The United Laboratories International Holdings Limited

聯邦制藥國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3933)

Interim Results Announcement
For the six months ended 30 June 2026

FINANCIAL HIGHLIGHTS

	Six months ended 30 June		
	2026	2025	**Decrease**
	RMB'000	RMB'000	**%**
Revenue	**6,165,949**	7,518,683	**(18.0%)**
EBITDA	**920,817**	2,752,120	**(66.5%)**
Profit before taxation	**465,143**	2,419,651	**(80.8%)**
Profit for the period attributable to the owners of the Company	**347,644**	1,894,314	**(81.6%)**
	RMB cents	RMB cents	
Earnings per share - Basic	**17.62**	104.26	**(83.1%)**
Interim dividend (per share)	**-**	16.0	**(100.0%)**

The Board of Directors (the "Board") of The United Laboratories International Holdings Limited (the "Company") announces the unaudited condensed consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2026 together with the comparative figures for the corresponding period in 2025 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2026

	Notes	**Six months ended 30 June**	
		2026	2025
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Revenue	3	**6,165,949**	7,518,683
Cost of sales		**(4,046,465)**	(3,594,809)
Gross profit		**2,119,484**	3,923,874
Other income	4	**138,498**	128,480
Other gains and losses, net	5	**(177,874)**	61,183
Selling and distribution expenses		**(678,006)**	(682,161)
Administrative expenses		**(458,059)**	(435,200)
Research and development expenditures		**(438,925)**	(498,941)
Other expenses		**(9,423)**	(40,531)
Impairment losses reversed (recognised) under expected credit loss model, net of reversal		**14,132**	(16,284)
Share of results of an associate		**264**	28
Finance costs	6	**(44,948)**	(20,797)
Profit before taxation		**465,143**	2,419,651
Tax expense	7	**(120,978)**	(526,144)
Profit for the period	8	**344,165**	1,893,507
Other comprehensive income (expense)			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**4,193**	(684)
Total comprehensive income for the period		**348,358**	1,892,823
Profit (loss) for the period attributable to:			
Owners of the Company		**347,644**	1,894,314
Non-controlling interests		**(3,479)**	(807)
		344,165	1,893,507
Total comprehensive income (expense) for the period attributable to:			
Owners of the Company		**351,837**	1,893,630
Non-controlling interests		**(3,479)**	(807)
		348,358	1,892,823
Earnings per share	9	**RMB cents**	RMB cents
- Basic		**17.62**	104.26

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2026

	Notes	**30 June 2026 RMB'000 (Unaudited)**	31 December 2025 RMB'000 (Audited)
Non-current assets			
Property, plant and equipment	11	**11,582,023**	11,557,901
Right-of-use assets		**449,273**	441,833
Goodwill		**3,031**	3,031
Intangible assets		**293,247**	274,195
Interests in an associate		**7,325**	7,061
Deposits for acquisition of property, plant and equipment		**104,770**	75,818
Deposits for acquisition of intangible assets		**1,402**	3,729
Deferred tax assets		**84,341**	67,399
		12,525,412	12,430,967
Current assets			
Inventories		**2,680,279**	2,369,133
Trade and bills receivables, other receivables, deposits and prepayments	12	**5,159,174**	4,741,718
Pledged bank deposits	15	**660,248**	628,503
Derivative financial instruments		**1,728**	-
Tax recoverable		**16,474**	123,765
Cash and cash equivalents		**11,069,413**	10,606,390
		19,587,316	18,469,509
Current liabilities			
Trade and other payables	13	**7,830,128**	7,890,941
Contract liabilities		**32,306**	76,785
Dividend payables	10	**512,987**	-
Derivative financial instruments		**14,136**	-
Lease liabilities		**4,040**	4,969
Borrowings - due within one year		**1,180,823**	2,106,458
		9,574,420	10,079,153
Net current assets		**10,012,896**	8,390,356
Total assets less current liabilities		**22,538,308**	20,821,323

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - continued
AT 30 JUNE 2026

	Note	**30 June 2026 RMB'000 (Unaudited)**	31 December 2025 RMB'000 (Audited)
Non-current liabilities			
Deferred tax liabilities		**361,934**	376,079
Deferred income in respect of government grants	13	**95,506**	89,644
Derivative financial instruments		**22,066**	-
Lease liabilities		**19,852**	7,453
Borrowings - due after one year		**4,743,600**	2,872,831
		5,242,958	3,346,007
Net assets		**17,295,350**	17,475,316
Capital and reserves			
Share capital		**18,396**	18,396
Reserves		**17,198,071**	17,374,558
Equity attributable to owners of the Company		**17,216,467**	17,392,954
Non-controlling interests		**78,883**	82,362
Total equity		**17,295,350**	17,475,316

NOTES TO FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Stock Exchange")(the "Listing Rules").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

Other than change in accounting policies resulting from the application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2025.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards - Volume 11

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

The Group is currently organised into three revenue streams, including Intermediate products, Bulk medicine and Finished products.

Specifically, the Group's reportable segments under HKFRS 8 are as follows:

1) Intermediate products - mainly represent sales of 6-APA products and penicillin G potassium products;
2) Bulk medicine - mainly represent sales of amoxicillin products; and
3) Finished products - mainly represent sales of insulin series products, antibiotics products, ophthalmic products, veterinary drugs and license fee income.

