君实生物
TopAlliance

上海君實生物醫藥科技股份有限公司
Shanghai Junshi Biosciences Co., Ltd.*

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

Stock code: 1877

2025
INTERIM REPORT

* For identification purpose only

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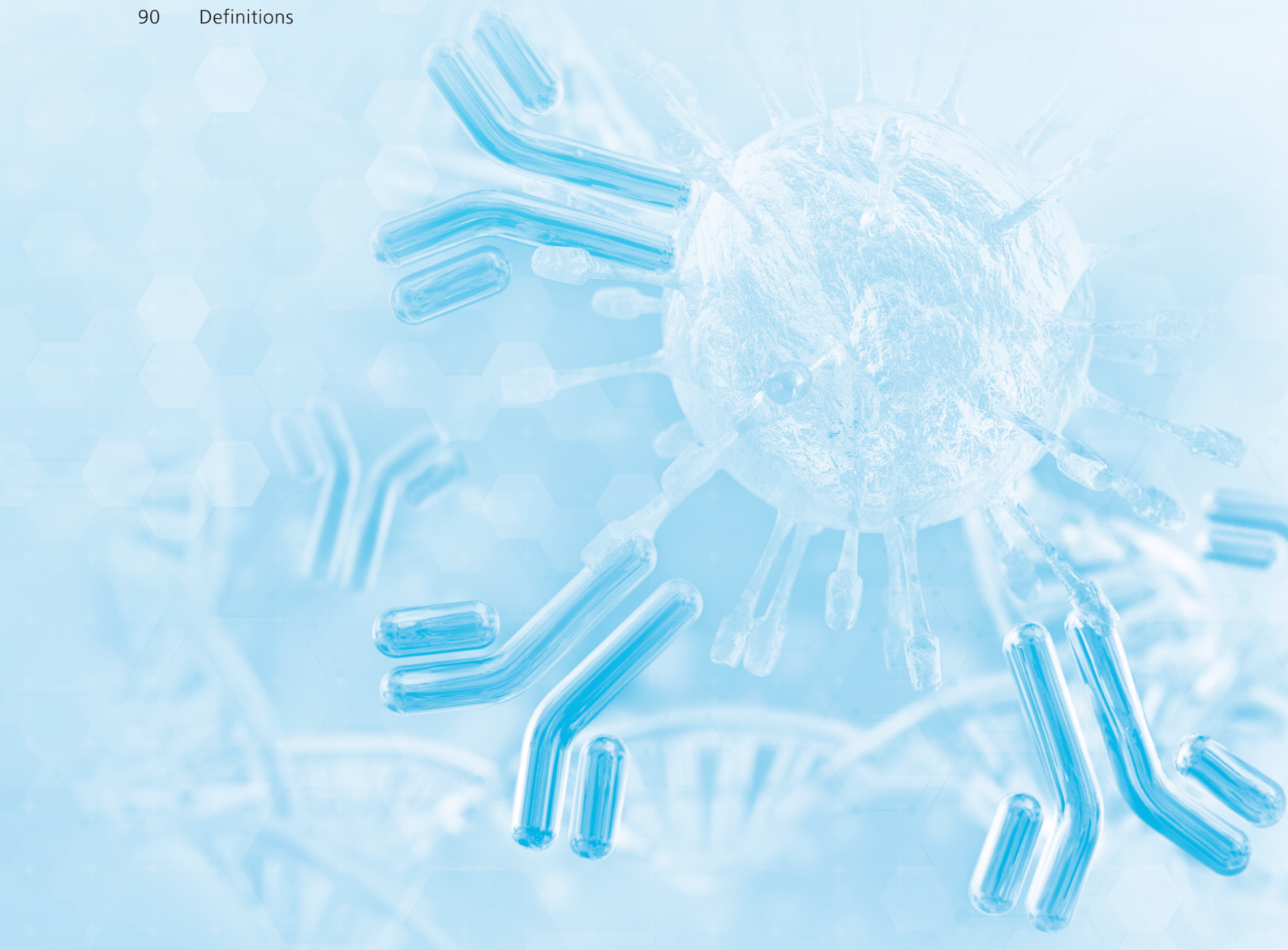


CORPORATE INFORMATION

EXECUTIVE DIRECTORS

Mr. Xiong Jun *(Chairman and Legal Representative)*
Dr. Li Ning *(Vice Chairman)*
Dr. Zou Jianjun *(Chief Executive Officer and General Manager)*
Mr. Li Cong *(Co-Chief Executive Officer)*
Mr. Zhang Zhuobing
Dr. Yao Sheng
Dr. Wang Gang
Dr. Li Xin

NON-EXECUTIVE DIRECTOR

Mr. Tang Yi

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Zhang Chun
Dr. Feng Xiaoyuan
Dr. Yang Yue[1]
Mr. Li Zhongxian
Ms. Lu Kun

SUPERVISORS[4]

Ms. Kuang Hongyan *(Chairman of the Board of Supervisors)*
Ms. Wang Pingping
Ms. Huo Yilian

AUDIT COMMITTEE

Mr. Zhang Chun *(Chairman)*
Mr. Tang Yi
Mr. Li Zhongxian

NOMINATION COMMITTEE

Dr. Feng Xiaoyuan *(Chairman)*
Mr. Xiong Jun
Dr. Yang Yue[1]

REMUNERATION AND APPRAISAL COMMITTEE

Mr. Zhang Chun *(Chairman)*
Mr. Xiong Jun
Dr. Zou Jianjun
Dr. Feng Xiaoyuan
Dr. Yang Yue[1]

STRATEGIC COMMITTEE

Mr. Xiong Jun *(Chairman)*
Dr. Zou Jianjun
Dr. Wang Gang
Mr. Zhang Chun
Dr. Feng Xiaoyuan

COMPLIANCE COMMITTEE[5]

Ms. Lu Kun *(Chairman)*[2]
Mr. Zhang Chun[3]
Mr. Li Zhongxian[3]

JOINT COMPANY SECRETARIES

Mr. Wang Zhengyu
Ms. Lai Siu Kuen

AUTHORIZED REPRESENTATIVES

Mr. Wang Zhengyu
Ms. Lai Siu Kuen

REGISTERED ADDRESS, HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Level 4, No. 987 Cai Lun Road,
China (Shanghai) Pilot Free Trade Zone,
the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG UNDER PART 16 OF THE COMPANIES ORDINANCE

Room 1918, 19/F, Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

CORPORATE INFORMATION

NUMBER OF SHARES (AS AT THE DATE OF THIS REPORT)

1,026,689,871 Shares
(including 260,295,700 H Shares and 766,394,171 A Shares)

BOARD LOT OF H SHARES

200 H Shares

H SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

LEGAL ADVISERS

Jones Day (as to Hong Kong law)
Jia Yuan Law Offices (as to PRC law)

AUDITOR

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors

LISTING

H Shares on the Hong Kong Stock Exchange
(Stock code: 01877)
A Shares on the STAR Market
(Stock code: 688180)

COMPANY'S WEBSITE

www.junshipharma.com

INVESTOR RELATIONS

Corporate press releases, financial reports and other investor information of the Group are available on the Company's website

1. Dr. Yang Yue has tendered her resignation as independent non-executive Director, member of the Nomination Committee and member of the Remuneration and Appraisal Committee, and her resignation will become effective upon the election of a new independent non-executive Director in the EGM.

2. Appointed as the chairman of the Compliance Committee on 27 March 2025.

3. Appointed as a member of the Compliance Committee on 27 March 2025.

4. The Company proposes to abolish the Board of Supervisors and the abolishment will become effective upon the approval of the resolution at the EGM.

5. The Compliance Committee was established with effect from 27 March 2025.

HIGHLIGHTS

FINANCIAL HIGHLIGHTS

- As at 30 June 2025, total revenue of the Group was approximately RMB1,168 million for the Reporting Period, representing an increase of approximately 49% compared to the corresponding period in 2024, which was mainly due to the increase in revenue from sales of pharmaceutical products, in particular the domestic sales revenue of our core product TUOYI® (toripalimab) was approximately RMB954 million, representing an increase of approximately 42% compared to the corresponding period in 2024.

- Total R&D expenses of the Group were approximately RMB745 million for the Reporting Period, representing an increase of approximately 36% compared to the corresponding period in 2024. The increase in R&D expenses was mainly due to the Group's focus on more competitive and innovative R&D pipelines and accelerated clinical development during the Reporting Period.

- Loss attributable to owners of the Company decreased to RMB413 million for the Reporting Period, representing a decrease of approximately RMB232 million or approximately 36% compared to the corresponding period in 2024.

- During the Reporting Period, net cash inflow from financing activities was approximately RMB1,386 million, mainly attributable to the successful placing of the Company's new H shares on 20 June 2025, which generated a net cash inflow of approximately RMB940 million. Such net cash inflow fully covered the cash outflows in operating and investing activities, leading to an increase in bank balances and cash.

- As at 30 June 2025, the aggregate balance of bank balances and cash and financial products of the Group was approximately RMB3,490 million, providing a relatively sufficient cash position to support the Group's development.

BUSINESS HIGHLIGHTS

During the Reporting Period, focusing on the "unmet medical needs", we have made original, innovative and breakthrough progress in discovery, R&D and commercialization of innovative therapies and innovative drugs with accelerating international development. The following achievements and milestones were attained:

- Our innovative R&D field has expanded from monoclonal antibodies to the research and development of various drug modalities, including small molecules drugs, antibody drug conjugates (ADC), bi-specific or multi-specific antibodies, fusion protein, nucleic acid drugs and vaccines, as well as the exploration of next-generation innovative therapies including those for cancer and autoimmune diseases. Our product pipelines cover five major therapeutic areas including malignant tumors, autoimmune diseases, chronic metabolic diseases, neurologic diseases and infectious diseases. A total of four drugs (TUOYI®, JUNMAIKANG (君邁康®), MINDEWEI (民得維®) and JUNSHIDA (君適達®)) have been commercialized, around 30 assets are undergoing clinical trials, and over 20 drug candidates are at preclinical drug development stage.

  – In January 2025, the indication of TUOYI® for the treatment of unresectable or metastatic melanoma after failure of standard systemic therapy was approved by the NMPA for conversion from conditional approval to regular approval.

HIGHLIGHTS

- In January 2025, the IND application for JS212 (a recombinant humanized EGFR and HER3 bispecific ADC) was accepted by the NMPA, and was approved by the NMPA in March 2025.

- In January 2025, the indication of MINDEWEI for the treatment of adult patients with mild to moderate COVID-19 was approved by the NMPA for conversion from conditional approval to regular approval.

- In January 2025, the NCE application for toripalimab in combination with cisplatin and gemcitabine, for the first-line treatment of adults with metastatic or recurrent, locally advanced NPC and toripalimab, as a single agent, for the treatment of adults with recurrent unresectable or metastatic NPC with disease progression on or after a platinum-containing chemotherapy was approved by the TGA. Toripalimab became the first immuno-oncology treatment for NPC in Australia.

- In February 2025, the IND application for JS213 (a PD-1 and interleukin-2 (IL-2) bifunctional antibody fusion protein) was approved by the NMPA.

- In March 2025, the sNDA for TUOYI® in combination with bevacizumab for the first-line treatment for patients with unresectable or metastatic HCC was approved by the NMPA.

- In March 2025, the NDA for toripalimab in combination with cisplatin and gemcitabine for the first-line treatment of adult patients with recurrent, not amenable to surgery or radiotherapy, or metastatic NPC was approved by the HSA. Toripalimab became the first approved immuno-oncology treatment for NPC in Singapore.

- In April 2025, the sNDA for TUOYI® for the first-line treatment of unresectable or metastatic melanoma was approved by the NMPA. This is the 12th indication of toripalimab approved in Chinese Mainland.

- In May 2025, the two sNDAs for the ongericimab injection (a recombinant humanized anti-PCSK9 monoclonal antibody injection, trade name: JUNSHIDA (君適達®)) for: 1) adult patients with HeFH; 2) alone or in combination with ezetimibe, in adult patients with non-familial hypercholesterolemia and mixed dyslipidemia who are statin-intolerant or statins contraindicated, were approved by the NMPA. Ongericimab became the first domestic PCSK9-targeted drug approved for statin-intolerant patients.

- In June 2025, the IND application for the JT118 injection (JT118) was accepted. JT118 is a "two-in-one" recombinant protein vaccine composed of a tandem fusion of monkeypox virus antigens A35 (an extracellular enveloped virus antigen) and M1 (an intracellular mature virus antigen), and is intended mainly for the prevention of monkeypox virus infection.

- In June 2025, the indications of toripalimab for the first-line treatment of NPC and the first-line treatment of ESCC were officially approved for marketing in the UAE and Kuwait.

HIGHLIGHTS

- External collaborations

  – In January 2025, TopAlliance, a wholly-owned subsidiary of the Company, entered into a distribution and marketing agreement with LEO Pharma. TopAlliance will grant LEO Pharma the exclusive right to store, distribute, promote, market and sell toripalimab in all current member states and any future member states of the EU and the EEA, Switzerland as well as the UK. LEO Pharma shall pay TopAlliance an upfront payment of EUR15 million, milestone payment(s) for any subsequent approved indication(s) for toripalimab in the Territory, and a revenue share of a double-digit percentage on the net sales of toripalimab throughout the Territory.

- Business operations

  – In June 2025, the Company convened the 2024 annual general meeting, at which all resolutions were considered and approved.

  – In June 2025, the Company completed the placing of new H shares under general mandate, pursuant to which an aggregate of 41,000,000 H shares were successfully allotted and issued at HK$25.35 per H share. The net proceeds (after deduction of commissions and estimated expenses) amounted to approximately HK$1,026 million, which will be used for innovative drug development and general corporate purposes such as replenishment of working capital.

HIGHLIGHTS

IFRS

	For the six months ended 30 June		
	2025	2024	Changes
	RMB'000	*RMB'000*	%
	(Unaudited)	(Unaudited)	
Operating results			
Revenue	**1,168,384**	786,056	49
Gross Profit	**924,025**	575,255	61
Research and development expenses	**(744,931)**	(546,376)	36
Selling and distribution expenses	**(487,343)**	(427,554)	14
Administrative expenses	**(208,761)**	(252,599)	(17)
Loss for the period	**(466,409)**	(688,445)	(32)
Total comprehensive expense for the period	**(482,325)**	(712,787)	(32)
Loss per share			
– Basic (RMB yuan)	**(0.42)**	(0.66)	(36)
– Diluted (RMB yuan)	**(0.42)**	(0.66)	(36)

	At	At	
	30 June	31 December	
	2025	2024	Changes
	RMB'000	*RMB'000*	%
	(Unaudited)	(Audited)	
Financial position			
Non-current assets	**6,908,222**	6,516,271	6
Current assets	**4,784,755**	4,283,817	12
Total assets	**11,692,977**	10,800,088	8
Non-current liabilities	**2,279,808**	2,315,700	(2)
Current liabilities	**3,003,661**	2,534,131	19
Total liabilities	**5,283,469**	4,849,831	9
Net assets	**6,409,508**	5,950,257	8

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

Business Review

We have all-rounded capabilities in innovative drug discovery and development, clinical research on a global scale, and large-scale production capacity for commercialization across the entire industry chain, with an aim to become an innovative pharmaceutical company that operates "in China, for global". Adhering to the corporate values of being quality-oriented, realistic and pragmatic, and maintaining integrity and compliance in our pursuit of excellence, we are committed to developing first-in-class or best-in-class drugs by way of original innovation and co-development. Our innovation field has continued to expand from monoclonal antibodies to the R&D of various drug modalities, including small molecules, ADCs, bi-specific or multi-specific antibodies, fusion protein, nucleic acid drugs and vaccines, as well as the exploration of the next-generation innovative therapies including those for cancer and autoimmune diseases.

With our outstanding capacity for innovative drug discovery, strong biotechnology R&D capability, and large-scale production capacity, we have successfully developed a drug candidate portfolio with tremendous market potential and established a well-structured research pipeline. Our core product, toripalimab (trade name: TUOYI® (拓益®)/LOQTORZI®, code: JS001), has 12 indications approved in Chinese mainland, and has been approved for marketing in various countries and regions including Hong Kong SAR, China, the United States, the EU, India, the UK, Jordan, Australia, Singapore, the UAE and Kuwait, achieving continuous growth in the revenue from sales of pharmaceutical products. We also continue to explore various high-potential pipelines, including the anti-PD-1/VEGF bispecific antibody (code: JS207), the anti-BTLA monoclonal antibody tifcemalimab (code: TAB004/JS004), the EGFR/HER3 bispecific ADC (code: JS212), the PD-1/IL-2 bifunctional antibody fusion protein (code: JS213), the anti-Claudin18.2 ADC (code: JS107), the anti-DKK1 monoclonal antibody (code: JS015), CD20/CD3 bispecific antibody (code: JS203), the oral small molecule inhibitor targeting PI3K-α (code: JS105) and the VEGF/TGF-β bispecific antibody (code: JS214), to support our immunotherapy combinations with more evidence and facilitate the progress of pivotal clinical trials for more high-potential products and indications.

In the first half of 2025, the Company recorded revenue of RMB1,168 million, representing a year-on-year increase of approximately 49%, and revenue from sales of pharmaceutical products of RMB1,059 million, representing a year-on-year increase of 49%. In particular, the domestic sales revenue of our core product TUOYI® increased by approximately 42% compared with the same period last year, and the loss was significantly narrowed compared with the same period last year. In June 2025, we successfully completed the placing of new H shares under general mandate, with net proceeds of approximately HK$1,026 million. As of the end of the Reporting Period, the aggregate balance of bank balances and cash and financial products of the Company was approximately RMB3,490 million, indicating a sufficient reserve of funds.

During the Reporting Period, the Company continued to improve the efficiency of clinical studies, with over 1,400 subjects enrolled in clinical studies. We actively shared our innovative achievements. From the beginning of the Reporting Period to the date of this report, our products were featured in over 100 journal publications in total, with a combined impact factor of over 550, and over 60 research findings were presented at international academic conferences. We also accelerated our product registration and global commercialization efforts. As of the date of this report, toripalimab has 12 indications approved in Chinese mainland, and has been approved for marketing in various countries and regions including Hong Kong SAR, China, the United States, the EU, India, the UK, Jordan, Australia, Singapore, the UAE and Kuwait, while JUNSHIDA secured two new approved indications during the Reporting Period.

In the first half of the year, staying focused on our goal of "improving quality, reducing cost and enhancing efficiency", while controlling different kinds of costs, we made various major achievements in commercialization, R&D of drugs, external collaborations, business operations and other aspects, which are summarized as follows:

MANAGEMENT DISCUSSION AND ANALYSIS

Sustained growth in our revenue from sales of pharmaceutical products, and enhanced our income-generating capacity

During the Reporting Period, our commercialization team further enhanced cohesion and sales efficiency, and sustained growth in the revenue from sales of our core product, toripalimab. At the same time, we actively implemented the action plan for "Enhancing Quality and Efficiency with a Focus on Return" by strengthening our control over expenses as well as our resource allocation. We recorded a significant decrease in losses as compared to the same period last year. During the Reporting Period, the domestic sales revenue of TUOYI® reached RMB954 million, representing a year-on-year increase of approximately 42%. As of the end of the Reporting Period, TUOYI® had been sold in more than 6,000 medical institutions and more than 3,000 specialty pharmacies and community pharmacies nationwide. Additionally, toripalimab has commenced commercial sales in Hong Kong SAR, China, the United States, India and other locations.

Starting from 2025, TUOYI® has four new indications included in the new edition of the NRDL. Currently, ten approved indications have been included in the NRDL, and it is the only anti-PD-1 monoclonal antibody included in the NRDL for the treatment of melanoma, perioperative treatment of non-small cell lung cancer ("**NSCLC**"), treatment of renal carcinoma and treatment of TNBC. The indications of TUOYI® for the first-line treatment of HCC and the first-line treatment of melanoma were also approved in the first half of 2025 respectively. As of the date of this report, TUOYI® has 12 indications approved in Chinese mainland, many of which are exclusive or leading indications by the Company, with a sNDA accepted.

With the increased number of our approved products, and the improved accessibility by virtue of the inclusion of our approved products and indications in the NRDL, the approvals for marketing of more products and indications in future, as well as continuous commercialization expansion in global markets, our commercialization competitiveness will continue to improve. We will persistently promote cost reduction and efficiency enhancement and optimize resource allocation to further strengthen our income-generating capacity.

