Proceeds after the 2026 Allocation for supporting the R&D of new pipeline drug candidates, and (iii) 5.2% of the unutilized Proceeds after the 2026 Allocation for supporting the R&D of new pipeline drug candidates in immune disease. With reference to the Company's announcement dated April 23, 2025, the Company announced positive topline results of its randomized, double-blind, placebo-controlled Phase Ib multiple ascending dose (MAD) study (NCT06680440), conducted in the U.S., of ASC30 oral once-daily tablet in participants with obesity (body mass index (BMI): 30-40 kg/m2). Additionally, with reference to the Company's announcement dated January 5, 2026, the Company announced that it has received the Investigational New Drug (IND) clearance from the U.S. Food and Drug Administration (FDA) for the Phase II study of its oral small molecule GLP-1, ASC30, in participants with diabetes. In addition, with reference to the Company's announcement dated January 29, 2026, the Company announced positive topline results from the Phase III open-label study (NCT06248008) evaluating denifanstat (ASC40), a first-in-class, once-daily oral small molecule fatty acid synthase (FASN) inhibitor, in patients with moderate-to-severe acne vulgaris. All of the aforementioned clinical trial progresses demonstrated the potential of the Company's obesity drug candidates. Therefore, the Company has resolved to reallocate 63.6% of the unutilized Proceeds after the 2025 Allocation for supporting the R&D in metabolic diseases, including ASC47 and ASC30. Such changes in the use of unutilized Proceeds after the 2025 Allocation were made in response to the emerging market opportunities and seize first-mover opportunities.

Placing of Existing Shares and Top-up Subscription of New Shares in August 2025

The completion of the 2025 Placing took place on August 21, 2025, and the completion of the 2025 Subscription took place on August 25, 2025. The gross proceeds to the Company from the Subscription are approximately HK$474.09 million, and the net proceeds (after deducting the commissions and estimated expenses) from the Subscription are approximately HK$468.8 million in aggregate. As of December 31, 2025, the Company had utilized HK$28.0 million as intended. The table below sets out the details of actual usage of the net proceeds as of December 31, 2025:

Intended purpose of net proceeds	**Approximate percentage of the total net proceeds**	**Net proceeds from the 2025 Placing and Subscription**	**Actual net amount utilized as of December 31, 2025**	**Unutilized net amount as of December 31, 2025**	**Expected timeline of full utilization**
		(HK$ million)	*(HK$ million)*	*(HK$ million)*	*(HK$ million)*
Research and development of the Company's drug candidates with respect to both subcutaneously injected peptides and oral peptides, into clinical trials for obesity	90%	421.9	25.2	396.7	The remaining amount is expected to be utilized in around four years from Dec. 31, 2025.

Intended purpose of net proceeds	Approximate percentage of the total net proceeds	Net proceeds from the 2025 Placing and Subscription	Actual net amount utilized as of December 31, 2025	Unutilized net amount as of December 31, 2025	Expected timeline of full utilization
		(HK$ million)	*(HK$ million)*	*(HK$ million)*	*(HK$ million)*
Working capital and other general corporate purposes	10%	46.9	2.8	44.1	The remaining amount is expected to be utilized in around four years from Dec. 31, 2025.
Total	**100%**	**468.8**	**28.0**	**440.8**	

The expected timeline is based on the best estimation of future market conditions and business operations made by the Company currently and will be subject to change based on future development of market conditions and actual business needs.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining high standard of corporate governance to safeguard the interests of the Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the code provisions of the CG Code as set out in Appendix C1 to the Listing Rules as its own code of corporate governance.

The Board is of the view that the Company has complied with all applicable code provisions of the CG Code during the Reporting Period, except for a deviation from the code provision C.2.1 of the part 2 of the CG Code, the roles of chairman of the Board and chief executive officer of the Company are not separate and are both performed by Dr. Wu. The Company is an investment holding company with a professional management team to monitor the operations of the subsidiaries. The Board considers that vesting the roles of chairman of the Board and chief executive officer in the same person is more efficient in the direction and management of the Company and does not impair the balance of power and authority of the Board and the management of the business of the Company. The Board will review the corporate governance structure and practices from time to time and shall make necessary arrangements when the Board considers appropriate.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Written Guidelines on no less exacting terms than the Model Code as its own code of conduct regarding securities transactions by the Directors.