The three revenue streams are the operating and reportable segments of the Group on which the Group reports its primary segment information.

3. REVENUE AND SEGMENT INFORMATION - Continued

(a) Segment Revenue and Results

For the six months ended 30 June 2026 (Unaudited)

	Intermediate products RMB'000	Bulk medicine RMB'000	Finished products RMB'000	Segments total RMB'000	Elimination RMB'000	Consolidated RMB'000
REVENUE						
External sales	**703,883**	**2,595,505**	**2,764,696**	**6,064,084**	**-**	**6,064,084**
Inter-segment sales	**1,272,571**	**552,898**	**-**	**1,825,469**	**(1,825,469)**	**-**
License fee income	**-**	**-**	**101,865**	**101,865**	**-**	**101,865**
Segment revenue	**1,976,454**	**3,148,403**	**2,866,561**	**7,991,418**	**(1,825,469)**	**6,165,949**
Segment profit before research and development expenses	**290,060**	**127,930**	**690,022**			**1,108,012**
Research and development expenses (included in the measurement of segment profit)	**(98,646)**	**(48,278)**	**(292,001)**			**(438,925)**
RESULT						
Segment profit	**191,414**	**79,652**	**398,021**			**669,087**
Share of results of an associate						**264**
Unallocated other income						**87,627**
Unallocated corporate expenses						**(69,400)**
Unallocated other gains and losses, net						**(178,305)**
Impairment losses of other receivables under expected credit loss model, net of reversal						**818**
Finance costs						**(44,948)**
Profit before taxation						**465,143**

3. REVENUE AND SEGMENT INFORMATION - Continued

(a) Segment Revenue and Results - continued

For the six months ended 30 June 2025 (Unaudited)

	Intermediate products RMB'000	Bulk medicine RMB'000	Finished products RMB'000	Segments total RMB'000	Elimination RMB'000	Consolidated RMB'000
REVENUE						
External sales	1,010,665	2,529,547	2,544,571	6,084,783	-	6,084,783
Inter-segment sales	1,293,646	469,767	-	1,763,413	(1,763,413)	-
License fee income	-	-	1,433,900	1,433,900	-	1,433,900
Segment revenue	2,304,311	2,999,314	3,978,471	9,282,096	(1,763,413)	7,518,683
Segment profit before research and development expenses	798,889	275,776	1,815,116			2,889,781
Research and development expenses (included in the measurement of segment profit)	(164,270)	(25,127)	(309,544)			(498,941)
RESULT						
Segment profit	634,619	250,649	1,505,572			2,390,840
Share of results of an associate						28
Unallocated other income						76,026
Unallocated corporate expenses						(123,733)
Unallocated other gains and losses, net						95,036
Impairment losses of other receivables under expected credit loss model, net of reversal						2,251
Finance costs						(20,797)
Profit before taxation						2,419,651

(b) Geographical Information

The revenue from the external customers by geographical market (irrespective of the origin of the goods) based on the location of the customers are presented below:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
The People's Republic of China ("PRC"), including Hong Kong (country of domicile)	**4,830,311**	4,725,243
Europe	**402,011**	1,741,465
India	**182,254**	197,687
Middle East	**12,809**	13,641
South America	**373,154**	450,590
Other Asian regions	**266,483**	258,367
Other regions	**98,927**	131,690
	6,165,949	7,518,683

4. OTHER INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Bank interest income	**85,397**	65,468
Sales of scrap materials	**3,020**	3,133
Subsidy income (Note)	**42,483**	54,959
Sundry income	**7,598**	4,920
	138,498	128,480

Note: Subsidy income includes tax subsidy and government grants from the PRC government which are specifically for (i) the capital expenditure incurred for plant and machinery, which is recognised as income over the useful life of the related assets; (ii) the incentives and other subsidies for research and development activities, which are recognised upon meeting the attached conditions; and (iii) the incentives which have no specific conditions attached to the grants.

5. OTHER GAINS AND LOSSES, NET

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Net foreign exchange loss	**(186,246)**	(37,058)
Net gain on fair value change of derivative financial instruments	**17,398**	72,973
(Loss) gain on disposal of financial assets at fair value through profit or loss	**(7,436)**	74,971
Net gain on disposal of property, plant and equipment	**344**	7,556
Loss on disposal of leasehold land	**(652)**	-
Written-off of property, plant and equipment	**(1,325)**	(57,389)
Others	**43**	130
	(177,874)	61,183

6. FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest on borrowings	**55,857**	41,229
Interest on lease liabilities	**662**	377
	56,519	41,606
Less: amounts capitalised in property, plant and equipment	**(11,571)**	(20,809)
	44,948	20,797

Borrowing costs capitalised during the current interim period arose on the general borrowing pool and are calculated by applying a capitalisation rate of 2.56% (six months ended 30 June 2025: 2.55%) per annum to expenditure on qualifying assets.

7. TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax		
Hong Kong profits tax	**334**	923
PRC enterprise income tax ("EIT")	**105,860**	306,813
PRC withholding tax on distributed profits of PRC subsidiaries	**35,684**	-
Danish withholding tax on licensing fee income	**10,187**	143,390
	152,065	451,126
Deferred tax (credit) charge	**(31,087)**	75,018
Tax expense	**120,978**	526,144

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both periods.

PRC EIT is calculated at the applicable rates of tax prevailing in the areas in which the Group operates, based on the existing legislation, interpretations and practices.

Pursuant to the Danish domestic tax law, the withholding tax on royalty payment in Denmark is subject to withholding tax at the statutory rate of 22% on the gross amount. Under the applicable double tax arrangement, the Group is entitled to a reduced rate of 10% for current period.

8. PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Profit for the period has been arrived at after charging/(crediting):		
Staff costs, including directors' emoluments		
Salaries and other benefits	**971,995**	931,912
Contributions to retirement benefit schemes	**189,676**	169,008
Share-based compensation expense	**4,429**	11,725
	1,166,100	1,112,645
Depreciation		
Depreciation of right-of-use assets	**16,108**	8,476
Depreciation of property, plant and equipment	**381,201**	293,014
Amortisation of intangible assets (included in cost of sales)	**13,417**	10,182
Write-down of inventories (reversed) recognised, net (included in cost of sales)	**(39,680)**	2,824
Cost of inventories recognised as expenses	**4,006,785**	3,526,447

9. EARNINGS PER SHARE

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

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Earnings		
Earnings for the purposes of basic earnings per share being profit for the period attributable to the owners of the Company	**347,644**	1,894,314

	Six months ended 30 June	
	2026	2025
	'000	'000
	(Unaudited)	(Unaudited)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**1,972,631**	1,816,934

No diluted earnings per share for the six months ended 30 June 2026 and 2025 were presented as there were no potential ordinary shares in issue for both periods.

10. DIVIDENDS

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Dividends for ordinary shareholders of the Company recognised as distribution during the period		
- 2025 final dividend RMB26 cents (2025: 2024 final dividend RMB28 cents) per share	**512,987**	508,767
- 2024 special dividend RMB12 cents per share	**-**	218,044
	512,987	726,811

The 2025 final dividend has been subsequently settled in July 2026.

The Board does not recommend payment of an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: RMB16 cents per share).

11. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

The Group incurred approximately RMB429,637,000 (six months ended 30 June 2025: RMB1,639,948,000) on addition of property, plant and equipment to expand and upgrade certain production plants and office buildings primarily in the PRC, during the six months ended 30 June 2026.

During the current interim period, the Group disposed of and written off of certain plant and machinery with an aggregate carrying amount of RMB20,014,000 (six months ended 30 June 2025: RMB70,559,000) for cash proceeds of RMB19,033,000 (six months ended 30 June 2025: RMB20,726,000), resulting in a gain on disposal of RMB344,000 (six months ended 30 June 2025: gain on disposal: RM7,556,000) and written off of RMB1,325,000 (six months ended 30 June 2025: RMB57,389,000).

12. TRADE AND BILLS RECEIVABLES, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade receivables from contracts with customers	**2,168,462**	2,248,570
Less: allowance for credit losses	**(7,588)**	(31,812)
Banker's acceptance bills receivables	**2,348,266**	1,982,202
Less: allowance for credit losses	**(3,489)**	(174)
Consideration receivables	**339,574**	339,574
Less: allowance for credit losses	**(339,574)**	(339,574)
Value-added tax receivables	**345,869**	268,396
Other receivables, deposits and prepayments	**327,600**	287,707
Less: allowance for credit losses	**(19,948)**	(13,171)
	5,159,174	4,741,718

The Group normally allows a credit period of ranging from 45 days to 180 days (31 December 2025: from 45 days to 180 days) to its trade customers, and may be extended to selected customers depending on their trade volume and settlement with the Group. The banker's acceptance bills receivables have a general maturity period of between 90 days and 1 year (31 December 2025: between 90 days and 1 year).

The following is an analysis of trade receivables by age, net of allowance for credit losses, presented based on dates of transferring control of the goods, and an analysis of banker's acceptance bills receivables by age, net of allowance for credit losses, presented based on the bills issuance date, at the end of the reporting period:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade receivables from contracts with customers		
0 to 30 days	**1,047,485**	1,018,465
31 to 60 days	**419,144**	414,069
61 to 90 days	**356,495**	333,415
91 to 120 days	**232,921**	191,235
121 to 180 days	**98,654**	128,585
Over 180 days	**6,175**	130,989
	2,160,874	2,216,758
Banker's acceptance bills receivables		
0 to 30 days	**422,191**	362,012
31 to 60 days	**382,445**	305,817
61 to 90 days	**472,730**	418,932
91 to 120 days	**433,472**	381,778
121 to 180 days	**613,968**	497,646
Over 180 days	**19,971**	15,843
	2,344,777	1,982,028