Efficiently pushed forward our R&D progress, and strengthened our research pipeline portfolio for long-term growth

We possess a professional and experienced team in clinical R&D, and place strong emphasis on our innovative pipelines. We integrated the laboratories in Wujiang, Suzhou and Zhangjiang, Shanghai to set up the Innovation Research Institute, which concentrated resources and operated in a unified manner to carry out the R&D of innovative drugs, and have established a well-structured research pipeline portfolio.

In May 2025, the two sNDAs for JUNSHIDA for 1) adult patients with HeFH and 2) alone or in combination with ezetimibe, in adult patients with non-familial hypercholesterolemia and mixed dyslipidemia who are statin-intolerant or statins contraindicated, were approved by the NMPA. JUNSHIDA became the first domestic PCSK9-targeted drug approved for statin-intolerant patients. As of the date of this report, JUNSHIDA has three indications approved in China.

We are accelerating late-stage pipeline R&D and marketing application for anti-PD-1/VEGF bispecific antibody (code: JS207), tifcemalimab (an anti-tumor anti-BTLA monoclonal antibody, code: TAB004/JS004), anti-IL-17A monoclonal antibody (code: JS005), PD-1 monoclonal antibody subcutaneous injection formulation (code: JS001sc), anti-Claudin18.2 ADC (code: JS107), oral small molecule inhibitor targeting PI3K-α (code: JS105) and others:

– For JS207, the phase II clinical study is underway, and the exploration of its combination with chemotherapy, monoclonal antibodies, ADCs and other drugs in NSCLC, colorectal cancer, TNBC, liver cancer and other tumor types is underway.

MANAGEMENT DISCUSSION AND ANALYSIS

- Our two phase III registrational clinical studies for tifcemalimab (the world's first-in-human anti-BTLA monoclonal antibody independently developed by us) in combination with toripalimab are underway. The randomized, double-blind, placebo-controlled, international multi-regional phase III clinical study (JUSTAR-001 study, NCT06095583) of tifcemalimab in combination with toripalimab as consolidation therapy for patients with limited-stage small cell lung cancer ("**LS-SCLC**") without disease progression following chemo-radiotherapy is the first confirmatory study of a monoclonal antibody targeting BTLA in the world. As of the date of this report, this study has been carried out in more than 180 centers across 15 countries/regions, and has enrolled nearly 400 patients. The randomized, open-label, active controlled, multi-center phase III clinical study (NCT06170489) of tifcemalimab in combination with toripalimab for the treatment of classic Hodgkin lymphoma ("**cHL**") is the first phase III clinical study of drugs targeting BTLA in the field of hematological tumors, and enrollment is underway. We will continue to facilitate patient enrollment for these studies.

- As a subcutaneous injection formulation developed by us on the basis of TUOYI®, our marketed product, JS001sc injection is the first domestic anti-PD-1 monoclonal antibody subcutaneous formulation to enter phase III clinical study, and a multi-center, open-label, randomized controlled, phase III clinical study to compare the pharmacokinetic profile, efficacy and safety of JS001sc and toripalimab injection in combination with standard chemotherapy for the first-line treatment of recurrent or metastatic non-squamous NSCLC is underway. As of the date of this report, this study has enrolled all patients, and its readout of key outcome data is expected in 2025.

- For JS005, the phase III registrational clinical study for moderate to severe plaque psoriasis is underway. As of the date of this report, final visits have been made to all subjects, and the readout of key outcome data is expected in 2025.

- The phase I/II clinical trial on the JS107 monotherapy and combination therapy is underway. It is expected that a phase III clinical trial will commence in 2025.

- The phase I/II clinical study of JS105 monotherapy and combination therapy is underway.

We also continue to explore early-stage pipelines. From the beginning of the Reporting Period to the date of this report, the IND applications for several products were approved or accepted by the NMPA:

- In January 2025, the IND application for JS212 (an EGFR/HER3 bispecific ADC) was accepted by the NMPA, and was approved by the NMPA in March 2025.

- In February 2025, the IND application for JS213 (a PD-1 and IL-2 bifunctional antibody fusion protein) was approved by the NMPA.

- In June 2025, the IND application for JT118 was accepted. JT118 is a "two-in-one" recombinant protein vaccine composed of a tandem fusion of monkeypox virus antigens A35 (an extracellular enveloped virus antigen) and M1 (an intracellular mature virus antigen), and is intended mainly for the prevention of monkeypox virus infection.

MANAGEMENT DISCUSSION AND ANALYSIS

With the continuous advancement and improvement of clinical research design and technology, our early-stage clinical studies are not limited to dose finding but also include diverse explorations, such as combined cohort investigations and validation of target indications. Once a signal is identified, we may then directly engage with regulatory authorities to communicate and prepare for pivotal registrational studies. We are accelerating the advancement of early-stage pipelines, including the CD20/CD3 bispecific antibody (code: JS203), the anti-DKK1 monoclonal antibody (code: JS015), the EGFR/HER3 bispecific ADC (code: JS212), the PD-1/IL-2 bifunctional antibody fusion protein (code: JS213), the VEGF/TGF-β bispecific antibody (code: JS214) and other products, and will push multiple pipelines into pivotal registrational clinical studies.

Accelerated international expansion for toripalimab, and extended our global commercialization network across six continents

During the Reporting Period, positive progress was made for the overseas market expansion for toripalimab, with accelerating marketing application processes and collaborations in various countries and regions, and the global commercialization network has gradually expanded:

- In January 2025, the NCE application for toripalimab in combination with cisplatin and gemcitabine, for the first-line treatment of adults with metastatic or recurrent, locally advanced NPC and toripalimab, as a single agent, for the treatment of adults with recurrent unresectable or metastatic NPC with disease progression on or after a platinum-containing chemotherapy was approved by the TGA. Toripalimab became the first immuno-oncology treatment for NPC in Australia. The NCE application was submitted through Project Orbis. Additionally, the TGA also granted an orphan drug designation to toripalimab for the treatment of NPC, which to some extent accelerated the local review, approval and registration processes for toripalimab.

- In January 2025, TopAlliance entered into a distribution and marketing agreement with LEO Pharma. TopAlliance will grant LEO Pharma the exclusive right to store, distribute, promote, market and sell toripalimab in all current member states and any future member states of the Territory. LEO Pharma shall pay TopAlliance an upfront payment of EUR15 million, milestone payment(s) for any subsequent approved indication(s) for toripalimab in the Territory, and a revenue share of a double-digit percentage on the net sales of toripalimab throughout the Territory.

- In March 2025, the NDA for toripalimab in combination with cisplatin and gemcitabine for the first-line treatment of adult patients with recurrent, not amenable to surgery or radiotherapy, or metastatic NPC was approved by the HSA. Toripalimab became the first approved immuno-oncology treatment for NPC in Singapore. The NDA application was also submitted through Project Orbis, and was granted a priority review designation by the HSA.

- In June 2025, the indications of toripalimab for the first-line treatment of NPC and the first-line treatment of ESCC were officially approved for marketing in the UAE and Kuwait.

MANAGEMENT DISCUSSION AND ANALYSIS

As of the date of this report, toripalimab has been approved for marketing in 40 countries and regions including Chinese mainland, Hong Kong SAR, China, the United States, the EU, India, Jordan, the UK, Australia, Singapore, the UAE and Kuwait, and has its marketing applications submitted/accepted in Brazil, Colombia, South Africa, Chile, Malaysia, Thailand, Indonesia, the Philippines, Vietnam, Canada, Pakistan, Morocco, and other locations. We have been cooperating on the commercialization with partners including Hikma, Dr. Reddy's, Rxilient Biotech and LEO Pharma in over 80 countries, covering the Middle East and North Africa, Latin America, India, South Africa, Australia, New Zealand, Southeast Asia, the EU, Switzerland, and the UK. We and our partners are actively promoting the marketing application process for toripalimab within their cooperation territories, and actively exploring the possibility of marketing more indications in certain regions.

Continued to enhance our operations, and facilitated steady corporate development

During the Reporting Period, we continued to enhance our commercial production, quality management, talent development, compliance operations, cost control and other aspects to ensure our steady progress against the backdrop of stringent regulation in the pharmaceutical industry.

In respect of production capacity, we have two commercial production bases. As of the date of this report, with a fermentation capacity of 4,500L (9*500L), Wujiang production base in Suzhou has obtained GMP certifications and approvals from various countries and regions, including Chinese mainland, Hong Kong SAR, China, the United States, the EU, the UK, Singapore, India, Jordan, the UAE and Kuwait, and is responsible for the commercial supply of toripalimab for overseas markets. As an important support for the Company's commercial production capacity, Shanghai Lingang production base has a production capacity of 42,000L (21*2,000L), and has obtained GMP certification from the NMPA to produce commercial batches of toripalimab injection jointly with Wujiang production base in Suzhou, and support the clinical trials of our drug candidates and future production of commercial batches. We continue to facilitate the in-depth integration and comprehensive optimization of our production system. Guided by market insights and our development strategies, we allocate our production resources on a reasonable basis, and implement scientific planning on our production capacity. Through the coordinated operation of our two major production bases, we are committed to establishing a scalable production and manufacturing system with significant cost advantages, and thus ensure the stable supply of the Company's products to meet growing market demand.

In respect of quality management, in order to ensure compliance with regulatory requirements and product quality standards, the Company has established and continuously improved the quality audit mechanism which combines both internal and external audits. During the Reporting Period, the Group conducted internal quality system audits and underwent external inspections/audits a dozen times. These external inspections/audits included pre-approval inspections by the Saudi Food and Drug Authority, unannounced inspections (post-market regulatory inspections) by the FDA, EU QP audits, supervisory inspections (unannounced inspections) by the Shanghai Medical Products Administration, licensing inspections and GMP compliance inspections initiated by the Company, as well as a number of audits by customers, with a scope covering MAH management system, organizational structure, production management, quality management, laboratory management, supplier management, materials and warehousing management, equipment management, drug safety, and pharmacovigilance. All entities have successfully passed the inspections/audits and are in compliance with the standards of the relevant quality management systems.

MANAGEMENT DISCUSSION AND ANALYSIS

In respect of talent development, as of the end of the Reporting Period, the Group's number of employees was 2,670, among which 610 employees are responsible for R&D of drugs. We attach importance to the career development of our employees, and implemented a unified performance management system that combines competitiveness, fairness and motivation. We protect the rights and interests of our employees in career development by building a job position hierarchy system, and provide a clear and reasonable career path and platform for our employees. At the same time, we improve the management of our training resources by formulating training management measures at the group level, and constantly adjust and improve the training content in a timely manner by collecting training needs from various business departments, so as to form a training system and create a learning culture organization. We also integrate high-quality learning resources from internal and external sources to build training courses for employees that are suitable for different types of needs. We also encourage all employees to participate in industry training and professional certification. For employees who have obtained professional title certificates, we provide them with support in applying for relevant government subsidies or bonuses. Furthermore, for outstanding R&D talents within the Company, we actively apply for national, municipal, and district-level talent programs, helping employees gain more tangible support in various aspects while they diligently dedicate themselves to their work.

In respect of compliance operations, maintaining integrity and compliance is the fundamental rule of our operations. Upholding a corporate culture of operation compliance as always, we are committed to building a comprehensive compliance system at a high standard, strictly complying with relevant national laws and regulations and the regulatory policies of the pharmaceutical industry, and providing patient-centered treatment options which have better efficacy and greater cost-effectiveness. We encourage our employees to comply with laws and regulations related to the products or services of the Company as well as the highest standards of business and personal ethics. Against the backdrop of stringent regulation in the pharmaceutical industry, we will continue to build a compliance culture of "innovation-driven, academic promotion" and optimize our compliance system of "full-process guidance and supervision" to enhance the quality and efficiency of our operations and management, establish a comprehensive compliance management system and facilitate high-quality and sustainable development.

In respect of cost control, during the Reporting Period, the Company implemented strict budget management across all departments, strengthened resource focus, and continuously improved operational efficiency. At the same time, we maintained active exploration in cutting-edge therapeutic areas and additional drug candidates. Our R&D team regularly reviews our R&D pipelines and formulates reasonable R&D plans based on factors such as competitive landscape, R&D progress and combination strategies of our products to enhance capital efficiency and devote resources to more promising R&D projects. We will actively pursue drug R&D, optimize our business structure, improve operational efficiency, and expand market channels, while continuing to strengthen cost control and internal management to further enhance operational quality.

Product Pipelines

Our products concentrate on self-developed biological products with original innovation. At the same time, through co-development, formation of joint ventures, license-in and other means, we obtained the licenses of drugs or platform technologies that synergized with our own original product pipeline, so as to further expand our product pipeline. Our innovative R&D field has expanded from monoclonal antibodies to the research and development of more drug modalities, including small molecule drugs, ADCs, bi-specific or multi-specific antibodies, fusion protein, nucleic acid drugs and vaccines, as well as the exploration of next-generation innovative therapies including those for cancer and autoimmune diseases. Our product pipelines cover five major therapeutic areas including malignant tumors, autoimmune diseases, chronic metabolic diseases, neurologic diseases and infectious diseases. As of the date of this report, a total of four drugs (TUOYI®, JUNMAIKANG (君邁康®), MINDEWEI (民得維®) and JUNSHIDA (君適達®)) are being commercialized, around 30 drug candidates are undergoing clinical trials, and over 20 drug candidates are at preclinical drug development stage.

Key Projects Entering the Clinical R&D Stage (As of 26 August 2025)

R&D Progress of Toripalimab

Therapeutic Area	Medicine Code	Clinical Trial Number	Indications	Pre-Clinical	Phase I	Phase II	Phase III	NDA
Oncology	JS001 Toripalimab	NCT03013101	Melanoma (second-line treatment, monotherapy)	NMPA approved on 17 Dec 2018, converted from conditional approval to regular approval in Jan 2025				
		NCT02915432	NPC (second-line and later treatment, monotherapy)	NMPA approved (3rd-line) in Feb 2021, FDA approved in Oct 2023, approved in multiple locations worldwide				
		NCT03113266	UC (second-line treatment, monotherapy)	NMPA approved in Apr 2021				
		NCT03581786	NPC (first-line treatment, combo with chemo)	NMPA approved in Nov 2021, FDA approved in Oct 2023, approved in multiple locations worldwide				
		NCT03829969	ESCC (first-line treatment, combo with chemo)	NMPA approved in May 2022, approved in multiple locations worldwide				
		NCT03856411	EGFR-negative NSCLC (first-line treatment, combo with chemo)	NMPA approved in Sep 2022				
		NCT04158440	NSCLC (perioperative treatment)	NMPA approved in Dec 2023				
		NCT04394975	RCC (first-line treatment, combo with axitinib)	NMPA approved in Apr 2024				
		NCT04012606	ES-SCLC (first-line treatment, combo with chemo)	NMPA approved in Jun 2024				
		NCT04085276	TNBC (combo with albumin-bound paclitaxel)	NMPA approved in Jun 2024				
		NCT04723004	HCC (first-line treatment, combo with bevacizumab)	NMPA approved in Mar 2025				
		NCT03430297	Melanoma (first-line treatment, monotherapy)	NMPA approved in Apr 2025				
		NCT05302284	UC (first-line treatment, combo with disitamab vedotin)	sNDA accepted by the NMPA				
		NCT03924050	EGFR-mutated TKI-failed terminal stage NSCLC (combo with chemo)	Pivotal registered clinical trial				
		NCT04848753	ESCC (perioperative treatment)	Pivotal registered clinical trial				
		NCT04523493	HCC (first-line treatment, combo with lenvatinib)	Pivotal registered clinical trial				
		NCT03859128	HCC (postoperative adjuvant treatment)	Pivotal registered clinical trial				
		NCT05342194	Intrahepatic cholangiocarcinoma (first-line treatment, combo with lenvatinib and chemo)	Pivotal registered clinical trial				
		NCT05180734	Adenocarcinoma of the stomach or gastroesophageal junction (postoperative adjuvant treatment)	Pivotal registered clinical trial				
		NCT06095583	LS-SCLC (consolidation treatment after chemoradiotherapy, combo with BTLA)	Pivotal registered clinical trial				
		NCT06170489	Anti-PD-(L)1 mAb Refractory cHL (combo with BTLA)	Pivotal registered clinical trial				

MANAGEMENT DISCUSSION AND ANALYSIS

Our Core Products

TUOYI® (toripalimab, code: TAB001/JS001)

- *Milestones and achievements of commercialization*

During the Reporting Period, TUOYI® recorded domestic sales revenue of approximately RMB954 million, representing a year-on-year increase of approximately 42%, which demonstrated our positive progress in sales. The Company's self-developed toripalimab is the first domestic anti-PD-1 monoclonal antibody successfully launched in China, and is also the first innovative biological drug independently developed and manufactured in China that was approved for marketing by the FDA, addressing various malignant tumors. It was granted the "China Patent Gold Award", the highest award in the patent field nationally, and has been supported by two National Major Science and Technology Projects for "Major New Drugs Development" during the "Twelfth Five-Year Plan" and "Thirteenth Five-Year Plan" periods.

As of the date of this report, toripalimab has 12 indications approved in Chinese mainland:

- treatment for unresectable or metastatic melanoma after failure of standard systemic therapy (December 2018);
- treatment for recurrent/metastatic NPC after failure of at least two lines of prior systemic therapy (February 2021);
- treatment for locally advanced or metastatic UC that failed platinum-containing chemotherapy or progressed within 12 months of neoadjuvant or adjuvant platinum-containing chemotherapy (April 2021);
- in combination with cisplatin and gemcitabine as the first-line treatment for patients with locally recurrent or metastatic NPC (November 2021);
- in combination with paclitaxel and cisplatin as the first-line treatment for patients with unresectable locally advanced/recurrent or distant metastatic ESCC (May 2022);
- in combination with pemetrexed and platinum as the first-line treatment in EGFR mutation-negative and ALK mutation-negative, unresectable, locally advanced or metastatic non-squamous NSCLC (September 2022);
- in combination with chemotherapy as perioperative treatment and subsequently, monotherapy as adjuvant therapy for the treatment of adult patients with resectable stage IIIA-IIIB NSCLC (December 2023);
- in combination with axitinib for the first-line treatment of patients with medium to high risk unresectable or metastatic RCC (April 2024);
- in combination with etoposidein plus platinum for the first-line treatment of ES-SCLC (June 2024);

MANAGEMENT DISCUSSION AND ANALYSIS

- in combination with paclitaxel for injection (albumin-bound) for the first-line treatment of recurrent or metastatic TNBC with a well-validated test to evaluate PD-L1 positive (CPS ≥ 1) (June 2024);

- in combination with bevacizumab for the first-line treatment of patients with unresectable or metastatic HCC (March 2025);

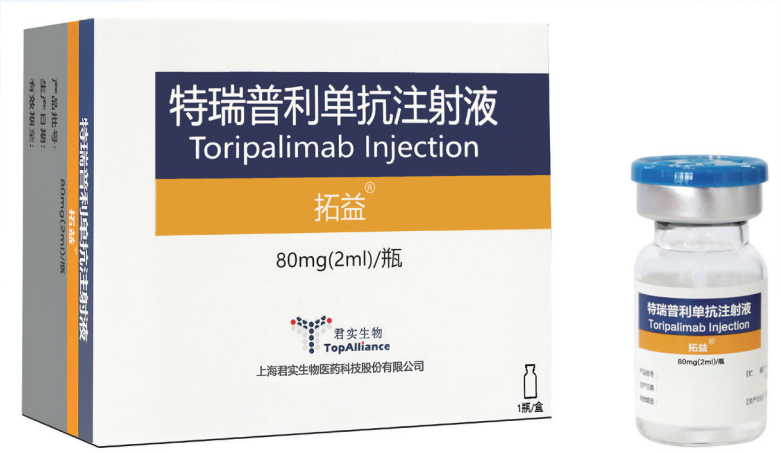
- first-line treatment of unresectable or metastatic melanoma (April 2025).

In addition, toripalimab has been recommended and recognized by over ten definitive guidelines both domestically and internationally. It is the first domestic anti-PD-1 monoclonal antibody to be recommended by the three major definitive guidelines: the Chinese Society of Clinical Oncology (CSCO), the National Comprehensive Cancer Network (NCCN), and the European Society for Medical Oncology (ESMO). At the 2025 CSCO Guidelines Conference, the CSCO Clinical Guidelines for the Diagnosis and Treatment of Cancer included a number of toripalimab treatment regimens across 10 guidelines, with a comprehensive coverage of therapeutic areas such as NPC, head and neck cancer, NSCLC, SCLC, breast cancer, biliary tract malignancies, renal cancer, UC, and melanoma. Toripalimab secured several Grade I recommendations, which further reinforced its clinical standing in cancer therapies and continued to facilitate the transformative immuno-oncology clinical practices in China.