Having made specific enquiry of all Directors, all of them have confirmed that they have complied with the Model Code and the Written Guidelines throughout the Reporting Period and up to the date of this announcement. No incident of non-compliance of the Written Guidelines by the employees who are likely to be in possession of inside information of the Company was noted by the Company during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

During the Reporting Period, the Company repurchased a total of 9,726,000 Shares on the Stock Exchange at an aggregate consideration of HK$89,147,750. As at the date of this announcement, 1,658,000 ordinary Shares repurchased during the Reporting Period have been cancelled and the total number of Shares in issue has been reduced accordingly as at the date of this announcement. The repurchase was effected by the Board for the enhancement of shareholder value in the long term and provide more flexibility to the Board to resell the treasury shares on the market prices to raise additional funds for the Company, or transfer or use for share grants under share schemes that comply with Chapter 17 of the Listing Rules and for other purposes permitted under the Listing Rules, the Articles and the applicable laws of the Cayman Islands.

Particulars of the Shares repurchased during the Reporting Period and up to the date of this announcement are as follows:

		Price per share		
Trading Month	**Number and Method of Shares repurchased**	**Highest price paid** *(HK$)*	**Lowest price paid** *(HK$)*	**Aggregate consideration paid** *(HK$)*
January 2025	2,640,000 on the Stock Exchange	4.13	2.94	9,301,470.00
April 2025	800,000 on the Stock Exchange	6.74	4.57	4,257,980.00
October 2025	1,260,000 on the Stock Exchange	11.12	8.86	12,115,400.00
November 2025	100,000 on the Stock Exchange	9.32	9.10	923,960.00
December 2025	4,926,000 on the Stock Exchange	14.80	11.17	62,548,940.00
Total	**9,726,000**			**89,147,750**

Save as disclosed above, during the Reporting Period and up to the date of this announcement, neither the Company nor any of its subsidiaries have purchased, redeemed or sold any of the Company's listed securities.

As at December 31, 2025 and the date of this announcement, the Company holds 7,084,210 treasury shares and such treasury shares are used for the share schemes of the Company, including the 2025 Share Award Scheme. For details, please refer to the announcement and circular of the Company dated January 14, 2025 and January 15, 2025 respectively, and the poll results announcement of the extraordinary general meeting of the Company dated February 3, 2025.

REVIEW OF ANNUAL RESULTS BY AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive Directors, namely, Mr. Jiong GU, Dr. Yizhen WEI, and Ms. Lin HUA. The chairman of the Audit Committee is Mr. Jiong GU. The Audit Committee has reviewed the annual results of the Group for the year ended December 31, 2025 and has recommended for the Board's approval thereof. The Audit Committee has reviewed together with the management the accounting principles and policies adopted by the Group and the consolidated financial statements for the year ended December 31, 2025. The Audit Committee considered that the annual results are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

FINAL DIVIDEND

The Board does not recommend any payment of final dividend for the year ended December 31, 2025 (for the year ended December 31, 2024: Nil).

AGM AND CLOSURE OF REGISTER OF MEMBERS

The Company will announce the date of the AGM and the period of closure of register of members in due course.

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.ascletis.com). The annual report for the year ended December 31, 2025 containing all the information in accordance with the requirements under the Listing Rules will be despatched to the Shareholders (if requested) and published on the respective websites of the Stock Exchange and the Company in due course.

APPRECIATION

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

"2025 Placing Agent"	Citigroup Global Markets Limited, the capital market intermediary (as defined under Rule 1.01 of the Listing Rules) and the overall coordinator (as defined under Rule 1.01 of the Listing Rules) in relation to the Placing
"2025 Placing and Subscription"	placement of the 2025 Placing Shares by the 2025 Placing Agent or their representatives and subscription of the 2025 Subscription Shares by the 2025 Top-up Vendor under the terms and conditions of the 2025 Placing and Subscription Agreement
"2025 Placing and Subscription Agreement"	the placing and subscription agreement entered into between the Company, the 2025 Top-up Vendor and the 2025 Placing Agent on August 19, 2025 (before trading hours)
"2025 Placing Shares"	52,400,000 Shares held by the 2025 Top-up Vendor and placed by the 2025 Placing Agent pursuant to the 2025 Placing and Subscription Agreement
"2025 Subscription"	the subscription of the 2025 Subscription Shares by the 2025 Top-up Vendor pursuant to the 2025 Placing and Subscription Agreement
"2025 Subscription Shares"	the 28,820,000 Shares issued by the Company and subscribed by the 2025 Top-up Vendor pursuant to the 2025 Placing and Subscription Agreement
"2025 Top-up Vendor"	JJW12 Limited, a company incorporated in the British Virgin Islands, wholly owned by Dr. Wu and one of the Controlling Shareholders
"2025 Vendor Placing"	the placing of 52,400,000 existing Shares by the Top-up Vendor to Placees at the Placing Price to be procured by the Placing Agent pursuant to the Placing and Subscription Agreement
"AEs"	adverse events
"AGM"	annual general meeting of the Company
"Ascletis", "Company", "the Company" or "We"	Ascletis Pharma Inc. (歌禮製藥有限公司), an exempted company incorporated in the Cayman Islands with limited liability on February 25, 2014