13. TRADE AND OTHER PAYABLES

The Group normally receives credit terms of up to 120 days and 180 days for trade payables and trade payables under supplier finance arrangement, respectively, from its suppliers. The following is an analysis of the trade payables and trade payables under supplier finance arrangement by age, presented based on the invoice date or bills issuance date at the end of the reporting period:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade payables		
0 to 90 days	**1,209,672**	1,234,969
91 to 180 days	**726,523**	355,830
Over 180 days	**114,740**	20,415
	2,050,935	1,611,214
Trade payables under supplier finance arrangement (note)		
0 to 90 days	**1,476,905**	986,000
91 to 180 days	**912,382**	1,242,006
Over 180 days	**-**	484
	2,389,287	2,228,490
Other payables and accruals	**558,393**	693,970
Other tax payable	**187,511**	204,743
Accrual of freight expense	**64,392**	60,222
Accrual of salary, staff welfare and unclaimed annual leave	**262,779**	312,627
Accrual of water, electricity fee and steam	**455,011**	558,132
Deferred income in respect of government grants	**105,011**	90,338
Payables in respect of the acquisition of property, plant and equipment	**1,852,315**	2,220,849
	7,925,634	7,980,585
Less: Amount due within one year shown under current liabilities	**(7,830,128)**	(7,890,941)
Amount shown under non-current liabilities	**95,506**	89,644

Note: These relate to trade payables in which the Group has issued banker's acceptance bills to the relevant suppliers for future settlement of trade payables. The Group continues to recognise these trade payables as the relevant banks are obliged to make payments only on due dates of the bills, under the same conditions as agreed with the suppliers without further extension.

14. CAPITAL COMMITMENTS

As at 30 June 2026, the Group had commitments for capital expenditure of RMB1,306,103,000 (31 December 2025: RMB1,319,378,000) in respect of the acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements.

15. PLEDGE OF OR RESTRICTIONS ON ASSETS

Pledge of assets

The Group had pledged the following assets to banks as securities against banking facilities granted to the Group at the end of the reporting period:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Property, plant and equipment, at net book value	**2,265,551**	1,582,221
Right-of-use assets, at net book value	**168,188**	160,113
Banker's acceptance bills receivables	**94,975**	145,190

Restrictions on assets

In addition, lease liabilities of RMB 23,892,000 (31 December 2025: RMB 12,422,000) are recognised with related right-of-use assets of RMB 25,101,000 (31 December 2025: RMB 11,682,000) as at 30 June 2026. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor and the relevant leased assets may not be used as security for borrowing purposes.

16. RELATED PARTY TRANSACTIONS

(a) The Group's key management personnel are all directors of the Company, including chief executives, and the remuneration to the directors of the Company during the period is as follows:

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Fees	**334**	357
Salaries and other benefits	**9,925**	9,723
Contributions to retirement benefits schemes	**23**	25
	10,282	10,105

(b) During the current interim period, the Group entered into the following transactions with a related party:

Name of related party	Nature of transaction/balance	Relationship	**Six months ended 30 June**	
			2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
寧波普邦生物科技有限公司	Sale of goods	Associate	**55,876**	1,541
	Trade advance	Associate	**-**	3,612
	Trade and bills receivables	Associate	**75,292**	84
	Other receivables	Associate	**-**	6

MANAGEMENT DISCUSSION AND ANALYSIS

In the first half of 2026, China's national economy withstood pressure and maintained an overall steady development momentum. The pharmaceutical industry has accelerated its pace of innovative transformation and global expansion. Meanwhile, policies such as medical insurance cost control and centralised procurement have entered a phase of normalised operation, and enterprises have established mature response models in pricing systems and cost management. Recently, the "National Health 15th Five-Year Plan" explicitly proposed, for the first time, full-chain support for the development of innovative drugs. With the continued release of policy dividends, the industry has entered a critical period of transformation and upgrading.

Against this backdrop, the Group continued to advance its innovative R&D and global expansion strategies. At the same time, the Group further tapped the market potential of its traditional core business to drive quality improvement and efficiency enhancement. All business segments developed in a coordinated manner, further consolidating the Group's industry-leading position.

Innovative Research and Development

The Group regards innovative R&D as the core engine driving enterprise development, continuously increasing R&D investment and attracting scientific talents. Through diversified collaboration models such as independent R&D and cooperative development, it expanded its innovative product pipeline, enhanced new drug R&D and clinical capabilities, and accelerated the development and practical application of innovative technologies and products.

During the Period, the Group invested a total of RMB469,100,000 in pharmaceutical research and development, with a year-on-year decrease in R&D of 14.8%, including expensed R&D investment of RMB438,900,000 and capitalisation of R&D investment of RMB30,200,000.

The Group has established a comprehensive research and development system composed of multiple platforms, including biological research and development, chemical drug research and development, biological fermentation and chemical, enzymatic synthesis research and development, animal healthcare research and development and clinical research center. At present, the Group had 40 new drug products under development, of which 23 products are Class 1 new drugs, focusing on the areas of endocrinology, metabolism, autoimmunity, ophthalmology and anti-infection; There are a total of 67 new animal healthcare products under development, fully covering economic and companion animals. Furthermore, APIs, the quality and efficacy consistency evaluation of generic drugs, and the research and development of projects related to medical aesthetics are progressing steadily.

Progress in Research and Development

During the Period, the Group made the following major progress in R&D:

- In January, the investigational new drug (IND) application for **TUL108 for Injection, a Class I new drug**, was approved by the U.S. Food and Drug Administration (FDA).