The indications of TUOYI® for the first-line treatment of HCC and the first-line treatment of melanoma were approved in the first half of 2025 respectively, and TUOYI® has 12 indications approved in Chinese mainland. Starting from 1 January 2025, TUOYI® has four new indications included in the NRDL. Currently, 10 of its approved indications have been included in the NRDL, and it is the only anti-PD-1 monoclonal antibody included in the NRDL for the treatment of melanoma, perioperative treatment of NSCLC, treatment of renal carcinoma and treatment of TNBC, which are expected to gain first-mover advantages in the marketing of corresponding indications. The approvals for new indications and the inclusion of new indications of TUOYI® in the NRDL will further expand the coverage of patients with various types of cancers who may gain benefits, reduce the medical burden for patients and their families, and improve the accessibility and affordability of TUOYI® among patients. As of the end of the Reporting Period, TUOYI® had been sold in more than 6,000 medical institutions and more than 3,000 specialty pharmacies and community pharmacies nationwide.

In terms of international layout, as of the date of this report, toripalimab has been approved for marketing in 40 countries and regions including Chinese mainland, Hong Kong SAR, China, the United States, the EU (including all 27 member states of the EU, Iceland, Norway and Liechtenstein), India, Jordan, the UK, Australia, Singapore, the UAE and Kuwait, and has its marketing applications submitted/accepted in Brazil, Colombia, South Africa, Chile, Malaysia, Thailand, Indonesia, the Philippines, Vietnam, Canada, Pakistan, Morocco, and other locations. We have been cooperating on the commercialization with partners including Hikma, Dr. Reddy's, Rxilient Biotech and LEO Pharma in over 80 countries, covering the Middle East and North Africa, Latin America, India, South Africa, Australia, New Zealand, Southeast Asia, the EU, Switzerland, and the UK. We and our partners are actively promoting the marketing application process for toripalimab within their cooperation territories, and actively exploring the possibility of marketing more indications in certain regions.

MANAGEMENT DISCUSSION AND ANALYSIS



- *Milestones and achievements of clinical development*

Over 40 clinical studies covering more than 15 indications in respect of toripalimab have been conducted in China, the United States, Europe, Southeast Asia and other regions. Among the pivotal registered clinical studies, the Company has actively deployed perioperative treatment/postoperative adjuvant treatment for various types of tumors in addition to the extensive layout of toripalimab for the first-line treatment of multiple tumor types, to promote the application of cancer immunotherapy in the early treatment of cancer patients.

Progress of clinical trials in China:

– In January 2025, the indication of TUOYI® for the treatment of unresectable or metastatic melanoma after failure of standard systemic therapy was approved by the NMPA for conversion from conditional approval to regular approval.

– In March 2025, the sNDA for TUOYI® in combination with bevacizumab for the first-line treatment for patients with unresectable or metastatic HCC was approved by the NMPA.

– In April 2025, the sNDA for TUOYI® for the first-line treatment of unresectable or metastatic melanoma was approved by the NMPA.

– In August 2025, the sNDA for TUOYI® in combination with disitamab vedotin as the treatment of HER2-expressing (HER2 expression is defined as HER2 immunohistochemistry results of 1+, 2+, or 3+) locally advanced or metastatic UC has been accepted by the NMPA.

MANAGEMENT DISCUSSION AND ANALYSIS

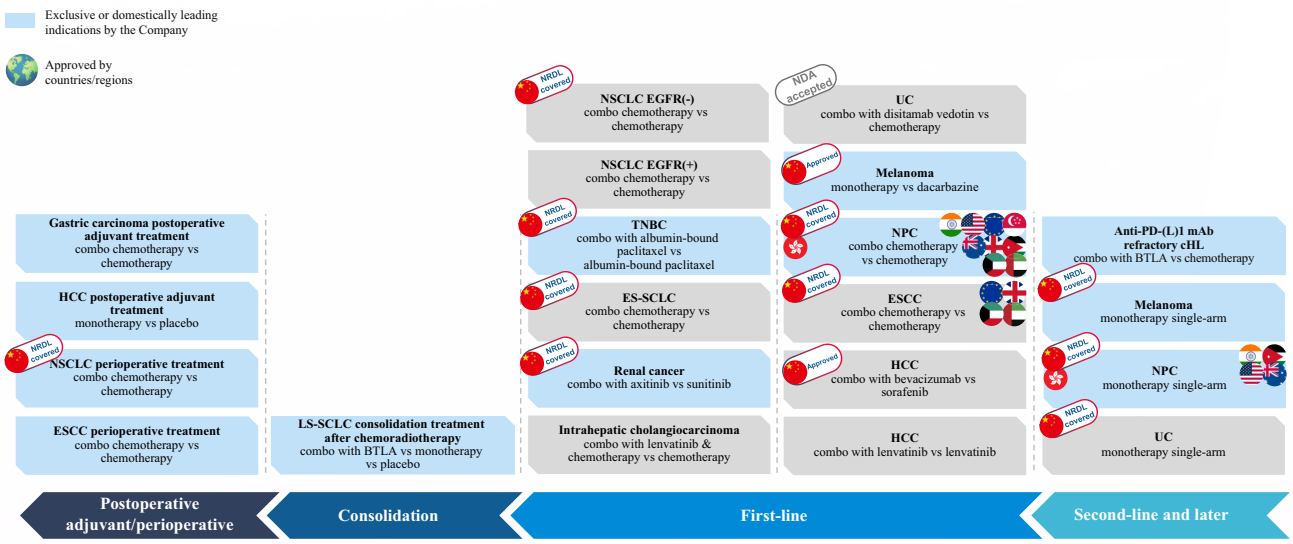
Global registration progress:

– In January 2025, the NCE application for toripalimab in combination with cisplatin and gemcitabine, for the first-line treatment of adults with metastatic or recurrent, locally advanced NPC and toripalimab, as a single agent, for the treatment of adults with recurrent unresectable or metastatic NPC with disease progression on or after a platinum-containing chemotherapy was approved by the TGA. Toripalimab became the first immuno-oncology treatment for NPC in Australia.

– In March 2025, the NDA for toripalimab in combination with cisplatin and gemcitabine for the first-line treatment of adult patients with recurrent, not amenable to surgery or radiotherapy, or metastatic NPC was approved by the HSA. Toripalimab became the first approved immuno-oncology treatment for NPC in Singapore.

– In June 2025, the indications of toripalimab for the first-line treatment of NPC and the first-line treatment of ESCC were officially approved for marketing in the UAE and Kuwait.

Pivotal Registration Clinical Trial Layout of Toripalimab



- *Publication of academic results*

Our innovative products have achieved numerous remarkable academic results. From the beginning of the Reporting Period to the date of this report, toripalimab was featured in over 90 journal publications in total, with a combined impact factor of over 500, and its research findings were published in international authoritative journals and presented at international academic conferences for multiple times. The key innovative achievements of toripalimab are as follows:

MANAGEMENT DISCUSSION AND ANALYSIS

- *International academic conferences*

  – In February 2025, a number of studies on toripalimab were selected at the 2025 ASCO Genitourinary Cancers Symposium (ASCO GU) for oral or poster presentations, focusing on the perioperative treatment of urological tumors, and involving a variety of combination strategies.

  – In April 2025, a number of studies on toripalimab were selected at the 2025 American Association for Cancer Research (AACR) annual meeting for poster presentations, highlighting its therapeutic potential in various novel immunotherapy combinations for advanced solid tumors, breast cancer, cervical cancer and other fields.

  – In May 2025, the phase III of NEOTORCH study of toripalimab in combination with chemotherapy for the perioperative treatment of stage II-III resectable NSCLC was selected at the 105th American Association for Thoracic Surgery (AATS) Annual Meeting for an oral presentation (No.: #106), which demonstrated that preoperative neoadjuvant chemotherapy in combination with toripalimab can achieve tumor downstaging, improve surgical outcomes, and prolong the event-free survival (EFS) of patients without increasing safety risks.

  – In May 2025, a phase II study of radiotherapy in combination with immunotherapy (toripalimab) for neoadjuvant treatment of ESCC was selected at the 2025 Annual Congress of the European Society for Radiotherapy and Oncology (ESTRO) for an oral presentation (No.: #3438) in the Proffered Paper session, which further demonstrated the significant efficacy and good safety profile of neoadjuvant radiotherapy in combination with immunotherapy (NRIT) in the neoadjuvant treatment of ESCC without chemotherapy.

  – In June 2025, more than 30 study results on toripalimab were selected at the American Society of Clinical Oncology (ASCO) annual meeting, including 5 oral presentations, two of which were featured as Late-breaking Abstracts (LBA). Besides, more than 20 posters and abstracts were published, covering various fields such as head and neck/NPC, lung cancer, breast cancer, gastrointestinal tumors, genitourinary cancers, gynecological cancers, melanoma, and sarcoma, demonstrating the diverse and innovative combination therapies with toripalimab.

In addition, from the beginning of the Reporting Period to the date of this report, a number of study results of toripalimab were also presented at conferences such as the 2025 ASCO Gastrointestinal Cancers Symposium (ASCO GI), the 26th European Society of Gynaecological Oncology Congress (ESGO) in 2025, the 40th Annual 2025 European Association of Urology (EAU) Congress, the ESMO Sarcoma and Rare Cancers Congress 2025 and the European Lung Cancer Congress (ELCC) 2025, which demonstrated the therapeutic potential of toripalimab in various fields such as gastric cancer, ovarian clear cell carcinoma, renal cancer, thymic cancer and lung cancer.

MANAGEMENT DISCUSSION AND ANALYSIS

- *Publication in international journals*

  – In January 2025, the latest three-year long-term follow-up data of a phase Ib/II study of toripalimab in combination with disitamab vedotin for the treatment of locally advanced or metastatic UC was published in Annals of Oncology (IF: 65.4), an international journal. This study is the first to publish long-term survival follow-up data on the use of an anti-PD-1 in combination with a HER2 ADC for advanced UC. The results showed that, toripalimab in combination with a HER2 ADC has great potential as a first-line treatment, with a confirmed ORR of 73.2%, a median PFS of 9.3 months, and a median OS of 33.1 months, improving patient survival benefits.

  – In February 2025, a study titled "Anti-LAG-3 antibody (LBL-007) plus anti-PD-1 antibody (toripalimab) in advanced solid tumors: a phase Ib/II trial" was published online in Journal of Hematology & Oncology (IF: 40.4), an internationally renowned oncology journal. This study showed that, the LAG-3/PD-1 dual-target combination therapy demonstrated a good safety profile and clear anti-tumor activity in a variety of advanced solid tumors, especially in immunotherapy-naive NPC patients with high LAG-3 expression. For immunotherapy-naive NPC patients, the ORR reached 33.3%, the disease control rate ("**DCR**") reached 75%, and the median PFS reached 10.8 months, which was a significant improvement as compared with the historical data of the PD-1 monotherapy.

  – In April 2025, the latest results of a prospective phase II clinical study of an innovative neoadjuvant therapy combining toripalimab (anti-PD-1), nimotuzumab (anti-EGFR) and taxol-based chemotherapy (i.e., TNT regimen) followed by surgery in patients with high-risk locally advanced penile squamous cell carcinoma (La-PSCC) were published online in Cancer Cell (IF: 44.5), a leading international oncology journal. This study is the first prospective clinical study which demonstrates that the triple immunotherapy combination has significant benefits in the neoadjuvant treatment of La-PSCC. The results showed that, the TNT regimen demonstrated superior ORR and pathological complete response ("**pCR**") rates compared to the conventional neoadjuvant chemotherapy regimen, significantly improving the survival benefits of patients. ORR and pCR rates reached 82.8% and 48.3%, respectively. With a median follow-up of 39.97 months, neither median PFS nor OS had been reached. The 2-year PFS and OS rates were 65.5% and 72.4%, respectively. These results provide high-level evidence supporting the application of immunotherapy combinations in this field, which are expected to offer potential new treatment options for such patients.

  – In May 2025, the results of the phase III of HEPATORCH study of toripalimab in combination with bevacizumab (i.e., TB regimen) as the first-line treatment for advanced HCC were published in The Lancet Gastroenterology & Hepatology (IF: 38.6), a leading international journal. Among patients with previously untreated advanced HCC, toripalimab in combination with bevacizumab demonstrated significantly longer PFS and OS than as compared to sorafenib, with a good safety profile. The positive results from the HEPATORCH study strongly support the adoption of toripalimab in combination with bevacizumab as a new first-line treatment option for advanced HCC.

MANAGEMENT DISCUSSION AND ANALYSIS

– In June 2025, the results of a phase I/II clinical study of toripalimab in combination with onatasertib (a selective mTORC1/2 dual inhibitor) in advanced solid tumors were published in Signal Transduction and Targeted Therapy (IF: 52.7), an internationally renowned journal. The results showed that, toripalimab in combination with onatasertib in the treatment of patients with advanced solid tumors, especially cervical cancer patients, regardless of PD-L1 expression, demonstrated encouraging anti-tumor activity and a good overall safety profile, and is expected to become a new approach for the treatment of advanced cervical cancer.

– In August 2025, the results of a phase III clinical study (DIAMOND study) of toripalimab in combination with induction chemotherapy and radiotherapy for the treatment of locally advanced NPC were published in the Journal of the American Medical Association (JAMA, IF: 55), a leading international authoritative medical journal. This study is the first phase III randomized controlled clinical study to explore the "full-course immunotherapy + de-concurrent cisplatin" regimen in the treatment of locally advanced NPC, which confirmed that eliminating conventional concurrent cisplatin chemotherapy on the basis of the full-course immunotherapy combination can maintain excellent therapeutic efficacy while significantly reducing toxicity, achieving the study goal of reducing toxicity without reducing efficacy, and addressing the current clinical treatment dilemma for patients with locally advanced NPC.

Recombinant humanized anti-PD-1/VEGF bispecific antibody (code: JS207)

JS207 is a recombinant humanized anti-PD-1/VEGF bispecific antibody self-developed by the Company, mainly used for the treatment of advanced malignant tumors. In view of the co-expression of VEGF and PD-1 in the tumor microenvironment, JS207 can simultaneously bind to PD-1 and VEGFA with high affinity, block the binding of PD-1 to PD-L1 and PD-L2 while blocking the binding of VEGF to the VEGF receptor. JS207 has the efficacy properties of both immunotherapeutic drugs and anti-angiogenic drugs, and can utilize the synergistic effects of immunotherapy and anti-angiogenesis to achieve better anti-tumor activity. Neutralization of VEGF can inhibit the proliferation of vascular endothelial cells, improve the tumor microenvironment, and increase the infiltration of cytotoxic T lymphocytes in the tumor microenvironment. The combination therapy with PD-1 antibody and VEGF blocking agent has shown strong efficacy in a variety of tumor types such as RCC, NSCLC and HCC. Due to the strong correlation between the expression of VEGF-A and PD-1 in the tumor microenvironment, compared with combination therapy, JS207 as a single agent blocking both targets may achieve higher target binding specificity, and enhance anti-tumor activity and safety.

JS207 is designed based on the high-affinity, clinically proven and differentiated anti-PD-1 drug toripalimab as the backbone. The anti-PD-1 moiety of JS207 adopts a Fab structure to maintain binding affinity to PD-1 and thereby attain better enrichment in the tumor microenvironment. The anti-VEGF moiety has a binding affinity for human vascular endothelial growth factor that is comparable to that of bevacizumab. In non-clinical in vitro cytological tests, compared with the combination of an anti-PD-1/PD-L1 monoclonal antibody and a VEGF monoclonal antibody, a bispecific antibody simultaneously targeting PD-1/PD-L1 and VEGF demonstrated significantly enhanced PD-1 antigen binding and internalization, and synergistic enhancement of the NFAT signaling pathway, thereby better activating immune cells in the tumor microenvironment.

MANAGEMENT DISCUSSION AND ANALYSIS

In June 2025, the anti-tumor mechanism of action and pre-clinical study results of JS207 were published in full in Frontiers in Immunology, an internationally renowned academic journal, which detailed the molecular design, in vitro characteristics, functionality and pre-clinical anti-tumor efficacy of JS207. The results showed that, JS207 binds to PD-1 and VEGFA with high affinity, exhibiting comparable or superior antigen affinity, immune activation and vascular proliferation regulation to similar drugs, and also demonstrated robust anti-tumor activity in multiple tumor models, as well as favorable tolerability and thermal stability. In the MC38 colon cancer mouse model, JS207 exhibited dose-dependent anti-tumor effects, with tumor growth inhibition (TGI) rates of 76.1%, 78.0% and 84.4% at 0.75 mg/kg, 1.5 mg/kg and 4.5 mg/kg, respectively, which surpassed those achieved with toripalimab alone or in combination with VEGF-DotAb. In the humanized A375 melanoma mouse model, JS207 achieved TGI rates of 49.6%, 53.7% and 72.0% at 1 mg/kg, 3 mg/kg and 10 mg/kg, respectively, which surpassed those achieved with similar drugs.

As of the date of this report, for JS207, the phase II clinical study is underway, and the exploration of its combination with chemotherapy, monoclonal antibodies, ADCs and other drugs in NSCLC, colorectal cancer, TNBC, liver cancer and other tumor types is underway. As of 22 August 2025, a total of 172 subjects have been enrolled in these phase II clinical studies. Previously, in the phase I clinical study, JS207 enrolled nearly 100 subjects. Upon further data collection, the Company will make plans for subsequent registrational clinical studies based on the clinical data and its communication with regulators.

Plan and Progress of Phase II Clinical Studies for JS207

	Regimen under study	Indications	Estimated number of subjects to be enrolled
NSCLC	JS207 + chemotherapy *(China)*	NSCLC with actionable genomic alterations and TKI therapy failure	42
NSCLC	JS207 + chemotherapy *(China)*	First-line EGFR / ALK wild-type NSCLC	84
NSCLC	JS207 + chemotherapy *(China)*	Resectable stage II-III/ unresectable stage III NSCLC	88
NSCLC	JS207 + BTLA / chemotherapy *(China)*	Second-line EGFR / ALK wild-type NSCLC	72
NSCLC	JS207 + chemotherapy *(Global)*	Resectable stage II-III NSCLC	140
HCC	JS207 + CTLA4 *(China)*	First-line HCC	72
CRC	JS207 + chemotherapy ± DKK1 *(China)*	First-line microsatellite stable (MSS) CRC	60
CRC	JS207 + HDAC *(China + Australia)*	Third-line microsatellite stable (MSS) CRC	50
TNBC	JS207 + Nectin-4 ADC *(China)*	First-line TNBC	80

***As at 22 August 2025, these phase II clinical studies have enrolled a total of 172 subjects. Prior to that, nearly 100 subjects have been enrolled in the phase I clinical studies of JS207.**

MANAGEMENT DISCUSSION AND ANALYSIS

Tifcemalimab (code: TAB004/JS004)

Tifcemalimab is the world's first-in-human recombinant humanized anti-tumor anti-BTLA monoclonal antibody specific to B-and T-lymphocyte attenuator (BTLA) independently developed by us. BTLA is expressed in the T lymphocyte, B lymphocyte, and dendritic cell subpopulations. In 2005, the interaction between BTLA and its ligand, Herpes virus entry mediator (HVEM), was discovered. HVEM, a tumor necrosis factor (TNF receptor), is extensively expressed in the hematopoietic system and has been confirmed as the ligand of BTLA. By binding with BTLA, tifcemalimab blocks the HVEM-BTLA interaction, thereby obstructing the BTLA-mediated inhibitory signal pathways and activating the tumor-specific lymphocytes.

Tifcemalimab in combination with toripalimab commenced phase III clinical studies. We believe that the combination of the two is a promising anti-tumor treatment strategy, which is expected to increase patients' response to immunotherapy and expand the range of potential beneficiaries.

- *Milestones and achievements of clinical development*

  – The JUSTAR-001 study is a randomized, double-blind, placebo-controlled, international multi-regional phase III clinical study, and is aimed to evaluate the efficacy and safety of tifcemalimab in combination with toripalimab compared to toripalimab alone and compared to placebo as consolidation therapy used in LS-SCLC patients without disease progression following chemoradiotherapy. As the first confirmatory study of a monoclonal antibody targeting BTLA, this study plans to recruit about 756 subjects around the world. As of the date of this report, this study has been carried out in more than 180 centers across 15 countries/regions, has enrolled nearly 400 patients, and enrollment is underway;

  – The JS004-009-III-cHL study (NCT06170489) is a randomized, open-label, active controlled, multi-center phase III clinical study, and aims to evaluate the efficacy and safety of tifcemalimab in combination with toripalimab versus the chemotherapy selected by the investigator for anti-PD-(L)1 monoclonal antibody refractory cHL. This study is the first phase III clinical study of drugs targeting BTLA in the field of hematological tumors. Approximately 185 patients will be recruited, and enrollment is underway.