"Ascletis BioScience"	Ascletis BioScience Co., Ltd. (歌禮生物科技(杭州)有限公司), a limited liability company established in the PRC on April 26, 2013 and an indirectly wholly-owned subsidiary of the Company
"Ascletis Pharmaceuticals"	Ascletis Pharmaceuticals Co., Ltd. (歌禮藥業(浙江)有限公司), a limited liability company established in the PRC on September 24, 2014 and an indirectly wholly-owned subsidiary of the Company
"Audit Committee"	the audit committee of the Board
"Board"	the board of directors of the Company
"BMI"	body mass index
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"Chairman"	the chairman of the Board
"China", "Chinese Mainland" or "the PRC"	the People's Republic of China, excluding, for the purpose of this announcement, Hong Kong, Macau Special Administrative Region and Taiwan
"Director(s)"	the director(s) of the Company
"Dr. Wu"	Dr. Jinzi Jason WU (吳勁梓), the founder, chairman of the Board, chief executive officer and one of the controlling shareholders of the Company and the spouse of Mrs. Judy Hejingdao Wu
"FASN"	fatty acid synthase
"FDA"	U.S. Food and Drug Administration
"FVPL"	fair value through profit or loss
"Gannex Pharma"	Gannex Pharma Co., Ltd. (甘萊製藥有限公司), a limited liability company established under the laws of the PRC on September 3, 2019 and an indirectly wholly-owned subsidiary of the Company
"GCGR"	glucagon eceptor
"GI"	gastrointestinal
"GIPR"	gastric inhibitory polypeptide receptor
"Global Offering"	the public offering and the listing of the Shares on the Main Board of the Stock Exchange on August 1, 2018
"GLP-1R"	glucagon-like peptide 1 receptor

"Greater China"	Chinese Mainland, Hong Kong, Macau and Taiwan
"Group", "our Group" or "the Group"	the Company and its subsidiaries
"HK$" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"IND(s)"	investigational new drug(s), (an) experimental drug for which a pharmaceutical company obtains permission to ship across jurisdictions (usually to clinical investigators) before a marketing application for the drug has been approved
"ITC"	the United States International Trade Commission
"LDL-C"	low-density lipoprotein cholesterol
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
"Main Board"	the Main Board of the Stock Exchange
"MASH"	metabolic dysfunction-associated steatohepatitis
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
"PRC Pension Scheme"	the central pension scheme operated by the local municipal government
"R&D"	research and development
"Renminbi" or "RMB"	Renminbi Yuan, the lawful currency of the PRC
"Reporting Period"	the one-year period from January 1, 2024 to December 31, 2024
"rGBM"	recurrent glioblastoma
"SAEs"	serious adverse events
"Sagimet"	Sagimet Biosciences Inc., a corporation incorporated in Delaware in December 2006, whose shares are listed on the Nasdaq Stock Market (stock code: SGMT)
"Shareholder(s)"	holder(s) of Shares
"Share(s)"	ordinary shares in the share capital of our Company of US$0.0001 each

"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"TEAEs"	treatment-emergent adverse events
"THRβ"	thyroid hormone receptor beta
"U.S."	United States of America
"USD" or "US$"	United States dollars, the lawful currency of the United States of America
"USDC"	United States District Court, Southern District of California
"Viking"	Viking Therapeutics, Inc.
"Written Guidelines"	the Guidelines for Securities Transactions by Directors adopted by the Company
"%"	per cent

In this announcement, the terms "associate", "connected person", "controlling shareholder" and "subsidiary" shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

By order of the Board
Ascletis Pharma Inc.
歌禮製藥有限公司
Jinzi Jason WU
Chairman

Hong Kong, the People's Republic of China
March 31, 2026

As at the date of this announcement, the Board comprises Dr. Jinzi Jason WU and Mrs. Judy Hejingdao WU, as executive Directors; and Dr. Yizhen WEI, Mr. Jiong GU and Ms. Lin HUA, as independent non-executive Directors.