- In February, the application for the clinical trial of **UBT251 Injection, a Class I new drug,** for the indication of moderate to severe obstructive sleep apnea (OSA) with obesity-related comorbidity, received implied approval from China's National Medical Products Administration (the "NMPA").

- In February, the Phase II clinical study of **UBT251 Injection, a Class I new drug**, was completed in Chinese patients with overweight/obesity, achieving its predefined goals.

- In February, **Roxithromycin Capsules** (specification: 150mg) passed the quality and efficacy consistency evaluation of generic drugs.

- In March, the Phase II clinical study of **UBT251 Injection, a Class I new drug**, was completed in Chinese patients with Type 2 diabetes, achieving its predefined goals.

- In March, the NDA of **Insulin Degludec Injection** (specifications: 3ml: 300U (refilled pen-type); 3ml: 300U (disposable pen-type)) was approved by the NMPA.

- In April, the clinical trial of **Dupilumab Injection** received implied approval from the NMPA.

- In April, the IND application for the clinical trial of **TUL321 Capsules, a Class 1 new drug**, was approved by the FDA.

- In May, the clinical trial of **UBT38006 Injection, a Class 1 new drug**, received implied approval from the NMPA.

- In May, the IND application for the clinical trial of **TUL108 for Injection, a Class 1 new drug**, received implied approval from the NMPA.

- In June, the IND application for the clinical trial of **TUL321 Capsules, a Class 1 new drug**, received implied approval from the NMPA.

During the Period, the results of the Phase II clinical study of UBT251 Injection were presented at the 86th Scientific Sessions of the American Diabetes Association (ADA). With the outstanding research data, such results were successfully selected as the Late-Breaking Abstracts at such session, and were officially selected by ADA for inclusion in the Press Briefing and Poster presentation.

During the Period, the Group recorded licensing fee income of US$15,000,000 (approximately RMB 101,900,000), being a milestone payment from Novo Nordisk S/A for a global Phase II clinical trial of UBT251 Injection of overweight or obesity indication, in relation to the previous licensing of the global (excluding Mainland China, Hong Kong SAR, Macau SAR, and Taiwan) development, manufacturing, and commercialisation of UBT251 (GLP-1R/GIPR/GCGR triple agonist). This milestone payment represents the steady progress of UBT251's global clinical development and further validates its clinical value and commercial potential. The licensing fee was received in July 2026.

Under the license agreement with Novo Nordisk S/A and subject to the terms and conditions thereof, The United Bio-Technology (Hengqin) Co., Ltd. (a wholly-owned subsidiary of the Group) is eligible to receive potential milestone payments of up to US$1.8 billion subject to the achievement of certain development and sales milestones, plus tiered royalties based on annual net sales in the territory.

Class I new drugs under development

Project	**Category**	**Indication**	**Phase**
UBT251 Injection	Chemical drug	Overweight/Obesity	Phase III clinical trial
UBT251 Injection	Chemical drug	Diabetes	Phase III clinical trial
UBT251 Injection	Chemical drug	MASH	Phase II clinical trial
UBT251 Injection	Chemical drug	Chronic kidney disease	Phase II clinical trial
UBT251 Injection	Chemical drug	OSA	Phase III clinical trial
UBT37034 for Injection	Chemical drug	Overweight/Obesity	IND approved (United States) Phase I clinical trial (PRC)
UBT38006 Injection	Biological drug	Diabetes	Phase I clinical trial
UBT48128 Tablets	Chemical drug	Diabetes/Weight management	IND approved (United States) Pre-clinical trial (PRC)
UBT43026 Oral Preparation	Chemical drug	Hyperlipoproteinemia, atherosclerosis, aortic valve stenosis, etc.	Pre-clinical trial
UBT42	Biological drug	Vitiligo, alopecia areata, other autoimmune diseases	Pre-clinical trial
UBT49003 for Injection	Biological drug	Acute Lung Injury/Acute Respiratory Distress Syndrome (ALI/ARDS), etc.	Pre-clinical trial
UBT506 for Injection	Biological drug	Moderate to severe Eczema, Asthma	Pre-clinical trial

TUL01101 Tablets	Chemical drug	Rheumatoid arthritis	Phase II clinical trial
TUL01101 Tablets	Chemical drug	Moderate to severe atopic dermatitis	Phase III clinical trial
TUL01101 Ointment	Chemical drug	Atopic dermatitis	Phase III clinical trial
TUL321 Capsules	Chemical drug	Paroxysmal nocturnal hemoglobinuria	IND approved (United States) Phase I clinical trial (PRC)
TUL12101 Eye Drops	Chemical drug	Xerophthalmia	Phase II clinical trial
TUL108 for Injection	Chemical drug	Drug-resistant bacterial infection	IND approved (United States) Phase I clinical trial (PRC)
LB2332	Chemical drug	Fungal infection	Pre-clinical trial
LB2249	Chemical drug	Fat loss and muscle gain	Pre-clinical trial
LB2237	Chemical drug	Hyperlipidemia	Pre-clinical trial
LB2343	Chemical drug	Drug-resistant bacterial infection	Pre-clinical trial

BUSINESS REVIEW

Intermediate Products and Bulk Medicine Business

During the Period, the prices of major upstream products gradually stabilised and recovered, but remained lower than the same period last year. The intermediate products and bulk medicine segments recorded external sales of RMB703,900,000 and RMB2,595,500,000, respectively, representing a year-on-year decrease of 30.4% and increase of 2.6%, respectively. Overseas export recorded sales of RMB1,026,100,000, representing a year-on-year decrease of 5.1%, and accounting for 16.6% of the Group's total revenue.