  We will continue to facilitate patient enrollment, and promote the application of tifcemalimab in combination with toripalimab in more tumor types.

MANAGEMENT DISCUSSION AND ANALYSIS

- *Publication of academic results*

The preliminary clinical study results of tifcemalimab alone or in combination with toripalimab have been presented at various international medical conferences. The combination demonstrated good safety profiles and encouraging efficacy in patients with SCLC, relapsed/refractory (R/R) lymphoma, and immune-refractory advanced solid tumors who have failed multiple lines of therapy.

- International academic conferences

  – In March 2025, the latest data from the phase I/II study of tifcemalimab in combination with toripalimab in previously treated advanced lung cancer (study no.: JS004-006-I/IILC) was selected for an oral presentation on lung cancer in the Presidential Session at the 22nd Japanese Society of Medical Oncology (JSMO) Annual Meeting in 2025.

- Publication in international journals

  – In May 2025, the full text of the data from the phase I first-in-human (FIH) clinical study of tifcemalimab as monotherapy or in combination with toripalimab in patients with relapsed or refractory (R/R) lymphoma was published in Nature Communications (IF: 15.7), an internationally renowned journal. The study results showed that, tifcemalimab as monotherapy or in combination with toripalimab has a manageable overall safety profile and was well tolerated. The combination therapy demonstrated promising clinical efficacy, with an ORR of 37.0% and a PFS of 13.1 months.

  – In June 2025, the full text of the data from the phase I/II clinical study of tifcemalimab in combination with toripalimab for the treatment of patients with EGFR – or ALK-negative advanced NSCLC and refractory ES-SCLC who had failed prior standard therapies was published in Clinical Cancer Research (IF: 10.2), an internationally renowned journal as well as one of the official journals of the AACR. This is the first clinical study reporting the safety and efficacy of the first-in-class anti-BTLA monoclonal antibody tifcemalimab in combination with anti-PD-1 monoclonal antibody (toripalimab) in the treatment of previously treated advanced lung cancer. The results showed that, tifcemalimab in combination with toripalimab demonstrated encouraging efficacy and long-term survival potential in previously treated patients with advanced lung cancer, with a manageable safety profile. The median OS in the NSCLC cohort was 18.9 months, which significantly prolonged patient survival as compared to conventional chemotherapy. In the SCLC cohort, the ORR was 35.0%, the DCR was 55.0%, and the median OS was 12.3 months. Among immunotherapy-naive patients, the ORR reached 48.0%, the DCR was 64.0%, and the median OS was 11.9 months.

MANAGEMENT DISCUSSION AND ANALYSIS

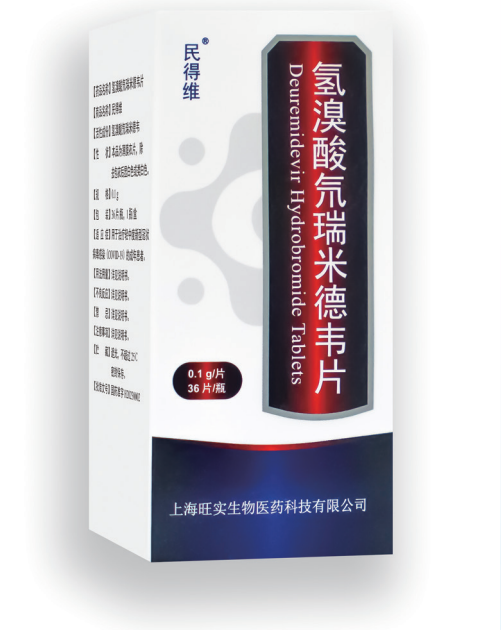
Other Products That Have Been Commercialized or Are in Later Stages of Clinical R&D

MINDEWEI (Deuremidevir Hydrobromide Tablets, code: JT001/VV116)

MINDEWEI is a new oral nucleoside analog antiviral drug, which can be non-covalently bound to the active center of RdRp of SARS-CoV-2 in the form of nucleoside triphosphate, directly inhibiting the activity of RdRp of the virus and blocking the replication of virus, thus realizing the antiviral effect. Preclinical studies have shown that MINDEWEI exhibited significant antiviral effects against both the original COVID-19 strain and mutant strains, including Omicron, and exhibited no genetic toxicity. MINDEWEI was jointly developed by Shanghai Institute of Materia Medica, Chinese Academy of Sciences* (中國科學院上海藥物研究所), Wuhan Institute of Virology, Chinese Academy of Sciences* (中國科學院武漢病毒研究所), Xinjiang Technical Institute of Physics and Chemistry, Chinese Academy of Sciences* (中國科學院新疆理化技術研究所), Central Asian Center of Drug Discovery and Development of Chinese Academy of Sciences* (中國科學院中亞藥物研發中心)/China-Uzbekistan Medicine Technical Park (the Belt and Road Joint Laboratory of the Ministry of Science and Technology)* (中烏醫藥科技城(科技部"一帶一路"聯合實驗室)), Lingang Laboratory* (臨港實驗室), Suzhou Vigonvita Biomedical Co., Ltd.* (蘇州旺山旺水生物醫藥有限公司) and the Company.

On 28 January 2023, the marketing of MINDEWEI for the treatment of adult patients with mild to moderate COVID-19 was conditionally approved by the NMPA. In January 2025, such indication was approved by the NMPA for conversion from conditional approval to regular approval. MINDEWEI was included in the scope of provisional medical insurance reimbursement in January 2023, and has been officially included in the NRDL since January 2024.

After MINDEWEI was being marketed, the Company actively established a commercialization team, continuously explored sales models, continued to expand the coverage of MINDEWEI in hospitals and departments, and further improved the accessibility of MINDEWEI. As of the end of the Reporting Period, MINDEWEI had been used in more than 2,000 medical institutions, including community healthcare service centers, secondary hospitals and tertiary hospitals, covering all provinces in the territory.



MANAGEMENT DISCUSSION AND ANALYSIS

JUNMAIKANG (君邁康®) (adalimumab, code: UBP1211)

JUNMAIKANG is an adalimumab jointly developed by us, Mabwell (Shanghai) Bioscience Co., Ltd.* (邁威(上海)生物科技股份有限公司) and its subsidiaries. As our third commercialized product, JUNMAIKANG received support from the national "Major New Drug Development", a major scientific and technological project, during the "Twelfth Five-Year Plan", which brings new treatment options for Chinese patients at large with autoimmune disease after its launch. In March 2022, the marketing of JUNMAIKANG for the treatment of rheumatoid arthritis, ankylosing spondylitis and psoriasis was approved by the NMPA, with the first prescription issued in May 2022. In November 2022, the supplemental application for five additional indications of JUNMAIKANG for the treatment of Crohn's disease, uveitis, polyarticular juvenile idiopathic arthritis, pediatric plaque psoriasis and pediatric Crohn's disease was approved by the NMPA.

JUNSHIDA (君適達®) (ongericimab, code: JS002)

JUNSHIDA is a recombinant humanized anti-PCSK9 monoclonal antibody independently developed by us. In October 2023, we signed an agreement with Chongqing Bochuang Pharmaceuticals Co., Ltd.* (重慶博創醫藥有限公司) ("**Bochuang Pharmaceuticals**"), pursuant to which we granted Bochuang Pharmaceuticals an exclusive license to conduct R&D on, manufacture and commercialize JUNSHIDA for the licensed purposes and within Chinese Mainland. Bochuang Pharmaceuticals will be responsible for the subsequent commercialization of JUNSHIDA in Chinese Mainland and will make corresponding milestone payments and sales commissions to the Company.

In October 2024, the NDA for JUNSHIDA as the treatment for adult patients with primary hypercholesterolemia (non-familial) and mixed dyslipidemia was approved for marketing by the NMPA.

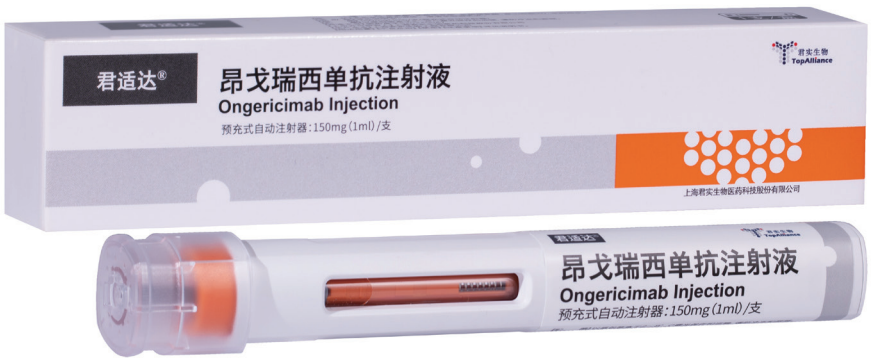
In May 2025, the two sNDAs for JUNSHIDA for: 1) adult patients with HeFH; 2) alone or in combination with ezetimibe, in adult patients with non-familial hypercholesterolemia and mixed dyslipidemia who are statin-intolerant or statins contraindicated, were approved. Ongericimab became the first domestic PCSK9-targeted drug approved for statin-intolerant patients.

MANAGEMENT DISCUSSION AND ANALYSIS

The significant lipid-lowering effects of ongericimab have been demonstrated in multiple phase III clinical studies. During the Reporting Period, the study results of ongericimab were frequently published in international academic journals and presented at international academic conferences:

– In February 2025, the full text of the latest data from the phase III clinical study of ongericimab for the treatment for adult patients with HeFH (study no.: JS002-005) was published in Atherosclerosis, the official journal of the European Atherosclerosis Society (EAS), which demonstrated the potent lipid-lowering effects and favorable tolerability of ongericimab.

– In June 2025, the full results of the phase III clinical study of ongericimab for the treatment of primary hypercholesterolemia and mixed dyslipidemia in which statins are not tolerated (study no.: JS002-007) were published in Atherosclerosis, which for the first time announced the lipid-lowering efficacy and safety data of ongericimab in the Chinese population with statin intolerance. The results showed that, compared with placebo, the ongericimab subcutaneous injection (150 mg every 2 weeks (Q2W)) significantly reduced the low-density lipoprotein cholesterol (LDL-C) level by 66.2%, for a 12-week treatment, with steady reduction up to the 52nd week. At the same time, it also demonstrated significant improvements in other lipid parameters. Ongericimab has a favorable overall safety profile, with the incidence of treatment-emergent adverse events (TEAEs) being comparable to that of the placebo group during the double-blind trial.



Recombinant humanized anti-IL-17A monoclonal antibody (code: JS005)

JS005 is a specific anti-IL-17A monoclonal antibody developed independently by us. In preclinical studies, JS005 has shown efficacy and safety comparable to those of anti-IL-17 monoclonal antibodies that have been marketed. Data from preclinical study fully depicts that JS005 has a clear target, definite efficacy, good safety, stable production process, and controllable product quality. At the 2023 annual meeting of the American College of Rheumatology (ACR), we announced the results of the Phase Ib/II clinical study of JS005 for the treatment for patients with moderate to severe psoriasis for the first time. The study results showed that, JS005 has a good safety profile in the treatment for patients with moderate to severe plaque psoriasis. Compared with placebo, JS005 significantly improved the psoriasis area and severity index of patients ($p<0.0001$). For JS005, the phase III registrational clinical study for moderate to severe plaque psoriasis is underway. As of the date of this report, final visits have been made to all subjects, and the readout of key outcome data is expected in 2025. Enrollment for the Phase II clinical study of JS005 for the treatment of ankylosing spondylitis has been completed, and follow-up is underway.

MANAGEMENT DISCUSSION AND ANALYSIS

In March 2025, the full text of the latest study results on JS005 was published in Acta Dermato-Venereologica, a leading international dermatology journal. The study results showed that, JS005 significantly improved the psoriasis area and severity index of patients in the treatment for patients with moderate to severe plaque PsO, while exhibiting a good safety profile in both healthy subjects and PsO patients, and is expected to provide a promising new treatment option for PsO patients in China.

In June 2025, a phase Ib/II clinical study of JS005 for the treatment of patients with moderate to severe PsO was selected as late breaking research at the 30th Annual Meeting of Chinese Society of Dermatology (CSD 2025). Director Cai Lin from Peking University People's Hospital*(北京大學人民醫院) delivered an oral report at the meeting, sharing the study results in detail and demonstrating the exciting therapeutic potential and favorable safety profile of JS005 in patients with moderate to severe PsO.

PD-1 monoclonal antibody subcutaneous injection formulation (code: JS001sc)

JS001sc injection is a subcutaneous injection formulation developed by the Company on the basis of TUOYI®, our marketed product. The pre-clinical in vivo pharmacodynamics showed that JS001sc exhibited significant anti-tumor effect in animal models by subcutaneous injection. At the dose level of 0.3mg/kg, the anti-tumor effect of JS001sc administered by subcutaneous injection was comparable to that of toripalimab administered by intravenous injection, with no significant difference. In addition, animals had a good tolerance to JS001sc.

In April 2024, the results of the first-in-human (FIH) study of JS001sc were successfully selected at the 2024 AACR and firstly published with a poster presentation (Abstract Number: #CT113), becoming the first domestic anti-PD-1 monoclonal antibody subcutaneous injection to publish clinical study data. JS001sc in combination with gemcitabine and cisplatin (GP regimen) for the treatment of recurrent or metastatic NPC (RM-NPC) demonstrated safety and clinical efficacy similar to that of the toripalimab intravenous (IV) formulation. The exposure of the toripalimab subcutaneous regimen (360mg, Q3W) was comparable to that of the IV regimen (240mg, Q3W).

The Company has been conducting a multi-center, open-label, randomized controlled, phase III clinical study to compare the pharmacokinetic profile, efficacy and safety of JS001sc and toripalimab in combination with standard chemotherapy for the first-line treatment of recurrent or metastatic non-squamous NSCLC. As of the date of this report, this study has enrolled all patients, and its readout of key outcome data is expected in 2025. JS001sc is the first domestic anti-PD-1 monoclonal antibody subcutaneous formulation to enter phase III clinical study, and is expected to bring convenient administration to patients.

Recombinant humanized anti-Claudin18.2 monoclonal antibody-MMAE conjugate (code: JS107)

JS107 is a recombinant humanized anti-Claudin18.2 monoclonal antibody-MMAE (Monomethyl auristatin-E) conjugate for injection developed independently by the Company. It is an ADC targeting tumor-related protein Claudin18.2, and is intended to be used for the treatment of advanced malignant tumors, such as gastric cancer and pancreatic cancer. JS107 can bind to Claudin18.2 on the surface of tumor cells, enter into tumor cells through endocytosis, and release the small molecule toxin MMAE, which has demonstrated strong lethality to tumor cells. JS107 also retained antibody-dependent cellular cytotoxicity (ADCC) and complement dependent cytotoxicity (CDC) effects, further killing tumor cells. Furthermore, due to the cell permeability of MMAE, JS107 can mediate indiscriminate killing of other tumor cells by way of its bystander effect, thereby improving the efficacy of treatment and inhibiting tumor recurrence. The preclinical in vivo pharmacodynamics showed that JS107 exhibits significant anti-tumor effect. As of the date of this report, the phase I/II clinical trial on the JS107 monotherapy and combination therapy is underway. It is expected that a phase III clinical trial will commence in 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

In April 2025, the data from a phase I clinical study of JS107 as a monotherapy or in combination with other therapies in patients with advanced solid tumors (No.: #CT010) was presented in the form of oral presentation at the AACR annual meeting. This study is the first to report the clinical benefits of the Claudin18.2 ADC combination therapy as the first-line treatment for patients with advanced gastric/gastroesophageal junction adenocarcinoma (G/GEJA). The results showed that, among patients with Claudin18.2-positive advanced G/GEJA, JS107 as a monotherapy or in combination with toripalimab and XELOX (capecitabine + oxaliplatin) demonstrated significant anti-tumor efficacy, especially in patients with high Claudin18.2 expression, which achieved a high remission rate with an ORR of 81.0%, along with a good tolerance and a manageable safety profile, demonstrating the good development potential of the JS107 combination therapy.

PI3K-α inhibitor (code: JS105)

JS105 is an oral small molecule inhibitor targeting PI3K-α jointly developed by the Company and Risen Pharma, and is primarily used in the treatment of patients with hormone receptor (HR) positive, human EGFR 2 (HER-2)-negative, PIK3CA-mutated, advanced breast cancer who are experiencing disease progression during or after treatment with endocrine-based regimens. Preclinical studies have shown that JS105 is effective in animal models of breast cancer, and has better efficacy for patients with other solid tumors such as cervical cancer, renal cancer, colorectal cancer and esophageal cancer. JS105 has also demonstrated good safety. As of the date of this report, the phase I/II clinical study of JS105 monotherapy and combination therapy is underway.

Other Products in Early Stages of R&D

Recombinant humanized anti-DKK1 monoclonal antibody injection (code: JS015)

JS015 is a recombinant humanized anti-DKK1 monoclonal antibody injection developed independently by the Company that is mainly used for the treatment of advanced malignant solid tumor. DKK1 is a secreted protein of the DKK family that can promote the occurrence and development of tumors through multiple means, including suppressing immunity, promoting angiogenesis and activating tumor-related signaling pathways. JS015 binds to human DKK1 with high affinity, and exert tumor inhibitory effects through the above means. As of the date of this report, the first-in-human study of JS015 as a monotherapy in advanced solid tumors was completed, and a phase II clinical study of JS015 combination therapy for gastrointestinal tumors is underway.

In April 2025, the results of the clinical study on JS015 were presented in the form of a Late-Breaking Research Poster (Abstract No.: #LB212) for the first time at the 2025 AACR annual meeting held in Chicago, the United States, which is also the first clinical study results released for an anti-DKK1 monoclonal antibody in China. The JS015 data reported at the meeting came from the pooled analysis results of a phase Ib/II study of JS015 combination therapy for the treatment of gastrointestinal tumors and two investigator-initiated trials (IITs). The results showed that, JS015 combination therapies demonstrated encouraging preliminary efficacy in the treatment of patients with advanced gastrointestinal tumors, while being well tolerated. JS015 in combination with bevacizumab and chemotherapy as the second-line treatment for patients with advanced colorectal cancer (CRC) achieved an ORR of 31.6%. Among second-line CRC patients who had not previously received bevacizumab as the first-line treatment, the ORR reached 80%. Among first-line CRC patients who had not received systemic anti-tumor treatment, the ORR was 100%. JS015 in combination with toripalimab and chemotherapy as the first-line treatment for patients with advanced gastric cancer (GC) achieved an ORR of 66.7%, which is expected to serve as new targeted combination therapies in providing more treatment options for patients with advanced gastrointestinal tumors.

MANAGEMENT DISCUSSION AND ANALYSIS

Recombinant humanized anti-CD20/CD3 bispecific antibody (code: JS203)

JS203 is a recombinant humanized anti-CD20/CD3 bispecific antibody self-developed by the Company. CD20 is a B lymphocyte restricted differentiation antigen and one of the most successful targets for B-cell lymphoma treatment. CD3 is an important marker on the surface of T cell. The main mechanism of T cell engaging bispecific antibodies is using CD3 as a mediator to activate T cells to specifically attack tumor cells. JS203 consists of anti-CD20 segment and anti-CD3 segment. By associating and activating lymphoma cells (binding to CD20) and T cells (binding to CD3), JS203 can enable T cells to kill lymphoma cells effectively. Pre-clinical in vivo pharmacodynamics shows that JS203 has a significant anti-tumor effect. In addition, JS203 is well tolerated by animals. As of the date of this report, the phase I/II clinical study of JS203 is underway. It is expected that a pivotal registrational clinical trial will commence in 2026.

In April 2025, the preliminary results of a phase I clinical study of JS203 in patients with relapsed or refractory (R/R) B-cell non-Hodgkin lymphoma (B-NHL) were presented in the form of poster presentation (Abstract No.: #CT025) for the first time at the AACR annual meeting. The results showed that, after pretreatment with rituximab, JS203 administered with step-up dosing (SUD) demonstrated a good overall safety profile. JS203 demonstrated promising anti-tumor efficacy in patients with CD20-positive R/R B-NHL, with efficacy signals observed in the group with lower dose. In particular, in patients with diffuse large B-cell lymphoma (DLBCL) treated with JS203 30mg, the ORR reached 80% and the complete response rate (CRR) was 40%. Due to limited follow-up time, the median duration of response (DoR) has not yet been reached, demonstrating the therapeutic potential of JS203 for patients with CD20-positive R/R B-NHL, and is expected to provide a potential new treatment option for patients with malignant lymphoma.

EGFR/HER3 bispecific antibody-drug conjugate (code: JS212)

JS212 is a recombinant humanized EGFR and HER3 bispecific ADC that is mainly used for the treatment of advanced malignant solid tumor. EGFR and HER3 are highly expressed in a variety of tumor cells, such as lung cancer, breast cancer and head and neck cancer etc. There is interaction in signaling pathway between EGFR and HER3. They jointly facilitate the proliferation, survival, migration and angiogenesis of tumor cells. High expression of HER3 is one of the key mechanisms for EGFR drug-resistance in tumor tissues. Comparing to single-target ADC drugs, JS212 can suppress tumors by binding to EGFR or HER3, and is expected to be effective on a wider range of tumors and overcome drug resistance. According to preclinical studies, with JS212 having high affinity and specific binding to EGFR and HER3, it exhibits significant anti-tumor effect in various animal models. Meanwhile, JS212 has a favorable and acceptable safety profile. As of the date of this report, an open-label, dose-escalation and dose-expansion phase I/II clinical trial of JS212 is underway, which is designed to evaluate the safety, tolerability, pharmacokinetics and preliminary efficacy of JS212 in patients with advanced solid tumors.

PD-1/IL-2 bifunctional antibody fusion protein (code: JS213)

JS213 is a PD-1 and IL-2 bifunctional antibody fusion protein, which is mainly used for the treatment of advanced malignant tumors. In view of the co-expression of PD-1 and IL-2 in the tumor microenvironment, the fusion protein can selectively activate the IL-2 signaling pathway by binding to the IL-2 receptor while blocking the PD-1 pathway, thereby strengthening the anti-tumor immune responses. The combination therapy with PD-1 and IL-2 has shown potential efficacy in a variety of tumor types. Compared with combination therapy, JS213 as a single agent targeting both PD-1 and IL-2 pathways, may be more effective in activating the tumor immune microenvironment and thus enhancing anti-tumor activity. Pre-clinical results showed that, JS213 preferentially stimulated the expansion of tumor-infiltrating CD8+ T cells, with little effect on T cells and natural killer (NK) cells in the peripheral blood, and showed good efficacy and safety in both anti-PD-1 monoclonal antibody-sensitive or -resistant mouse tumor models.

MANAGEMENT DISCUSSION AND ANALYSIS

In a first-in-human (FIH) phase I study, JS213 monotherapy demonstrated preliminary efficacy in patients with immune-cold tumors. The results were presented at the 2025 ASCO annual meeting (Abstract No.: #e14500). As of 8 January 2025, 16 patients with advanced solid tumors received JS213 monotherapy at escalating doses (0.3 mg/kg, 0.6 mg/kg and 1 mg/kg, Q2W), including 6 patients who had previously received anti-PD-(L)1 therapy. The results showed that:

- JS213 exhibited linear response across the dose range of 0.3~1 mg/kg;
- Two patients achieved partial responses (PR), including one with thymic carcinoma and one with acquired resistance to anti-PD-1. Six patients achieved stable disease (SD), three of them experienced a reduction in target lesion of 5%, 19% and 24%, respectively;
- Regarding safety, the most common treatment-related adverse events (TRAEs) were primarily grades 1-2, including rash, arthralgia, hypothyroidism, nausea and fatigue.

As of the date of this report, JS213 commenced phase I clinical studies overseas, and its phase I studies are also underway in China, which aim to evaluate the safety, tolerability, pharmacokinetics and preliminary efficacy of JS213 in patients with advanced solid tumors (including NSCLC, melanoma, colorectal cancer, RCC, etc.) who have failed standard treatments

FUTURE AND PROSPECTS

We see it as our mission to benefit patients with world-class and trustworthy innovative drugs, with an aim to become an innovative pharmaceutical company that operates "in China, for global" for the benefit of human health. In respect of R&D of drugs, we will accelerate late-stage pipeline R&D and marketing application. We will also continue to explore early-stage pipelines and closely track relevant clinical trial data, aiming to facilitate the progress of clinical trial registration for more high-potential products and indications, thus creating a sustainable impetus for the future revenue growth of the Company. Meanwhile, we will also invest appropriate resources to explore and develop new drug targets and drug types. Based on independent R&D, we will also explore cooperation and diversify the product pipeline through license-in, formation of joint ventures and other methods to stay on the front line of R&D of innovative drugs. As for production, we uphold quality as our foundation, and will optimize production processes, enhance technical capabilities and strengthen quality control measures on an ongoing basis. We will also continue to facilitate the in-depth integration and comprehensive optimization of our production system, and will be committed to establishing a scalable production and manufacturing system with significant cost advantages, and thus ensure the stable supply of the Company's products to meet growing market demand. In respect of commercialization, we will continue to improve the establishment of our marketing and commercialization teams and enhance sales efficiency while carrying out commercial cooperation with outstanding pharmaceutical companies in the global arena to continuously expand our international business layout.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

1. Revenue

As at 30 June 2025, total revenue of the Group was approximately RMB1,168 million, representing an increase of approximately 49% compared to the corresponding period in 2024, which includes: (i) revenue from pharmaceutical products of approximately RMB1,059 million, increased by approximately 49% compared to the corresponding period in 2024, which was mainly due to improvement in sales efficiency of the commercialization team and approval of more indications for TUOYI®; (ii) revenue related to out-licensing agreements of approximately RMB102 million; and (iii) revenue from technical services of approximately RMB7 million. During the Reporting Period, the domestic sales revenue of TUOYI® was approximately RMB954 million, representing an increase of approximately 42% compared to the corresponding period in 2024.

2. R&D Expenses

R&D expenses mainly include clinical research and technical service expenses, staff salary and welfare expenses, depreciation and amortization expenses and other operating expenses.

During the Reporting Period, R&D expenses were approximately RMB745 million, which increased by approximately RMB199 million as compared to the corresponding period in 2024, representing an increase of approximately 36%. R&D expenses included clinical research and technical service expenses of approximately RMB501 million, staff salary and welfare expenses of approximately RMB175 million, depreciation and amortization expenses of approximately RMB48 million and other operating expenses of approximately RMB21 million. In particular, research and technical service expenses and depreciation and amortization expenses increased by approximately 75% and 13% respectively, while staff salary and welfare expenses and other operating expenses decreased by approximately 9% and 15% respectively as compared to the corresponding period in 2024.

The increase in R&D expenses was mainly due to the Group's focus on more competitive and innovative R&D pipelines and accelerated clinical development during the Reporting Period.

3. Selling and Distribution Expenses

Selling and distribution expenses mainly include staff salary and welfare expenses, expenses for marketing and promotion activities and other operating expenses.

During the Reporting Period, selling and distribution expenses amounted to approximately RMB487 million, which increased by approximately RMB60 million as compared to the corresponding period in 2024, representing an increase of approximately 14%. Selling and distribution expenses included staff salary and welfare expenses of approximately RMB248 million, expenses for marketing and promotion activities of approximately RMB226 million and other operating expenses of approximately RMB13 million. In particular, staff salary and welfare expenses and expenses for marketing and promotion activities increased by approximately 5% and 29% respectively, while other operating expenses decreased by 24% as compared to the corresponding period in 2024.

The increase in selling and distribution expenses was mainly due to additional demand for market promotion of new indications for TUOYI®, which led to the increase in marketing and promotion expenses, and staff salary and welfare expenses.

MANAGEMENT DISCUSSION AND ANALYSIS

4. Administrative expenses

Administrative expenses mainly include administrative staff cost, depreciation and amortization expenses, ordinary operating expenses and other miscellaneous expenses.

During the Reporting Period, administrative expenses amounted to approximately RMB209 million, which decreased by approximately RMB44 million as compared to the corresponding period in 2024, representing a decrease of approximately 17%. Administrative expenses included administrative staff cost of approximately RMB85 million, depreciation and amortization expenses of approximately RMB56 million, ordinary operating expenses of approximately RMB47 million and other miscellaneous expenses of approximately RMB21 million. In particular, administrative staff cost, depreciation and amortization expenses and ordinary operating expenses decreased by approximately 23%, 19% and 13% respectively, while other miscellaneous expenses increased by approximately 12% as compared to the corresponding period in 2024.

The decrease in administrative expenses was mainly due to the decrease in administrative staff cost, which reflects the results of the Group's cost control policy. In addition, more machinery and equipment were used for R&D production during the Reporting Period compared to the corresponding period in 2024, which also led to a decrease in depreciation and amortization expenses included in administrative expenses.

5. Liquidity and Capital Resources

As at 30 June 2025, the aggregate balance of bank balances and cash and financial products of the Group was approximately RMB3,490 million, increased by RMB573 million compared to the balance of 31 December 2024, which ensured that our cash position remained relatively sufficient to support the Group's development. The Group's financial products were investments with original maturities of no more than 3 months and low risk, which were with fair value of approximately RMB501 million.

During the Reporting Period, net cash inflow from financing activities was approximately RMB1,386 million, and net cash outflow from operating activities was approximately RMB361 million, and net cash outflow from investing activities was approximately RMB522 million (including cash outflow in acquisition of the financial products), resulting in an increase of RMB502 million in bank balances and cash from 31 December 2024 after considering the foreign exchange rate change effect.

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to its stakeholders and maintaining an adequate capital structure. The Group's overall strategy remained unchanged throughout the Reporting Period.

The capital structure of the Group consists of net debts, which includes borrowings, lease liabilities and other financial liabilities, net of bank balances and cash, and equity of the Group, comprising issued share capital, other reserves and non-controlling interests. The management of the Group will regularly review the capital structure on a continuous basis, considering the cost of capital and the risk associated with the capital, so as to better control and reduce the cost of capital.

MANAGEMENT DISCUSSION AND ANALYSIS

DIVIDENDS

No dividends were paid, declared or proposed during the six months ended 30 June 2025 and 2024.

LOSS PER SHARE

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

Loss

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss for the period attributable to owners of the Company for the purpose of basic and diluted loss per share	**(413,431)**	(645,691)

Number of shares

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	**987,365,713**	984,943,273

In June 2025, the Company issued 41,000,000 ordinary shares (H Shares). The weighted average number of ordinary shares for the purpose of basic loss per share for the six months ended 30 June 2025 has been adjusted for the issuance of new H shares.

During the period ended 30 June 2024, the Company repurchased 136,844 ordinary shares (A Shares). The weighted average number of ordinary shares for the purpose of basic loss per share for the six months ended 30 June 2024 and 30 June 2025 excludes shares of treasury stock repurchased.

The computation of diluted loss per share for the six months ended 30 June 2024 does not assume the exercise of the Company's outstanding RSUs as this would be anti-dilutive.

MANAGEMENT DISCUSSION AND ANALYSIS

TRADE RECEIVABLES

The balance of trade receivables increased from approximately RMB510 million as at 31 December 2024, to approximately RMB526 million as at 30 June 2025, representing an increase of 3%.

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Trade receivables	528,380	513,899
Less: Allowance for credit losses	(2,029)	(4,082)
	526,351	509,817

The Group allows a normal credit period of 30 to 60 days (31 December 2024: 30 to 60 days) to its trade customers.

The following is an analysis of trade receivables by age (net of allowance for credit losses) presented based on invoice dates, which approximated the revenue recognition date, at the end of the Reporting Period.

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
0 to 90 days	514,345	400,070
91 to 180 days	901	18,506
Over 180 days	11,105	91,241
	526,351	509,817

MANAGEMENT DISCUSSION AND ANALYSIS

OTHER FINANCIAL ASSETS

The balance of other financial assets increased from approximately RMB1,003 million as at 31 December 2024 to approximately RMB1,169 million as at 30 June 2025, mainly due to increase in investments of financial products and unlisted equity.

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Current assets		
Financial assets measured at FVTPL		
– Financial products	**501,203**	430,508
Non-current assets		
Financial assets measured at FVTPL		
– Unlisted investments in partnership	**205,181**	188,869
– Unlisted equity investments	**207,809**	46,898
– Investments in preference shares	**709,489**	704,738
Financial assets designated as at FVTOCI *(Note)*	**46,476**	62,565
	1,168,955	1,003,070

Note: The investments are not held for trading, instead, these are held for long-term strategic purposes. The management of the Group have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding the investments for long-term purposes and realising the performance potential in the long run.

MANAGEMENT DISCUSSION AND ANALYSIS

TRADE AND OTHER PAYABLES

The balance of trade and other payables decreased from approximately RMB1,548 million as at 31 December 2024 to approximately RMB1,332 million as at 30 June 2025, mainly due to decrease in trade payables and various accrued expenses as a result of the implementation of the Group's cost control policy.

	As at 30 June 2025 ***RMB'000*** **(Unaudited)**	As at 31 December 2024 *RMB'000* (Audited)
Trade payables		
– third parties	**115,104**	208,356
Accrued expenses in respect of		
– construction cost of properties under construction	**417,697**	465,730
– research and development expenses *(Note a)*	**291,204**	310,884
– selling and distribution expenses	**123,053**	146,565
– payables under collaboration agreement	**21,399**	10,088
– others	**64,746**	91,061
Salary and bonus payables	**194,821**	252,681
Payable for transaction costs for the issuance of H Shares	**2,569**	–
Other tax payables	**24,022**	27,287
Other payables *(Note b)*	**77,522**	35,768
	1,332,137	1,548,420
Analysed as		
– current	**1,302,137**	1,548,420
– non-current	**30,000**	–
	1,332,137	1,548,420

Notes:

(a) Amounts include service fees payable to outsourced service providers including contract research organisations and clinical trial centres.

(b) Included in the balance, amount of RMB30,000,000 is non-trade in nature, unsecured and interest-free, and amount of RMB15,000,000 is non-trade in nature, unsecured, and carrying interest rate of 5%.

MANAGEMENT DISCUSSION AND ANALYSIS

Payment terms with suppliers are mainly with credit term of 0 to 90 days (31 December 2024: 0 days to 90 days) from the time when the goods and services are received from the suppliers. The following is an aging analysis of trade payables presented based on invoice date at the end of the Reporting Period:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
0 to 30 days	**39,965**	98,434
31 to 60 days	**436**	17,062
61 to 180 days	**13,903**	14,982
Over 180 days	**60,800**	77,878
	115,104	208,356

INDEBTEDNESS

As at 30 June 2025, the Group's variable-rate borrowings of approximately RMB1,834 million carried interest rates at loan prime rate minus a margin, ranging from 0.45% to 1.15% per annum and the Group's fixed-rate borrowings of approximately RMB1,560 million carried interest rates at around 2.16% to 2.79% per annum.

Unsecured Borrowings

As at 30 June 2025, the balance of our unsecured borrowings amounted to approximately RMB1,779 million in total mainly from China Merchants Bank, Bank of Shanghai, Bank of communications, Industrial and Commercial Bank of China and Bank of Beijing carrying fixed interest rates ranging from 2.16% to 2.79% per annum and variable interest rates at loan prime rate minus a margin, ranging from 0.45% to 0.86% per annum.

During the period ended 30 June 2025, we entered into several new unsecured borrowing agreements with a total borrowing amounting to approximately RMB1,356 million, which carried fixed interest rates ranging from 2.18% to 2.70% per annum and variable interest rates at loan prime rate minus a margin of 0.51% per annum. In addition, during the period ended 30 June 2025 we drew down approximately RMB248 million of borrowings pursuant to an existing unsecured borrowing agreements as at 31 December 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

Secured Borrowings

As at 30 June 2025, the balance of our secured borrowings amounted to approximately RMB1,615 million in total mainly from Industrial and Commercial Bank of China, China Merchants Bank, China Construction Bank and Bank of Shanghai. The borrowings carried interest at loan prime rate minus a margin, which ranged from 0.45% to 1.15% per annum.

During the period ended 30 June 2025, we entered into several new secured borrowing agreements with a total borrowing amounting to approximately RMB43 million, which carried variable interest rates at loan prime rate minus a margin, ranging from 0.70% to 1.15% per annum. In addition, during the period ended 30 June 2025 we drew down approximately RMB54 million of borrowings pursuant to an existing secured borrowing agreements as at 31 December 2024.

The Group incurred borrowings for: i) ongoing clinical trials and preclinical studies for our drug candidates and replenishment of working capital; ii) construction of Suzhou Junao Cancer Hospital; and iii) construction of ADC factory project in Shanghai Lingang production base.

As at 30 June 2025, the Group has pledged the following assets as securities for the Group's bank borrowings:

	At 30 June 2025	At 31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Property, plant and equipment	**1,824,609**	606,785
Right-of-use assets	**184,930**	135,200
	2,009,539	741,985
The maturity profile of bank borrowings is as follows:		
– within one year	**1,613,864**	894,601
– within a period of more than one year but not exceeding two years	**501,001**	623,668
– within a period of more than two years but not exceeding five years	**790,206**	790,641
– within a period of more than five years	**489,148**	565,371
	3,394,219	2,874,281

All bank borrowings are denominated in RMB as at 30 June 2025 and 31 December 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

CONTRACTUAL COMMITMENTS

Capital and Other Commitments

As at 30 June 2025, the Group's capital expenditure in respect of the acquisition of property, plant and equipment and investment contracted for but not provided in the condensed financial statements was approximately RMB1,443 million, which increased by 47% from RMB984 million as at 31 December 2024, due to the increased capital expenditure both in acquisition of property, plant and equipment and equity investments.

Financing Plan

The Group expects to obtain a credit limit of no more than RMB8,000 million to support the Group's production operations and project construction. The credit limit was valid from the date of approval by the Company at the 2024 annual general meeting to the date of the 2025 annual general meeting.

GEARING RATIO

As at 30 June 2025, the gearing ratio of the Group was 6.32%, which was calculated using interest-bearing borrowings less bank balances and cash, divided by total equity and multiplied by 100%, representing an decreased of 0.19 percentage points from 6.51% as at 31 December 2024. The decrease was mainly due to the Placing of an aggregate of 41,000,000 new H Shares completed on 20 June 2025, which increased our total equity.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS

Save as disclosed in this interim report, the Group does not have other significant investments, material acquisitions or disposals of subsidiaries, associates and joint ventures.

CONTINGENT LIABILITIES

As at 30 June 2025, we did not have any material contingent liabilities.

FUTURE PLAN FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this interim report, the Group does not have other future plans for material investments or capital assets.

OTHER INFORMATION

RESULTS AND DIVIDENDS

The Group's profit for the Reporting Period and the state of affairs of the Group at 30 June 2025 are set out in the condensed consolidated financial statements and the accompanying notes on pages 59 to 89.

The Directors do not recommend the distribution of any interim dividend for the Reporting Period.

DIRECTORS AND SUPERVISORS

Board of Directors

As at the end of the Reporting Period, the Board comprised 14 Directors, consisting of 8 executive Directors, 1 non-executive Director, and 5 independent non-executive Directors. During the Reporting Period and up to the date of publication of this interim report, the composition of the Board changed as follows:

Executive Directors

Mr. Xiong Jun *(Chairman and Legal Representative)*
Dr. Li Ning *(Vice Chairman)*
Dr. Zou Jianjun *(Chief Executive Officer and General Manager)*
Mr. Li Cong *(Co-Chief Executive Officer)*
Mr. Zhang Zhuobing
Dr. Yao Sheng
Dr. Wang Gang
Dr. Li Xin

Non-executive Director

Mr. Tang Yi

Independent Non-executive Directors

Mr. Zhang Chun
Dr. Feng Xiaoyuan
Dr. Yang Yue[1]
Mr. Li Zhongxian
Ms. Lu Kun

BOARD OF SUPERVISORS[2]

As at the end of the Reporting Period, the Board of Supervisors comprised 3 Supervisors. The Supervisors were as follows:

Ms. Kuang Hongyan *(Chairman of the Board of Supervisors)*
Ms. Wang Pingping
Ms. Huo Yilian

1. Dr. Yang Yue has tendered her resignation as independent non-executive Director, member of the Nomination Committee and member of the Remuneration and Appraisal Committee, and her resignation will become effective upon the election of a new independent non-executive Director in the EGM.

2. The Company proposes to abolish the Board of Supervisors and the abolishment will become effective upon the approval of the resolution at the EGM.

OTHER INFORMATION

DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this interim report, none of the Directors, Supervisors or any of their respective associates was granted by the Company or its subsidiaries any right to acquire shares in, or debentures of, the Company or its subsidiary, or had exercised any such right during the Reporting Period.