Currently, the bulk medicine industry remains in a phase of structural recovery. Relying on mature large-scale production capabilities, the Group has accelerated its innovative R&D, continuously optimised and refined its product mix, and consistently reinforced its core advantages within the industrial chain. In addition, the Group has continued to advance its international development strategy, expanded its global business footprint, deepened cooperation and exchanges with domestic and overseas customers, and further enhanced brand influence and market competitiveness, providing strong support for the steady development of the intermediate products and bulk medicine segments.

Finished Products Business

During the Period, the external sales of finished products was RMB2,866,600,000 (including license fee income of RMB101,900,000), representing a year-on-year decrease of 27.9% and accounting for 46.5% of the Group's total revenue.

During the Period, in the national follow-up centralised procurement for drugs with expiring agreements (LC-YPJX-2026-1), the Group had a total of 13 products successfully selected, including Piperacillin Sodium and Tazobactam Sodium for Injection, Cefuroxime for Injection, Meropenem for Injection and multiple eye drops. This follow-up procurement covered more than 300 commonly used drugs spanning the 1st to 8th batches of national centralised procurement, across multiple therapeutic areas such as anti-infection, anti-tumour, nervous system, respiratory system and digestive system. The selection results were implemented in March 2026. The Group is expected to further increase its market share of the relevant selected products and consolidate its market advantages.

In addition, following the implementation of the "Measures for the Administration of Medical Representatives" during the year, multi-department coordination, stringent market access and full-chain closed-loop supervision will accelerate the in-depth restructuring of the pharmaceutical industry towards a "professional academic-driven" model. While accelerating innovative transformation, the Group continuously strengthens its compliance system and academic capability building, and is committed to upgrading its marketing team towards greater professionalism and academic focus.

Endocrine/Metabolism

The main products include 優思靈®USLIN® (Human Insulin Injection (N/R/30R/50R)), 聯邦優樂靈®USLEN®(Insulin Glargine Injection), 聯邦優倍靈®UBLIN®(Insulin Aspart/Insulin Aspart 30 Injection), 聯邦優得靈®(Insulin Degludec Injection), 聯邦優利泰®(Liraglutide Injection), and 聯邦®滅特尼®(Glipizide Tablets), etc.

During the Period, the Group's first GLP-1 product, 聯邦優利泰®(Liraglutide Injection), continued to expand its market coverage. In addition, the Group's ultra-long-acting basal insulin analogue, 聯邦優得靈® (Insulin Degludec Injection), was approved for marketing, further enriching the product matrix in the endocrine/metabolism field.

During the Period, endocrine and metabolism products recorded total sales of RMB938,500,000, representing a year-on-year decrease of 2.9%.

Anti-infection

The main products include 聯邦他唑仙®(Piperacillin Sodium Tazobactam Sodium for Injection), 聯邦®阿莫仙®(Amoxicillin Capsules/Granules), 強力阿莫仙®(Potassium Amoxicillin Clavulanate for Injection, Potassium Amoxicillin Clavulanate Tablets/Dry Suspensions), and 聯邦倍能安®(Imipenem Cestastatin Sodium for Injection), among others.

During the Period, the anti-infection products (for human use) recorded total sales of RMB875,700,000, representing a year-on-year decrease of 2.0%.

Other Human-use Finished Products

The main products include ophthalmic drugs, topical dermatological drugs, etc.

During the Period, other human-used finished products recorded total sales of RMB109,700,000, representing a year-on-year increase of 0.9%.

Big Health

The main products include the United Health & Beauty series of healthcare products, United Biophin series of skincare products, etc.

The Big Health Division of the Group has deployed five major product lines: general dietary supplements, healthcare food products, cross-border nutritional supplements, medical devices, and medical and aesthetic skincare products, covering categories such as bone and joint nutrition, intestinal regulation, cardiovascular health, vision protection and immunity enhancement. At present, we have built a matrix of e-commerce, live broadcasting and new retail online sales platforms represented by Tmall, JD.com, TikTok and WeChat Mall, and deepened our coverage of pharmacy chains and health vertical pipelines.

During the Period, the big health segment recorded sales of RMB17,700,000, representing a year-on-year increase of 58.0%.

Animal Healthcare

The Group's animal healthcare business focuses on the research and development, production, sales and technical services of economic and companion animal drugs, with products covering a full range of livestock, poultry, aquatic products and pets. During the Period, we obtained 3 new veterinary drug registration certificates.

In the first half of the year, under the concentrated challenges of strengthened policy supervision and pressure from the breeding cycle, the veterinary drug industry maintained an overall development momentum of steady growth in total volume and accelerated structural optimisation. The Group continues to advance the development strategy of "One Core Business, Four New Growth Drivers" development strategy and, leveraging its industrial advantages, is building global capabilities spanning R&D, production and sales. The Group is strengthening the foundation of the livestock and poultry business and accelerating the development of four new businesses: pet products, aquatic products, raw materials, and overseas expansion, actively seizing market opportunities and industry development windows. At present, the Group has a total of 88 overseas registrations that have been obtained or are currently in progress.

During the Period, the animal healthcare segment recorded sales of RMB823,100,000, representing a year-on-year increase of 45.8%.

FINANCIAL REVIEW

Financial Results

For the six months ended 30 June 2026, the Group recorded revenue of RMB6,165.9 million, a decrease of 18.0% as compared with the same period last year. Gross profit amounted to RMB2,119.5 million, a decrease of 46.0% as compared with the same period last year. EBITDA was RMB920.8 million, representing a year-on-year decrease of 66.5%. Profit attributable to owners of the Company was RMB347.6 million, representing a year-on-year decrease of 81.6%. Earnings per share were RMB17.62 cents.

During the Period, segmental revenue (including inter-segment sales) of intermediate products, bulk medicine and finished products was RMB1,976.5 million, RMB3,148.4 million and RMB2,866.6 million respectively, representing a decrease of 14.2%, an increase of 5.0% and a decrease of 27.9% respectively as compared with the same period in the previous year. Segmental profit of intermediate products, bulk medicine and finished products amounted to RMB191.4 million, RMB79.7 million and RMB398.0 million respectively, representing a decrease of 69.8%, 68.2% and 73.6% respectively as compared to last corresponding period.

Optimising Financial Structure

In terms of finance, the Group continuously optimised its financial structure to improve liquidity by adjusting the mix of onshore and offshore borrowings, balancing long-term and short-term borrowings to reduce the finance expenses and enhance financial flexibility and efficiency in the utilisation of funds and maintain robust financial position. The Group has used Renminbi as the main borrowing currency to reduce the risk of exchange rate fluctuation and finance costs. The Group has also secured several long-term project loans for financing of its capital expenditures. During the Period, the finance costs of the Group were approximately RMB44.9 million, representing a year-on-year increase of 116.1% mainly due to the increase in project financing borrowings.

As at 30 June 2026, the Group's net bank balances and cash (after deducting borrowings and trade payables under supplier finance arrangement) amounted to RMB3,416.0 million.

Liquidity and Financial Resources

As at 30 June 2026, the Group had pledged bank deposits, cash and bank balances amounted to RMB11,729.7 million (31 December 2025: RMB11,234.9 million).

As at 30 June 2026, the Group had interest-bearing borrowings of approximately RMB5,924.4 million (31 December 2025: RMB4,979.3 million), all denominated in Renminbi and of which RMB1,180.8 million with maturity within one year. Borrowings of approximately RMB779.2 million are fixed rates loans while the remaining balance of approximately RMB5,145.2 million are at floating rates. The directors expect that all such borrowings will either be repaid by internally generated funds or rolled over upon maturity and will continue to provide funding to the Group's operations.

As at 30 June 2026, current assets of the Group amounted to approximately RMB19,587.3 million (31 December 2025: RMB18,469.5 million). Net current assets increased from RMB8,390.4 million as at 31 December 2025 to RMB10,012.9 million as at 30 June 2026. The Group's current ratio was approximately 2.05 as at 30 June 2026 as compared with 1.83 as at 31 December 2025. As at 30 June 2026, the Group had total assets of approximately RMB32,112.7 million (31 December 2025: RMB30,900.5 million) and total liabilities of approximately RMB14,817.4 million (31 December 2025: RMB13,425.2 million). At 30 June 2026, equity attributable to shareholders of the Company amounted to RMB17,216.5 million (31 December 2025: RMB17,393.0 million. As at 30 June 2026, the Group's net cash and bank balances (after deducting borrowings and trade payables under supplier finance arrangement) amounted to RMB3,416.0 million (31 December 2025: RMB4,027.1 million).

Contingent Liabilities

As at 30 June 2026 and 31 December 2025, the Group had no material contingent liabilities.

Currency Exchange Exposures

The Group's purchases and sales are mainly denominated in Renminbi, United States dollars and Hong Kong dollars. The operating expenses of the Group are mainly denominated in Renminbi and Hong Kong dollars. The Group's borrowings are denominated in Renminbi. The Group's treasury policy is in place to monitor and manage its exposure to fluctuation in exchange rates. Besides, the Group will conduct periodic review of its exposure to foreign exchange risk and may use financial instrument for hedging purpose when considered appropriate.

Employees and Remuneration Policies

As at 30 June 2026, the Group had approximately 18,000 (31 December 2025: 18,000) employees in Hong Kong and Mainland China. The employees are remunerated with basic salary, bonus and other benefits in kind with reference to industry practice and their individual performance.

The Company has adopted a share award scheme in October 2023 and granted a total of 12,096,900 award shares to selected directors and employees, vesting in three years, to encourage and retain such individuals for the continual operation and development of the Group. As at 30 June 2026, the scheme has completed two vests of the awarded shares.

Environmental, Social and Governance

Upholding the corporate tenet of "Making Life More Valuable", the Group integrates the concept of sustainable development into its business operations and decision-making. The Group actively fulfills its social responsibilities by continuously investing in various fields such as education, disaster relief, and community care to contribute to the society. Simultaneously, we respond wholeheartedly the national policy of green and sustainable development, promoting industrial upgrading and the green and low-carbon transformation.