Proposed adoption of the 2025 H Share Option Incentive Scheme and 2025 A Share Option Incentive Scheme

On 2 September 2025, the Board resolved to approve, among other things, (i) the proposed adoption of the 2025 H Share Option Incentive Scheme; and (ii) the proposed adoption of the 2025 A Share Option Incentive Scheme. The 2025 H Share Option Incentive Scheme and the 2025 A Share Option Incentive Scheme constitute share schemes involving the issue of new Shares of the Company under Chapter 17 of the Listing Rules. Accordingly, the adoption of the 2025 H Share Option Incentive Scheme and the 2025 A Share Option Incentive Scheme are subject to Shareholders' approval at the EGM.

Proposed grant to the grantees and proposed grant to Mr. Xiong

On 2 September 2025, the Board also resolved to approve, among other things, (i) the proposed grant of 13,210,000 H Share Options to seven executive Directors (including Dr. Li Ning, Dr. Zou Jianjun, Mr. Li Cong, Mr. Zhang Zhuobing, Dr. Yao Sheng, Dr. Wang Gang, Dr. Li Xin) and three other employee participants; and (ii) proposed grant of the 8,000,000 A Share Options to Mr. Xiong, conditional upon the adoption of the 2025 A Share Option Incentive Scheme and the 2025 H Share Option Incentive Scheme.

An EGM will be convened for the Shareholders to consider and, if thought fit, approve, among other things, (i) the proposed adoption of the 2025 H Share Option Incentive Scheme; (ii) the proposed grant of 1,200,000 H Share Options to Mr. Zhang Zhuobing; (iii) the proposed grant of 1,200,000 H Share Options to Dr. Yao Sheng; and (iv) the proposed adoption of the 2025 A Share Option Incentive Scheme and the Proposed Grant to Mr. Xiong.

Please refer to the announcement and circular of the Company dated 2 September 2025 and 5 September 2025, and the supplemental circular of the Company dated 15 September 2025 respectively for further details.

Competing interest and other interest

None of the Directors or the Supervisors or any entity connected with them has any material interest, either directly or indirectly, in any contract, transaction or arrangement of significance to the Group's business to which the Company, any of its holding companies, any of its subsidiaries, fellow subsidiaries was a party subsisted at any time during the Reporting Period.

During the Reporting Period, none of the Directors and their respective associates had an interest in a business which causes or may cause any significant competition with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

OTHER INFORMATION

Changes of Information of the Directors and Supervisors

During the Reporting Period, save as disclosed below, the Directors and the Supervisors confirmed that there is no information which is discloseable pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules.

As at the date of this report, changes in information since the date of publication of the 2024 Annual Report which are required to be disclosed by the Directors of the Company pursuant to Rule 13.51B(1) of the Listing Rules are set out as below:

Updated Biographical Details of Directors

Name of Director	Details of Change	Effective Date
Ms. Lu Kun	Appointed as the chairman of the Compliance Committee	27 March 2025
Mr. Li Zhongxian	Appointed as a member of the Compliance Committee	27 March 2025
Mr. Zhang Chun	Appointed as a member of the Compliance Committee	27 March 2025

Directors', Supervisors' and Chief Executive's Interests and Short Position in Shares, Underlying Shares and Debentures

As at 30 June 2025, the interests or short positions of the Directors, Supervisors and chief executive of the Company in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and Hong Kong Stock Exchange pursuant to the Model Code were as follows:

Interests in the Company

Name of Director/ Supervisor/ Chief Executive	Nature of interests	Class of Shares	Number of Shares/ Underlying Shares[1]	Approximate percentage in relevant class of Shares[1]	Approximate percentage in total share capital[1]
Xiong Jun	Beneficial owner[2]	A Shares	87,854,018 (L)	11.46%	8.56%
		H Shares	2,600 (L)	0.00%	0.00%
	Parties acting in concert[2]	A Shares	96,126,568 (L)	12.54%	9.36%
	Interest in controlled corporations[2]	A Shares	105,413,768 (L)	13.75%	10.27%
Li Ning	Beneficial owner[3]	A Shares	50,000 (L)	0.01%	0.00%

OTHER INFORMATION

Name of Director/ Supervisor/ Chief Executive	Nature of interests	Class of Shares	Number of Shares/ Underlying Shares[1]	Approximate percentage in relevant class of Shares[1]	Approximate percentage in total share capital[1]
Li Cong	Beneficial owner[4]	A Shares	127,020 (L)	0.02%	0.01%
Zhang Zhuobing	Beneficial owner[5]	A Shares	40,000 (L)	0.01%	0.00%
	Interest of spouse[5]	A Shares	8,608,000 (L)	1.12%	0.84%
	Parties acting in concert[5]	A Shares	96,462,018 (L)	12.59%	9.40%
Tang Yi	Beneficial owner[6]	A Shares	7,774,500 (L)	1.01%	0.76%
	Interest in controlled corporations[6]	A Shares	48,184,000 (L)	6.29%	4.69%
Wang Gang	Beneficial owner[7]	A Shares	10,000 (L)	0.00%	0.00%
Li Xin	Beneficial owner[8]	A Shares	12,060 (L)	0.00%	0.00%
		H Shares	41,200 (L)	0.02%	0.00%
	Interest in controlled corporations[8]	H Shares	41,654 (L)	0.02%	0.00%

Notes:

1. The letter "L" denotes the long position in the Shares, the letter "S" denotes short position in the Shares and the letter "P"denotes lending pool. As at 30 June 2025, the Company had 1,026,689,871 issued Shares, comprising 766,394,171 A Shares and 260,295,700 H Shares.

2. As at 30 June 2025, Mr. Xiong directly held 87,854,018 A Shares and 2,600 H Shares.

   Pursuant to (i) a concert party agreement dated 25 December 2017 entered into among Mr. Xiong Jun, Mr. Xiong Fengxiang, Suzhou Ruiyuan Shengben Biological Medicine Management Partnership (LP)* ("**Suzhou Ruiyuan**"), Suzhou Benyu Tianyuan Biological Technology Partnership (LP)* ("**Suzhou Benyu**"), Shanghai Baoying Asset Management Co., Ltd.* ("**Shanghai Baoying**"), Meng Xiaojun, Gao Shufang, Zhuhai Huapu Investment Management Co., Ltd.* and Zhao Yun (the "**2017 Concert Party Agreement**"), Mr. Xiong Jun was deemed to be interested in the A Shares held by the other parties to the 2017 Concert Party Agreement; and (ii) a concert party agreement dated 26 July 2019 entered into between Mr. Xiong Jun and Ms. Zhou Yuqing (the "**2019 Concert Party Agreement**"), Mr. Xiong Jun was further deemed to be interested in the 21,680,800 A Shares held by the other party to the 2019 Concert Party Agreement as at 30 June 2025 under the SFO; (iii) the entering into of the supplemental agreement to the 2017 Concert Party Agreement ("**Supplemental Agreement**") and a concert party agreement among Mr. Xiong, Ms. Liu Xiaoling and Ms. Wang Lifang on 11 April 2025 (the "**2025 Concert Party Agreement**"), Suzhou Ruiyuan, Suzhou Benyu and Zhao Yun have ceased to be parties acting in concert with Mr. Xiong Jun, Mr. Xiong Jun has ceased to be interested in the shares held by Suzhou Ruiyuan, Suzhou Benyu and Zhao Yun, and Mr. Xiong has formed a concert party group with Mr. Xiong Fengxiang, Shanghai Baoying, Meng Xiaojun, Gao Shufang, Zhuhai Huapu Investment Management Co., Ltd.* (the "**New 2017 Concert Party Group**"), and another concert party group with Liu Xiaoling and Wang Lifang (the "**2025 Concert Party Group**", together with the New 2017 Concert Party Group and 2019 Concert Party Group, the "**New Concert Parties Groups**"). Mr. Xiong Jun was deemed to be interested in an aggregate of 96,126,568 A Shares held by the other members of the New Concert Parties Groups as at 30 June 2025 under the SFO.

OTHER INFORMATION

As at 30 June 2025, Mr. Xiong Jun (i) was an executive director and was directly interested in 20% of the equity share capital of Shanghai Baoying, which directly held 4,372,144 A Shares; Shanghai Baoying was also a party to the 2017 Concert Party Agreement and was deemed to be interested in the 52,857,624 A Shares held by the New 2017 Concert Party Group other than Mr. Xiong Jun; (ii) was the chairman of the board of directors and was directly interested in 40% of the equity share capital of Shenzhen Qianhai Yuanben Equity Investment Fund Management Co., Ltd.* ("**Shenzhen Yuanben**"), which was the general partner of each of Suzhou Benyu and Suzhou Ruiyuan, which in turn directly held 4,600,000 and 43,584,000 A Shares, respectively. Shenzhen Yuanben also held a limited partner interest of approximately 86.28% of Suzhou Benyu. Mr. Xiong Jun was deemed to be interested in an aggregate of 105,413,768 A Shares held by the corporations he controlled under the SFO as at 30 June 2025.

3. As at 30 June 2025, Dr. Li Ning directly held 50,000 A Shares.

4. As at 30 June 2025, Dr. Li Cong directly held 127,020 A Shares.

5. As at 30 June 2025, Mr. Zhang Zhuobing directly held 40,000 A Shares. Mr. Zhang Zhuobing's spouse, Ms. Liu Xiaoling, directly held 8,608,000 A Shares. Ms. Liu Xiaoling, being a party to the 2025 Concert Party Agreement, is deemed to be interested in the 96,462,018 A Shares held by the other parties to the 2025 Concert Party Agreement. As such, Mr. Zhang Zhuobing, as the spouse of Ms. Liu Xiaoling is further deemed to be interested in the 96,462,018 A Shares held by Ms. Liu Xiaoling under the SFO.

6. As at 30 June 2025, Mr. Tang Yi directly held 7,774,500 A Shares. Mr. Tang Yi was a director of and directly interested in 60% of the equity share capital of Shenzhen Yuanben, which was the general partner of each of Suzhou Benyu and Suzhou Ruiyuan. Shenzhen Yuanben also held a limited partner interest of approximately 86.28% of Suzhou Benyu. Therefore, he was deemed to be interested in Shares in which Suzhou Benyu and Suzhou Ruiyuan were interested under the SFO.

7. As at 30 June 2025, Dr. Wang was deemed to be interested in 10,000 A Shares.

8. As at 30 June 2025, Dr. Li Xin directly held 12,060 A Shares and 41,200 H Shares. He also indirectly held 41,654 H Shares through an investment fund.

Save as disclosed above, as at 30 June 2025, none of the Directors, Supervisors and the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be recorded in the register of the Company required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and Hong Kong Stock Exchange pursuant to the Model Code.

OTHER INFORMATION

Interests in Associated Corporations

Save as disclosed above, as at 30 June 2025, none of the Directors, Supervisors or the chief executive of the Company had any interests or short positions in shares, underlying shares and debentures of associated corporations (within the meaning of Part XV of SFO) of the Company.

Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares

As at 30 June 2025, to the best knowledge of the Directors, the following persons/entities (not being a Director, Supervisor or chief executive of the Company) had interests or short positions in the Shares or underlying Shares of the Company which fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO and recorded in the register required to be kept under Section 336 of the SFO were as follows:

Name of Shareholder	Nature of interests	Class of Shares	Number of Underlying Shares[1]	Approximate percentage in relevant class of Shares[2]	Approximate percentage in total share capital[2]
Xiong Fengxiang	Beneficial owner	A Shares	41,060,000 (L)	5.36%	4.00%
熊鳳祥[3][4]	Parties acting in concert	A Shares	104,023,786 (L)	13.57%	10.13%
Suzhou Ruiyuan Shengben Biological Medicine Management Partnership (LP)* 蘇州瑞源盛本生物醫藥管理合夥企業(有限合夥)	Beneficial owner	A Shares	43,584,000 (L)	5.69%	4.25%
Shanghai Baoying Asset Management Co., Ltd*	Beneficial owner	A Shares	4,372,144 (L)	0.57%	0.43%
上海寶盈資產管理有限公司[4]	Parties acting in concert	A Shares	140,711,642 (L)	18.36%	13.71%
Meng Xiaojun	Beneficial owner	A Shares	4,288,400 (L)	0.56%	0.42%
孟曉君[4]	Parties acting in concert	A Shares	140,795,386 (L)	18.37%	13.71%
Gao Shufang	Beneficial owner	A Shares	3,789,720 (L)	0.49%	0.37%
高淑芳[4]	Parties acting in concert	A Shares	141,294,066 (L)	18.44%	13.76%
Zhuhai Huapu Investment Management Co., Ltd.*	Beneficial owner	A Shares	3,719,504 (L)	0.49%	0.36%
珠海華樸投資管理有限公司[4]	Parties acting in concert	A Shares	141,364,282 (L)	18.45%	13.77%
Zhou Yuqing	Beneficial owner	A Shares	21,680,800 (L)	2.83%	2.11%
周玉清[5]	Parties acting in concert	A Shares	88,346,018 (L)	11.53%	8.60%
Lin Lijun 林利軍[6]	Interest in controlled corporations	A Shares	71,459,326 (L)	9.32%	6.96%
	Founder of discretionary trust	H Shares	15,758,673 (L)	6.05%	1.53%
Shanghai Tanying Investment Partnership (LP)* 上海檀英投資合夥企業（有限合夥）[6]	Beneficial owner	A Shares	71,459,326 (L)	9.32%	6.96%
Shanghai Lejin Investment Partnership* (上海樂進投資合夥企業（有限合夥）)[6]	Interest in controlled corporations	A Shares	71,459,326 (L)	9.32%	6.96%

OTHER INFORMATION

Name of Shareholder	Nature of interests	Class of Shares	Number of Underlying Shares[1]	Approximate percentage in relevant class of Shares[2]	Approximate percentage in total share capital[2]
Shanghai Zhengxingu Investment Management Co., Ltd.* (上海正心谷投資管理有限公司) [6]	Interest in controlled corporations	A Shares	71,459,326 (L)	9.32%	6.96%
Liu Xiaoling	Beneficial owner	A Shares	8,608,000 (L)	1.12%	0.84%
劉小玲[7]	Parties acting in concert	A Shares	96,462,018 (L)	12.59%	9.40%
	Interest of spouse	A Shares	40,000 (L)	0.01%	0.00%
Wang Lifang	Beneficial owner	A Shares	8,608,000 (L)	1.12%	0.84%
王莉芳[7]	Parties acting in concert	A Shares	96,462,018 (L)	12.59%	9.40%
LVC Innovate Limited[8]	Interest in controlled corporations	H Shares	15,758,673 (L)	6.05%	1.53%
Jovial Champion Investments Limited[8]	Interest in controlled corporations	H Shares	15,758,673 (L)	6.05%	1.53%
Vistra Trust (Singapore) Pte. Limited[8]	Interest in controlled corporations	H Shares	15,758,673 (L)	6.05%	1.53%
綠地控股集團股份有限公司	Interest in controlled corporations	H Shares	51,386,400 (L)	19.74%	5.01%
綠地數字科技有限公司	Interest in controlled corporations	H Shares	51,386,400 (L)	19.74%	5.01%

OTHER INFORMATION

Notes:

1. The letter "L" denotes the long position in the Shares, the letter "S" denotes short position in the Shares and the letter "P" denotes lending pool.

2. As at 30 June 2025, the Company had 1,026,689,871 issued Shares, comprising 766,394,171 A Shares and 260,295,700 H Shares.

3. As at 30 June 2025, Mr. Xiong Fengxiang directly held 41,060,000 A Shares. Pursuant to the Supplemental Agreement, Mr. Xiong Fengxiang, was deemed to be interested in an aggregate of 104,023,786 A Shares in which the other members of the New 2017 Concert Party Group are interested under the SFO (including the 87,854,018 A Shares directly held by Mr. Xiong Jun, son of Mr. Xiong Fengxiang).

4. Each of them is a party to the 2017 Concert Party Agreement and the Supplemental Agreement, and was therefore deemed to be interested in the A Shares in which the other members of the New 2017 Concert Party Group are interested under the SFO.

5. Ms. Zhou Yuqing is a party to the 2019 Concert Party Agreement, and was therefore deemed to be interested in the A Shares in which Mr. Xiong Jun (who was the other party to the 2019 Concert Party Agreement) are interested under the SFO.

6. As at 30 June 2025, Shanghai Tanying Investment Partnership (LP)* (上海檀英投資合夥企業(有限合夥)) ("**Shanghai Tanying**") was directly interested in 71,459,326 A Shares. Mr. Lin Lijun was a director and wholly interested in Shanghai Zhengxingu Investment Management Co., Ltd.* (上海正心谷投資管理有限公司) (formerly Shanghai Shengge Asset Management Co., Ltd.*) ("**Shanghai Loyal Valley**"), which was the general partner of Shanghai Tanying. Shanghai Loyal Valley was the general partner of Shanghai Lejin Investment Partnership (LP)* (上海樂進投資合夥企業(有限合夥)) ("**Shanghai Lejin**"), which in turn held 99.99% interest in Shanghai Tanying. Therefore, Mr. Lin Lijun was deemed to be interested in the Shares held by Shanghai Tanying under the SFO. Each of Shanghai Loyal Valley and Shanghai Lejin was deemed to be interested in the 71,459,326 A Shares held by Shanghai Tanying under the SFO.

7. Each of them is a party to the 2025 Concert Party Agreement, and was therefore deemed to be interested in the Shares in which the other parties to the 2025 Concert Party Agreement was interested under the SFO.

8. As at 30 June 2025, Loyal Valley Capital Advantage Fund II LP ("**LVC Fund II**") and LVC Renaissance Fund LP ("**LVC Renaissance Fund**"), directly held 7,842,673 H Shares and 7,916,000 H Shares, respectively. Loyal Valley Capital Advantage Fund II Limited ("**LVC Fund II GP**") was the general partner of LVC Fund II and was deemed to be interested in the H Shares held by it. LVC Renaissance Limited ("**LVC Renaissance GP**") was the general partner of LVC Renaissance Fund and was deemed to be interested in the H Shares held by it. LVC Fund II GP was wholly-owned by LVC Holdings Limited, which was wholly-owned by LVC Management Holdings Limited. Therefore, LVC Management Holdings Limited was deemed to be interested in the H Shares held by LVC Fund II. Each of LVC Fund II GP and LVC Renaissance GP was directly or indirectly controlled by LVC Innovate Limited (previously known as LVC Bytes Limited), which was wholly-owned by Jovial Champion Investments Limited, which was in turn wholly-owned by Vistra Trust (Singapore) Pte. Limited, which was controlled by Mr. Lin Lijun. Therefore, each of LVC Innovate Limited (previously known as LVC Bytes Limited), Jovial Champion Investments Limited and Vistra Trust (Singapore) Pte. Limited was deemed to be interested in the H Shares held by LVC Fund II and LVC Renaissance Fund under the SFO. Vistra Trust (Singapore) Pte. Limited was controlled by Mr. Lin Lijun. Also, Mr. Lin Lijun was deemed to be interested in an aggregate of 15,758,673 H Shares held by LVC Fund II and LVC Renaissance Fund under the SFO.

OTHER INFORMATION

RISK FACTORS

1. Risks related to pending profitability

A long profit cycle is one of the most salient features of the biopharmaceutical industry. It typically takes a relatively long period for a biopharmaceutical company at the R&D stage to grow before it becomes profitable. As an innovative biopharmaceutical company, the Company is currently in an important R&D investment phase, and our R&D investment is expected to increase and consistently in line with the expansion of R&D pipeline and acceleration of domestic and overseas drug clinical trial activities. Our future profitability depends on the pace of the launch and the conditions of post-launch sales of our drug candidates. On the other hand, R&D investments and marketing and operating costs will add uncertainties to the Company's profitability. Therefore, the Company is exposed to the risk of not being able to become profitable in the short term.

A total of four drugs (TUOYI®, JUNMAIKANG, MINDEWEI and JUNSHIDA) are being commercialized by the Company, and various drug candidates in the late stage of research and development close to commercialization. The accelerated development of more and more drug candidates, the successive completion of registrational clinical trials for more indications of the approved products as well as the increased number of products approved for marketing will further improve the Company's financial position and help create conditions for a turnaround in the profitability of the Company as soon as possible.

2. Risks related to significant decline in performance or loss

The Company is committed to the discovery, development and commercialization of innovative therapies. The Company actively deploys a product pipeline that covers various therapeutic areas. In the future, it will maintain a corresponding scale of investment in R&D for the pre-clinical research, global clinical trials and preparation for NDAs of drug candidates and other drug development. Besides, the Company's NDA and registration efforts, post-launch marketing and promotion activities and other aspects will incur expenses, which may result in greater losses for the Company in the short run, thereby adversely affecting the Company's daily operations and financial position. During the Reporting Period, there were no material adverse changes in the principal business and core competitiveness of the Company.