During the reporting period, the Group's MSCI ESG rating has been upgraded to "AA", and the Group also received numerous honors such as the "Excellent ESG Award" at the 9th China Excellence IR Awards and the "ESG Responsible Enterprise Award" at CPHI.

Use of Proceeds from Placing of Shares

On 25 July 2025, The Company completed the placing of an aggregate of 156,000,000 new shares to not less than six placees at the placing price of HK$14.16 per share. The gross proceeds and the net proceeds (after deduction of the relevant expenses and fees) from the Placing amounted to HK$2,209.0 million and HK$2,168.2 million (equivalent to RMB1,989.9 million), respectively. The Company intends to allocate the net proceeds from the placing as follows:

(a) approximately 60%, or HK$1,300.9 million, will be used for capital expenditure related to the construction and expansion of the Company's manufacturing facilities, including the Inner Mongolia plant and the Zhuhai plants, strengthen external collaboration, expand the Company's international business, as well as other general corporate purposes; and

(b) approximately 40%, or HK$867.3 million, will be used for research and development of innovative product candidates, including the clinical trial of UBT251, and other pipelines under development.

As at 30 June 2026, proceeds from the placing have been used as:

- approximately RMB890.7 million for capital expenditure related to the construction and expansion of the manufacturing facilities, strengthen external collaboration, expand the international business, as well as other general corporate purposes; and
- approximately RMB678.7 million for research and development of innovative product candidates and other pipelines under development.

The remaining proceeds from the placing are expected to be fully utilised on or before 31 December 2028. Such expected time frame is based on the Board's best assessment, and is subject to adjustment depending on the Company's future development, market conditions and prevailing business circumstances.

Litigations

During the six months ended 30 June 2026, the Group has no material litigations.

FUTURE PROSPECTS

The year 2026 marks the beginning of China's "15th Five-Year Plan". As full-chain support policies for innovative drugs are gradually implemented, the pace of innovation and upgrading in the pharmaceutical industry will continue to accelerate, and systems related to review and approval, market access and payment are expected to be further improved. Meanwhile, the internationalisation of domestically developed innovative drugs is gaining momentum, and enterprises with global competitiveness will embrace new growth opportunities in overseas markets.

With its solid industrial foundation and forward-looking layout, the Group is confident in seizing opportunities and addressing challenges. Upholding the innovation-driven development strategy, the Group will accelerate the R&D and clinical development of key innovative products, deepen vertical integration along the industrial chain to fully leverage its integration advantages, and advance its internationalisation strategy by improving its R&D, production and commercialisation systems to internationally competitive standards and promoting global R&D cooperation and overseas market expansion. We will unwaveringly pursue the path of high-quality and sustainable development, striving to create greater value for our shareholders, patients and society.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2026, the Company has repurchased a total of 2,750,000 shares on the Stock Exchange at total consideration (including transaction costs) of approximately HK$22,627,000. Particulars of the repurchases are as follows:

Month	No. of Shares	Purchase Price Highest	Purchase Price Lowest	Total Consideration
		HK$	*HK$*	*HK$*
January to May	-	-	-	-
June	2,750,000	8.40	7.98	22,627,000

All the repurchased shares were subsequently cancelled in July 2026. Save for the above, neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company during the six months ended 30 June 2026.

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Rules Governing the Listing of Securities ("Listing Rules") on the Stock Exchange as its code of conduct for dealings in securities of the Company by the Board. Following a specific enquiry, all directors confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 June 2026.

CORPORATE GOVERNANCE

The Board is of the view that best corporate governance is crucial to safeguard the interests of shareholders and to enhance the Group's performance. The Board is dedicated to maintaining and ensuring a high standard of corporate governance. For the six months ended 30 June 2026, the Company has applied and complied with the applicable code provisions set out in the Corporate Governance Code ("CG Code") and Corporate Governance Report contained in Appendix C1 of Listing Rules, except for deviation which is summarised below:

- Code Provision C.2.1

Under the code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. During the six months ended 30 June 2026, the Company did not have a chief executive officer. The Company will make appointment to fill the post as appropriate.

AUDIT COMMITTEE

The Audit Committee comprises of three independent non-executive directors, namely Mr. Chong Peng Oon, Prof. Song Ming and Dr. Fu Qiushi. The Audit Committee has reviewed the unaudited condensed consolidated financial statements for the six months ended 30 June 2026. The Audit Committee has relied on a review conducted by the Company's external auditor in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA and representations from the management.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my gratitude to our shareholders and partners for their full trust and support, as well as to our staff for their efforts and contributions. I hope we can join hands and create a better future together.

On behalf of the Board
Tsoi Hoi Shan
Chairman

Hong Kong, 31 August 2026

As at the date of this announcement, the Board comprises Mr. Tsoi Hoi Shan, Mr. Leung Wing Hon, Ms. Choy Siu Chit and Ms. Zou Xian Hong as executive directors; and Mr. Chong Peng Oon, Prof. Song Ming and Dr. Fu Qiushi as independent non-executive directors.