3. Risks related to core competitiveness

Classified as technical innovation, the R&D of new drugs is characterized by long R&D cycles, significant investment, high risks and low success rate. From laboratory research to obtaining approval, new drugs go through a lengthy process with complicated stages, including preclinical study, clinical trial, registration and marketing of new drugs and aftersales supervision. Any of the above stages is subject to the risk of failure. The Company will strengthen its forward-looking strategic research, and determine the direction of new drug R&D according to the needs of clinical drug use. The Company will also formulate reasonable new drug technology solutions, continuously increase the investment in R&D of new drugs, and prudently launch R&D projects for new drugs. In particular, the Company implements phase-based assessment on drug candidates in the course of R&D. If it is found that the expected results cannot be achieved, the subsequent R&D of such product will be terminated immediately, so as to minimize the R&D risks of new drugs.

OTHER INFORMATION

4. Risks related to operations

The Company's business operations require certain R&D technical services and raw materials supply. Currently, the relationship between the Company and existing suppliers are stable. If the price of R&D technical services or raw materials increased significantly, the Company's profitability may be adversely affected. At the same time, the Company's suppliers may not be able to keep up with the rapid development of the Company, such that they may have to reduce or terminate the supply of the Company's R&D services or raw materials. If such R&D technical services or the supply of raw materials were disrupted, and thus the Company's business operations may be adversely affected. Furthermore, some of the Company's raw materials, equipment and consumables are directly or indirectly imported. If there are significant changes in the international trade situation, the Company's production and operation may be affected to a certain extent.

The Company's commercialized products toripalimab injection, adalimumab injection and deuremidevir hydrobromide tablets are all included in the NRDL. The reduction in price after being included into the drug list can effectively improve the accessibility and affordability of the Company's products, which is conducive to a significant increase in product sales. However, if the increase in sales is less than expected, it may adversely affect the Company's revenue.

5. Finance risks

During the Reporting Period, the exchange rate risks of the Company primarily arose from the assets and liabilities held by the Company and its subsidiaries which were denominated in the foreign currencies other than the book-keeping base currency. The Company's exposure to exchange rate risks was mainly related to the items denominated in HKD and USD. If significant fluctuations occur in the exchange rates between these foreign currencies to be kept by the Company and RMB in the future, the Company will continue to experience exchange gains or losses, which could affect the operating performance of the Company. The Group currently does not have a foreign currency hedging policy. However, the management of the Group monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

During the Reporting Period, the net cash outflow from operating activities of the Company was approximately RMB361 million. Currently, the Company's capital sources include revenue from sales of marketed products as well as external financing. If the Company is unable to achieve profitability or secure sufficient funds to cover operating expenses within a certain period in the future, the Company may have to delay, reduce or cancel R&D projects, affecting the commercialization progress of its drug candidates, which may in turn have an adverse impact on the business prospects, financial position and operating performance of the Company.

During the Reporting Period, when assessing the risk of inventory impairment, the Company recognized the provisions for inventory impairment upon identifying indications that the estimated net realizable value of the purchased inventories was lower than its carrying value, such as inventory becoming fully or partially obsolete or a decline in selling prices. When estimating the net realizable value of inventories, the Company comprehensively considers factors such as future market competition, pricing, further processing costs and selling expenses to recognize asset impairment losses, thereby accurately reflecting the carrying value of inventories as of the end of the period. In the future, if changes in market conditions or intensified competition occur, the Company may face risks of asset impairment, which may adversely affect its operations.

OTHER INFORMATION

6. Risks related to the industry

In view of the constant reforms in the medical and health system, encouraging pharmaceutical enterprises to be innovative and reduce prices of drugs have become a trend, and the industry landscape is about to be reshaped. If the Company fails to keep up with industry trends and continue with its innovation in the future, or if there are adverse changes in relevant industry policies, the Company's development may be adversely affected.

The Company's development goal has always been "innovation". Our pipeline focuses on innovative drugs. In response to the above industry and policy risks, the Company will adapt to changes in external policies, continue to improve our innovation capabilities and our ability to continuously discover and develop new products, increase our R&D investments, accelerate the process of innovative drugs entering clinical trial phase and the market, and respond to challenges with innovation. On this basis, the Company will further expand our production capacity, and reduce the unit cost of our products while maintaining the quality of our products, so as to address the possible price reduction of drugs in future. At the same time, we will comply with relevant laws and regulations and adapt our business operations to the changes in regulatory policies to avoid possible policy risks.

7. Risks related to the macro environment

Future changes in the international, political, economic and market environment, especially the uncertainty of trade relations between China and the United States, as well as the additional tariffs or other restrictions that may be imposed by China and the United States on cross-border technology transfer, investment and trade, may have a certain adverse impact on the Company's overseas business operations.

SHARE CAPITAL

Details of movements in the share capital of the Company during the Reporting Period are set out in note 22 to the condensed consolidated financial statements.

As at 30 June 2025, 1,026,689,871 Shares were in issue (comprising 766,394,171 A Shares (including 815,871 treasury shares) and 260,295,700 H Shares).

OTHER INFORMATION

PLACING OF H SHARES UNDER GENERAL MANDATE

On 20 June 2025, the Company completed the placing of an aggregate of 41,000,000 new H share(s) under general mandate ("**Placing**") pursuant to a placing agreement dated 12 June 2025 entered into by the Company and UBS AG Hong Kong Branch (as sole placing agent). The Placing Shares represented approximately 15.75% of all issued H shares of the Company and 3.99% of all issued shares of the Company as enlarged by the allotment and issue of the Placing Shares and the price of the Placing Shares was HK$25.35 per H Share. The closing price of the shares of the Company quoted on the Hong Kong Stock Exchange on 12 June 2025 was HK$28.65 per H share. The net price (after deduction of the commissions and estimated expenses) raised per H Share is approximately HK$25.02 per H Share. The aggregate nominal value of the Placing Shares is RMB41,000,000. The Placing Shares were issued to not less than six placees who are independent professional, institutional and/or other investors and who are independent of, and not connected with the Company and its connected persons (as defined in the Hong Kong Listing Rules).

The Board considers that the Placing is beneficial to the Company for the following reasons:

(a) available funds will be brought by the net proceeds from the Placing for the Company's sustainable development to enhance the Company's capability of developing and commercialising potential new-generation drugs, further expand the layout and investment in next-generation drug platforms and R&D technologies, to continuously enhance the Company's competitiveness and drive the development of the Company; and

(b) it can optimize the shareholding structure through the introduction of more internationally renowned investment institutions, thereby broadening the shareholder base of the Company.

The aggregate gross proceeds from the Placing are approximately HK$1,039 million and the aggregate net proceeds from the Placing to be received by the Company (after deduction of the commissions and estimated expenses) are approximately HK$1,026 million (equivalent to RMB937 million). The Group intends to use 70% of the net proceeds from the Placing for innovative drug development, including anti-PD-1/VEGF bispecific antibody (code JS207), epidermal growth factor receptor (EGFR) and human epidermal growth factor receptor 3 (HER3) bispecific antibody-drug conjugate (code JS212), PD-1 and interleukin-2 (IL-2) bifunctional antibody fusion protein (code JS213), and other pipelines under development; and 30% of the net proceeds from the Placing for general corporate purposes such as replenishment of working capital. For further details, please refer to the Company's announcements dated 13 June 2025 and 20 June 2025.

As at 30 June 2025, none of the net proceeds from the Placing has been utilized. The Company will gradually utilize the net proceeds from the Placing in accordance with such intended purposes based on the estimate of future market conditions and business operations of the Company, and will remain subject to change based on current and future development of market conditions and actual business needs.

OTHER INFORMATION

The following table sets out the intended use and actual usage of the net proceeds from the Placing as at 30 June 2025:

Purpose of the proceeds	Intended use of the net proceeds *(Approx. RMB million)*	Proceeds utilized during the Reporting Period *(Approx. RMB million)*	Proceeds utilized as at 30 June 2025 *(Approx. RMB million)*	Unutilized proceeds as at 30 June 2025 *(Approx. RMB million)*	Expected timeline for application of the unutilized proceeds
R&D projects of innovative drugs	656	–	–	656	Expected to be fully utilized by 31 December 2027
General corporate purpose	281	–	–	281	Expected to be fully utilized by 31 December 2026
	937	–	–	937	

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

As disclosed in the paragraph headed "Placing of H Shares under General Mandate" above, the Company issued 41,000,000 new H shares upon completion of the Placing on 20 June 2025.

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

CORPORATE GOVERNANCE

The Board is committed to maintaining high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has applied the principles and code provisions as set out in the CG Code contained in Appendix C1 of the Hong Kong Listing Rules. The Board is of the view that, during the Reporting Period, the Company has complied with all code provisions as set out in the CG Code in force during the Reporting Period.

OTHER INFORMATION

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 of the Hong Kong Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiry with each of the Directors and supervisors of the Company, they have confirmed that they had complied with such code of conduct during the Reporting Period.

USE OF PROCEEDS

Use of Proceeds from The STAR Market Listing

As approved by the China Securities Regulatory Commission (Zheng Jian Xu Ke [2020] No. 940) (證監許可[2020]940 號文), the Company issued 87,130,000 ordinary shares (A Shares) with a nominal value of RMB1.00 to the public in a public offering in July 2020 at the issue price of RMB55.50 per share to allow the Company access a more established platform in the PRC capital market. The gross proceeds amounted to approximately RMB4,836 million. After deducting issuance expenses of approximately RMB339 million in accordance with the related requirements, the net proceeds amounted to approximately RMB4,497 million. The net proceeds from the listing of A Shares have been used in accordance with the uses disclosed in the Company's A share prospectus dated 8 July 2020.

Committed investment projects	Planned use of proceeds *RMB'000*	Unutilized proceeds as at 31 December 2024 *RMB'000*	Proceeds utilized during the Reporting Period *RMB'000*	Utilized Proceeds as at 30 June 2025 *RMB'000*	Unutilized Proceeds as at 30 June 2025 *RMB'000*	Timeline for application of the proceeds
Research and development projects of innovative drugs	1,200,000	–	–	1,216,655	–	Was fully utilized by 31 December 2022
Junshi Biotech Industrialization Lingang Project	700,000	–	–	700,000	–	Was fully utilized by 31 December 2020
Repayment of bank loans and replenishment of liquidity	800,000	–	–	824,509	–	Was fully utilized by 30 June 2022
Surplus proceeds	1,796,978	190,509	190,536	1,801,205	–	Was fully utilized by 31 January 2025
	4,496,978*(Note 1)*	190,509*(Note 2)*	190,536*(Note 2)*	4,542,369*(Note 1)*	–*(Notes 1&2)*	

Notes:

1. The difference between (i) the sum of utilized proceeds and the unutilized proceeds and (ii) the net proceeds from the issuance represents bank charges, foreign exchange gains and interests generated from bank saving accounts.

2. The difference between (i) the sum of proceeds utilized during the Reporting Period and unutilized proceeds as at 30 June 2025 and (ii) unutilized proceeds as at 31 December 2024 represents interests generated from bank saving accounts.

OTHER INFORMATION

Use of Proceeds from The Issuance of A Shares

As approved by the China Securities Regulatory Commission (Zheng Jian Xu Ke [2022] No. 2616) (證監許可[2022]2616號文), the Company issued 70,000,000 ordinary shares (A Shares) with a nominal value of RMB1.00 to 17 target subscribers (including securities investment fund management companies, securities firms, trust investment companies, finance companies, insurance institutional investors, qualified foreign institutional investors, and other domestic legal persons investors and natural persons, who/which satisfy the relevant requirements of the China Securities Regulatory Commission) on 2 December 2022 at the issue price of RMB53.95 per share. The gross proceeds amounted to approximately RMB3,777 million. After deducting issuance expenses of approximately RMB32 million in accordance with the related requirements, the net proceeds amounted to approximately RMB3,745 million. The net proceeds from the issuance of A Shares have been used and will be used in accordance with the uses disclosed in the Company's circular dated 7 March 2022, announcements dated 7 March 2022, 14 June 2022, 30 May 2024 and 29 May 2025. The market price of A Shares on 2 December 2022 was RMB61.23 per A share. The Company considered that the projects funded by the proceeds involved in the issuance of A Shares would accelerate the Company's clinical research work and promote the marketing process of relevant products in the PRC and overseas, enhance the synergy between preclinical and clinical research, and relieve tensions in R&D and operation funds of the Company to a certain extent, which are conducive to the realization of the Company's core development strategy and the sustainable and sound development of the production and operation of the Company.

Purpose of the proceeds	**Intended use of the net proceeds** *(Approx. RMB million)*	**Unutilized proceeds as at 31 December 2024** *(Approx. RMB million)*	**Proceeds utilized during the Reporting Period** *(Approx. RMB million)*	**Proceeds utilized as at 30 June 2025** *(Approx. RMB million)*	**Unutilized proceeds as at 30 June 2025** *(Approx. RMB million)*	**Expected timeline for application of the unutilized proceeds**
R&D projects of innovative drugs	3,464	2,733	207	939	2,525	Expected to be fully utilized by 31 December 2026
Shanghai Junshi Biotech headquarters and R&D base project	281	57	19	242	39	Expected to be fully utilized by 31 December 2026
	3,745	2,790	226	1,181	2,564	

OTHER INFORMATION

Subsequent Events after the Reporting Period

– In August 2025, the sNDA for TUOYI® in combination with disitamab vedotin as the treatment of HER2-expressing (HER2 expression is defined as HER2 immunohistochemistry results of 1+, 2+, or 3+) locally advanced or metastatic UC had been accepted by the NMPA.

– In August 2025, the Board resolved to approve the amendments of the terms of reference of the committees of the Board of Directors.

AUDIT COMMITTEE

The Audit Committee comprises two independent non-executive Directors, namely Mr. Zhang Chun (chairman of the Audit Committee and Mr. Li Zhongxian, and one non-executive Director, namely Mr. Tang Yi. The primary duties of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management systems of the Group and overseeing the audit process.

The Audit Committee has reviewed, together with the management and external auditors, the accounting principles and policies adopted by the Group and the condensed consolidated financial statements for the Reporting Period.

AUDITOR

The interim financial report for the six months ended 30 June 2025 is unaudited, but have been reviewed by Deloitte Touche Tohmatsu.

All references above to other sections, reports or notes in this interim report form part of this report.

By order of the Board
Shanghai Junshi Biosciences Co., Ltd.*
Mr. Xiong Jun
Chairman

26 August 2025

* *For identification purpose only*

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF SHANGHAI JUNSHI BIOSCIENCES CO., LTD.*
上海君實生物醫藥科技股份有限公司
(incorporated in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Shanghai Junshi Biosciences Co., Ltd.* 上海君實生物醫藥科技股份有限公司(the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 59 to 89, which comprise the condensed consolidated statement of financial position as of 30 June 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") as issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

26 August 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	NOTES	For the six months ended 30 June 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue	3	**1,168,384**	786,056
Cost of sales and services		**(244,359)**	(210,801)
Gross profit		**924,025**	575,255
Other income	4	**34,947**	34,473
Other gains and losses	5	**67,825**	(17,557)
Impairment losses under expected credit loss model, net of reversal		**2,361**	10,416
Research and development expenses		**(744,931)**	(546,376)
Selling and distribution expenses		**(487,343)**	(427,554)
Administrative expenses		**(208,761)**	(252,599)
Share of losses of joint ventures		**(11,183)**	(8,878)
Share of losses of associates		**(14,026)**	(19,347)
Finance costs		**(38,696)**	(24,393)
Other expenses		**(10,165)**	(8,334)
Loss before tax		**(485,947)**	(684,894)
Income tax credit (expense)	6	**19,538**	(3,551)
Loss for the period	7	**(466,409)**	(688,445)
Other comprehensive (expense) income for the period			
Item that will not be reclassified to profit or loss:			
Fair value loss on financial asset designated as at fair value through other comprehensive income ("FVTOCI")		**(16,089)**	(28,050)
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**173**	3,708
Other comprehensive expense for the period		**(15,916)**	(24,342)
Total comprehensive expense for the period		**(482,325)**	(712,787)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	NOTE	For the six months ended 30 June 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Loss for the period attributable to:			
– Owners of the Company		**(413,431)**	(645,691)
– Non-controlling interests		**(52,978)**	(42,754)
		(466,409)	(688,445)
Total comprehensive expense for the period attributable to:			
– Owners of the Company		**(429,347)**	(670,033)
– Non-controlling interests		**(52,978)**	(42,754)
		(482,325)	(712,787)
Loss per share	*9*		
– Basic and diluted (RMB yuan)		**(0.42)**	(0.66)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	NOTES	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Non-current assets			
Property, plant and equipment	*10*	**4,193,310**	4,163,872
Right-of-use assets	*10*	**493,525**	456,500
Intangible assets		**105,442**	120,504
Interests in joint ventures	*11*	**93,971**	70,154
Interests in associates	*12*	**166,903**	153,181
Deferred tax assets	*13*	**88,915**	87,045
Other assets, prepayments and other receivables	*15*	**597,201**	461,945
Other financial assets	*16*	**1,168,955**	1,003,070
		6,908,222	6,516,271
Current assets			
Inventories		**556,902**	584,471
Trade receivables	*14*	**526,351**	509,817
Other assets, prepayments and other receivables	*15*	**194,415**	256,820
Other financial assets	*16*	**501,203**	430,508
Restricted bank deposits	*17*	**16,707**	15,522
Bank balances and cash	*17*	**2,989,177**	2,486,679
		4,784,755	4,283,817
Current liabilities			
Trade and other payables	*18*	**1,302,137**	1,548,420
Income tax payable		**1,942**	12,443
Borrowings	*19*	**1,613,864**	894,601
Deferred income		**27,140**	30,640
Contract liabilities	*20*	**18,608**	8,166
Provisions and other liabilities		**7,784**	9,567
Lease liabilities		**32,186**	30,294
		3,003,661	2,534,131
Net current assets		**1,781,094**	1,749,686
Total assets less current liabilities		**8,689,316**	8,265,957

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	NOTES	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Non-current liabilities			
Other payables	*18*	**30,000**	–
Borrowings	*19*	**1,780,355**	1,979,680
Deferred income		**141,072**	151,273
Contract liabilities	*20*	**100,063**	–
Other financial liabilities	*21*	**161,224**	158,434
Lease liabilities		**67,094**	26,313
		2,279,808	2,315,700
Net assets		**6,409,508**	5,950,257
Capital and reserves			
Share capital	*22*	**1,026,690**	985,690
Treasury share		**(30,892)**	(30,892)
Reserves		**5,393,928**	4,923,753
Equity attributable to owners of the Company		**6,389,726**	5,878,551
Non-controlling interests		**19,782**	71,706
Total equity		**6,409,508**	5,950,257

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Attributable to owners of the Company										
	Share capital RMB'000	Treasury share RMB'000	Share premium RMB'000	Restricted share units ("RSU") reserve RMB'000	Other reserve RMB'000	Revaluation reserve RMB'000	Translation reserve RMB'000	Accumulated losses RMB'000	Sub-total RMB'000	Non-controlling interests RMB'000	Total RMB'000
As at 1 January 2025 (Audited)	985,690	(30,892)	14,882,670	–	524,201	(202,154)	42,216	(10,323,180)	5,878,551	71,706	5,950,257
Loss for the period	–	–	–	–	–	–	–	(413,431)	(413,431)	(52,978)	(466,409)
Exchange differences arising on translation of foreign operations	–	–	–	–	–	–	173	–	173	–	173
Fair value loss on financial asset designated as at FVTOCI	–	–	–	–	–	(16,089)	–	–	(16,089)	–	(16,089)
Total comprehensive (expense) income for the period	–	–	–	–	–	(16,089)	173	(413,431)	(429,347)	(52,978)	(482,325)
H shares issued *(Note 21)*	41,000	–	908,270	–	–	–	–	–	949,270	–	949,270
Transaction costs attributable to issuance of H shares *(Note 21)*	–	–	(12,240)	–	–	–	–	–	(12,240)	–	(12,240)
Others	–	–	–	–	3,492	–	–	–	3,492	1,054	4,546
As at 30 June 2025 (Unaudited)	1,026,690	(30,892)	15,778,700	–	527,693	(218,243)	42,389	(10,736,611)	6,389,726	19,782	6,409,508
As at 1 January 2024 (Audited)	985,690	(26,891)	14,796,560	86,110	512,203	(180,535)	38,467	(9,040,782)	7,170,822	169,386	7,340,208
Loss for the period	–	–	–	–	–	–	–	(645,691)	(645,691)	(42,754)	(688,445)
Exchange differences arising on translation of foreign operations	–	–	–	–	–	–	3,708	–	3,708	–	3,708
Fair value loss on financial asset designated as at FVTOCI	–	–	–	–	–	(28,050)	–	–	(28,050)	–	(28,050)
Total comprehensive (expense) income for the period	–	–	–	–	–	(28,050)	3,708	(645,691)	(670,033)	(42,754)	(712,787)
Repurchase of A Shares	–	(4,001)	–	–	–	–	–	–	(4,001)	–	(4,001)
As at 30 June 2024 (Unaudited)	985,690	(30,892)	14,796,560	86,110	512,203	(208,585)	42,175	(9,686,473)	6,496,788	126,632	6,623,420

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
NET CASH USED IN OPERATING ACTIVITIES	**(361,029)**	(869,253)
INVESTING ACTIVITIES		
Interest received	**13,671**	24,984
Purchases of property, plant and equipment	**(312,503)**	(393,287)
Proceeds on disposal of property, plant and equipment	**16**	1,865
Proceeds on disposal of intangible assets	**8,000**	–
Payments for rental deposits	**(1,151)**	(93)
Refund of rental deposits	**–**	3,725
Refund of other deposits	**32,826**	–
Purchases of other financial assets	**(1,376,795)**	(765,000)
Proceeds from disposal of other financial assets	**1,185,105**	100,389
Purchases of intangible assets	**(1,252)**	(2,426)
Placement of restricted bank deposits	**(1,654)**	–
Release of restricted bank deposits	**469**	–
Repayment from a joint operation	**–**	3,900
Investment in associates	**(14,000)**	(30,000)
Proceeds on disposal of an associate	**–**	150,000
Investments in joint ventures	**(35,000)**	(35,000)
Net cash inflow on acquisition of subsidiaries *(Note 25)*	**823**	–
Net cash outflow on deemed disposal of a subsidiary *(Note 26)*	**(20,918)**	–
NET CASH USED IN INVESTING ACTIVITIES	**(522,363)**	(940,943)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
FINANCING ACTIVITIES		
Net proceeds received from issuance of H shares	**939,583**	–
Repayments for lease liabilities	**(25,278)**	(23,901)
New borrowings raised	**1,700,523**	1,434,544
Repayments of borrowings	**(1,181,404)**	(634,028)
Interest paid	**(47,910)**	(33,862)
Payment on repurchase of shares	**–**	(4,001)
NET CASH FROM FINANCING ACTIVITIES	**1,385,514**	738,752
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**502,122**	(1,071,444)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	**2,486,679**	3,778,142
Effect of foreign exchange rate changes	**376**	4,771
CASH AND CASH EQUIVALENTS AT 30 JUNE	**2,989,177**	2,711,469

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

1. GENERAL INFORMATION AND BASIS OF PREPARATION

Shanghai Junshi Biosciences Co., Ltd.* (the "Company") was established in the People's Republic of China (the "PRC") on 27 December 2012 and converted into a joint stock company with limited liability in May 2015. In August 2015, the Company's domestic shares became listed on the National Equities Exchange and Quotations ("NEEQ") (stock code: 833330). On 24 December 2018, the Company's H shares became listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 1877). The domestic shares of the Company were delisted from NEEQ since 8 May 2020 and were converted into A shares and listed on the STAR Market of the Shanghai Stock Exchange on 15 July 2020 (stock code: 688180). The respective addresses of the registered office and principal place of business of the Company are disclosed in the "Corporate Information" section to the interim report.

The principal activities of the Company and its subsidiaries (the "Group") are mainly discovery, development and commercialisation of innovative drugs.

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

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* issued by the International Accounting Standards Board ("IASB") as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The directors of the Company have, at the time of approving the condensed consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the condensed consolidated financial statements.

2. 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, as appropriate.

Other than additional/change in accounting policies resulting from application of amendments to IFRS Accounting Standards, and application of certain accounting policies which became relevant to the Group in the current interim period, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

2. ACCOUNTING POLICIES (Continued)

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to an IFRS Accounting Standard issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IAS 21	Lack of Exchangeability

The application of the amendments to an IFRS Accounting Standard in the current 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 derives its revenue from the transfer of goods and services over time and at a point in time in the following major revenue sources:

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Timing of revenue recognition		
At a point in time		
Sale of pharmaceutical products	**1,059,372**	709,044
Licensing income	**98,930**	24,485
Others	**621**	739
	1,158,923	734,268
Over time		
Licensing income	**3,183**	–
Service income	**6,278**	51,788
	1,168,384	786,056

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

3. REVENUE AND SEGMENT INFORMATION (Continued)

For the purposes of resource allocation and assessment, the Group's management reviews the consolidated results when making decisions about allocating resources and assessing performance of the Group as a whole. No other discrete financial information is provided other than the Group's results and financial position as a whole. Accordingly, only entity-wide disclosures are presented.

During the period ended 30 June 2025, the Group recognised sales-based royalty income amounting to RMB27,136,000 (six months ended 30 June 2024: RMB7,429,000), milestone payments of RMB68,207,000 (six months ended 30 June 2024: RMB16,344,000) upon the achievement of certain milestone pursuant the licensing agreements, non-refundable upfront payment of RMB3,587,000 (six months ended 30 June 2024: RMB712,000) upon the grant of the license.

Geographical information

The Group's operations are mainly located in the PRC and the United States of America (the "USA").

Information about the Group's revenue from external customers is presented based on the operating location of customers.

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
The PRC	**1,074,357**	745,213
The USA	**40,311**	23,786
Others	**53,716**	17,057
	1,168,384	786,056

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

4. OTHER INCOME

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Bank interest income	**13,671**	24,454
Government grants related to property, plant and equipment *(Note a)*	**8,000**	3,214
Other subsidies *(Note b)*	**13,276**	6,805
	34,947	34,473

Notes:

(a) Amounts represent subsidies from the PRC government specifically for the capital expenditure incurred for the acquisition of buildings situated on leasehold land in the PRC and machineries, which is recognised as income over the estimated useful life of the respective assets.

(b) Amounts mainly represent subsidies from PRC government for research and development activities, which are recognised as income upon meeting specific conditions and incentives which have no specific conditions attached to the grants.

5. OTHER GAINS AND LOSSES

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Fair value change of other financial assets measured at fair value through profit or loss ("FVTPL"), net	**58,923**	(31,696)
Exchange (losses) gains, net	**(203)**	1,063
Gain on deemed disposal of a subsidiary *(Notes 12 and 26)*	**1,337**	–
Loss on disposal of property, plant and equipment	**(169)**	(388)
Gain on termination of leases	**34**	–
Other gains	**7,547**	14,234
Others	**356**	(770)
	67,825	(17,557)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

6. INCOME TAX (CREDIT) EXPENSE

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax		
United States Corporate Income Tax ("CIT")	**431**	6
Hong Kong Profits Tax	**254**	–
	685	6
Withholding tax	**(18,353)**	2,377
Deferred tax	**(1,870)**	1,168
	(19,538)	3,551

Under the law of the PRC Enterprise Income Tax (the "EIT Law") and implementation regulations of the EIT Law, the basic tax rate of the Company and its PRC subsidiaries is 25% for both periods. The Company and certain PRC subsidiaries of the Group were accredited as High and New Technology Enterprises and enjoyed the reduced 15% EIT rate.

TopAlliance Biosciences Inc., a wholly-owned subsidiary of the Company, is subject to the United States California Corporate Income Tax rate of 8.84% for both periods. TopAlliance BioScience Hong Kong Limited, a wholly-owned subsidiary of the Company, is subject to the Hong Kong Profits Tax rate of 16.5% in 2025.

During the period ended 30 June 2025, the Company received a refund of withholding tax previously charged on licensing income from a US-based customer amounting to RMB22,128,000.

During the period ended 30 June 2025, the Company is subject to United States withholding tax on licensing income received from a US-based customer and India withholding tax on licensing income received from an India-based customer at withholding tax rate of 10%.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

7. LOSS FOR THE PERIOD

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss for the period has been arrived at after charging (crediting) the following items:		
Amortisation for intangible assets	**10,622**	9,934
Depreciation for property, plant and equipment	**127,681**	131,030
Less: amounts included in the cost of inventories	**(19,899)**	(27,833)
amounts included in the cost of properties under construction	**–**	(636)
	107,782	102,561
Depreciation of right-of-use assets	**25,004**	25,604
Expenses relating to short-term leases and low-value assets	**4,246**	5,719
Impairment losses recognised (reversed) on other assets and prepayments included in cost of sales	**(5,990)**	(2,793)
included in research and development expenses	**7,500**	–
Impairment losses recognised on intangible assets included in research and development expenses	**31,853**	–
Cost of inventories recognised as expense (including write-down of inventories amounting to RMB17,376,000 (six months ended 30 June 2024: RMB8,884,000))		
– Cost of sales	**237,613**	160,568
– Research and development expenses	**171,641**	62,511
Staff costs (including directors' emoluments):		
– Salaries and other benefits	**533,934**	576,000
– Retirement benefit scheme contributions	**48,174**	47,131
	582,108	623,131
Less: amounts included in the cost of inventories	**(33,922)**	(43,881)
amounts included in the cost of properties under construction	**(3,236)**	(4,009)
	544,950	575,241

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

8. DIVIDENDS

No dividends were paid, declared or proposed during the six months ended 30 June 2025 and 2024.

9. LOSS PER SHARE

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

Loss

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss for the period attributable to owners of the Company for the purpose of basic and diluted loss per share	**(413,431)**	(645,691)

Number of shares

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	**987,365,713**	984,943,273

In June 2025, the Company issued 41,000,000 ordinary shares (H Shares). The weighted average number of ordinary shares for the purpose of basic loss per share for the six months ended 30 June 2025 has been adjusted for the issuance of new H shares.

During the period ended 30 June 2024, the Company repurchased 136,844 ordinary shares (A Shares). The weighted average number of ordinary shares for the purpose of basic loss per share for the six months ended 30 June 2024 and 30 June 2025 excludes shares of treasury stock repurchased.

The computation of diluted loss per share for the six months ended 30 June 2024 does not assume the exercise of the Company's outstanding RSUs as this would be anti-dilutive.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the current interim period, the Group's property, plant and equipment increased by RMB157,211,000 (six months ended 30 June 2024: RMB266,722,000) in the PRC in order to upgrade its manufacturing capacities, including capitalisation of interest expense of RMB13,774,000 (six months ended 30 June 2024: RMB13,536,000) and RMB15,674,000 from acquisition of subsidiaries (six months ended 30 June 2024: nil).

During the current interim period, the Group entered into several new lease agreements with lease terms ranged from 2 to 9 years. The Group is required to make fixed payments on the usage of the assets during the contract period. On the date of lease commencement, the Group recognised right-of-use assets of RMB50,184,000 (six months ended 30 June 2024: RMB4,593,000) and lease liabilities of RMB50,184,000 (six months ended 30 June 2024: RMB4,593,000). In addition, the increase in right-of-use assets amounting to RMB11,342,000 and lease liabilities amounting to RMB12,173,000 were due to the acquisition of subsidiaries as disclosed in note 25.

11. INTERESTS IN JOINT VENTURES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Cost of investments in joint ventures	**110,000**	85,000
Share of post-acquisition losses	**(16,029)**	(14,846)
	93,971	70,154

During the period ended 30 June 2025, the Group formed a new joint venture entity with investment cost of RMB10,000,000 and RMB25,000,000 was further injected to an existing joint venture entity. In addition, one joint venture entity was acquired and became a subsidiary of the Group as disclosed in note 25.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

12. INTERESTS IN ASSOCIATES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Cost of investments in associates	**247,793**	224,684
Share of post-acquisition losses	**(64,863)**	(55,476)
Less: elimination of unrealised downstream transactions	**(16,027)**	(16,027)
	166,903	153,181

During the period ended 30 June 2025, the Group made investment in associates amounting to RMB14,000,000. In addition, the Group's equity interest in Shanghai Junkang Litai Biomedical Technology Co., Ltd.* 上海君康立泰生物醫藥科技有限公司 ("JKLT") decreased from 100% to 40% following capital injections by other investors into JKLT during the period ended 30 June 2025. JKLT became an associate thereafter with cost of investment of approximately RMB9,109,000. The gain on deemed disposal amounts to RMB1,337,000.

13. DEFERRED TAX ASSETS

As at 30 June 2025, deferred tax assets of RMB88,915,000 (31 December 2024: RMB87,045,000) mainly in relation to unused tax losses has been recognised in the Group's condensed consolidated statement of financial position. No deferred tax asset has been recognised on the remaining tax losses due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future taxable profits generated are less or more than expected or change in facts and circumstances which result in revision of future taxable profits estimation, a material reversal or further recognition of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such a reversal or further recognition takes place.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

14. TRADE RECEIVABLES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Trade receivables	528,380	513,899
Less: Allowance for credit losses	(2,029)	(4,082)
	526,351	509,817

The Group allows a normal credit period of 30 to 60 days (31 December 2024: 30 to 60 days) to its trade customers.

The following is an analysis of trade receivables by age (net of allowance for credit losses) presented based on invoice dates, which approximated the revenue recognition date, at the end of the reporting period.

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
0 to 90 days	514,345	400,070
91 to 180 days	901	18,506
Over 180 days	11,105	91,241
	526,351	509,817

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

15. OTHER ASSETS, PREPAYMENTS AND OTHER RECEIVABLES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Deposits		
– current	**3,281**	38,936
– non-current	**11,129**	7,705
Prepayments		
– current *(Note a)*	**173,053**	199,825
– non-current *(Note b)*	**305,052**	195,599
Value added tax ("VAT") recoverable *(Note c)*		
– current	**18,081**	18,367
– non-current	**281,020**	258,641
	791,616	719,073
Less: Allowance for credit losses	**–**	(308)
	791,616	718,765
Analysed as		
– current	**194,415**	256,820
– non-current	**597,201**	461,945
	791,616	718,765

Notes:

(a) Prepayments mainly include fee paid for research and development services for the clinical and non-clinical study of the drugs. Prepayments also include other prepaid operating expenses and prepayments for purchase of raw materials. During the period ended 30 June 2025, a impairment losses amounting RMB1,510,000 (six months ended 30 June 2024: reversal of RMB2,793,000) was recognised on prepayments relating to purchase of raw materials.

(b) Amount represents prepayments for construction in progress and acquisition of property, plant and equipment.

(c) VAT recoverable of RMB18,081,000 (31 December 2024: RMB18,367,000) are presented as current assets as at 30 June 2025 since they are expected to be deducted from future VAT payable arising on the Group's revenue which are expected to be generated within the next twelve months from 30 June 2025. The remaining VAT recoverable of RMB281,020,000 (31 December 2024: RMB258,641,000) are expected to be recovered after twelve months from the end of reporting period and therefore presented as non-current assets at the end of reporting period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

16. OTHER FINANCIAL ASSETS

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Current assets		
Financial assets measured at FVTPL		
– Financial products	**501,203**	430,508
Non-current assets		
Financial assets measured at FVTPL		
– Unlisted investments in partnership	**205,181**	188,869
– Unlisted equity investments	**207,809**	46,898
– Investments in preference shares	**709,489**	704,738
Financial assets designated as at FVTOCI *(Note)*	**46,476**	62,565
	1,168,955	1,003,070

Note: The investments are not held for trading, instead, these are held for long-term strategic purposes. The management of the Group have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding the investments for long-term purposes and realising the performance potential in the long run.

17. RESTRICTED BANK DEPOSITS/BANK BALANCES AND CASH

Restricted bank deposits represent the deposit restricted for the judicial freezing. The restricted bank deposits amounting to RMB16,707,000 will be released before December 2025. (31 December 2024: restricted bank deposits amounting to RMB15,522,000 will be released in one year.)

Bank balances carry interest at market rates which ranged from 0.0001% to 4.39% per annum as at 30 June 2025 (31 December 2024: 0.0001% to 4.39% per annum).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

18. TRADE AND OTHER PAYABLES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Trade payables		
– third parties	**115,104**	208,356
Accrued expenses in respect of		
– construction cost of properties under construction	**417,697**	465,730
– research and development expenses *(Note a)*	**291,204**	310,884
– selling and distribution expenses	**123,053**	146,565
– payables under collaboration agreement	**21,399**	10,088
– others	**64,746**	91,061
Salary and bonus payables	**194,821**	252,681
Payable for transaction costs for the issuance of H Shares	**2,569**	–
Other tax payables	**24,022**	27,287
Other payables *(Note b)*	**77,522**	35,768
	1,332,137	1,548,420
Analysed as		
– current	**1,302,137**	1,548,420
– non-current	**30,000**	–
	1,332,137	1,548,420

Notes:

(a) Amounts include service fees payable to outsourced service providers including contract research organisations and clinical trial centres.

(b) Included in the balance, amount of RMB30,000,000 is non-trade in nature, unsecured and interest-free, and amount of RMB15,000,000 is non-trade in nature, unsecured, and carrying interest rate of 5%.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

18. TRADE AND OTHER PAYABLES (Continued)

Payment terms with suppliers are mainly with credit term of 0 to 90 days (31 December 2024: 0 days to 90 days) from the time when the goods and services are received from the suppliers. The following is an aging analysis of trade payables presented based on invoice date at the end of the reporting period:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
0 to 30 days	**39,965**	98,434
31 to 60 days	**436**	17,062
61 to 180 days	**13,903**	14,982
Over 180 days	**60,800**	77,878
	115,104	208,356

19. BORROWINGS

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Bank borrowings		
– secured	**1,614,991**	990,063
– unsecured	**1,779,228**	1,884,218
	3,394,219	2,874,281
The maturity profile of bank borrowings is as follows:		
– within one year	**1,613,864**	894,601
– within a period of more than one year but not exceeding two years	**501,001**	623,668
– within a period of more than two years but not exceeding five years	**790,206**	790,641
– within a period of more than five years	**489,148**	565,371
	3,394,219	2,874,281
Less: amount due within one year shown under current liabilities	**(1,613,864)**	(894,601)
Amount shown under non-current liabilities	**1,780,355**	1,979,680

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

19. BORROWINGS (Continued)

As at 30 June 2025, the Group's variable-rate borrowings of RMB1,834,472,000 (31 December 2024: RMB1,822,124,000) carry interest at loan prime rate minus a margin, ranging from 0.45% to 1.15% (31 December 2024: 0.45% to 0.96%) per annum.

As at 30 June 2025, the Group's fixed-rate borrowings of RMB1,559,747,000(31 December 2024: RMB1,052,157,000) carry interest at around 2.16% to 2.79% (31 December 2024: 2.50% to 3.25%) per annum.

The Group has pledged the following assets as securities for the Group's bank borrowings at the end of reporting period:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Property, plant and equipment	**1,824,609**	606,785
Right-of-use assets	**184,930**	135,200
	2,009,539	741,985

20. CONTRACT LIABILITIES

During the period ended 30 June 2025, the Group entered into a license agreement with an independent third party granting exclusive right to store, distribute, promote, market and sell toripalimab in European Union, European Economic Area, Switzerland and United Kingdom of Great Britain and Northern Ireland. The term of the agreement is for a period. Pursuant to the agreement, the Group is entitled to an upfront payment, additional milestone payments, if any, and revenue sharing amount based on the net sales as stipulated in the agreement. In March 2025, the Group received the non-refundable upfront payment amounting to Euro15,000,000 (equivalent to RMB112,709,000). The amount was recognised as contract liability. During the period ended 30 June 2025, RMB3,183,000 was amortised and recognised in revenue. As of 30 June 2025, the contract liability of RMB9,530,000 was recognised as current portion and the remaining contract liabilities amounting to RMB100,063,000 was recognised as non-current portion.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

21. OTHER FINANCIAL LIABILITIES

Other financial liabilities represent amount received from other limited partners of Wuxi Runyuan Biomedical Venture Capital Investment Partnership (Limited Partnership)* 無錫潤元生物醫藥創業投資合夥企業(有限合夥), a subsidiary of the Company. The amount is measured at amortised cost based on the terms stipulated in the investment agreement.

22. SHARE CAPITAL

	Total number of shares	Amount RMB'000
Registered, issued and fully paid at RMB1.0 per share:		
At 1 January 2024 (Audited) and 30 June 2024 (Unaudited)	985,689,871	985,690
At 1 January 2025 (Audited)	985,689,871	985,690
H shares issued	41,000,000	41,000
At 30 June 2025 (Unaudited)	1,026,689,871	1,026,690

The new shares rank pari passu with the existing shares of the same class in all respects.

On 20 June 2025, the Company issued 41,000,000 new H shares at Hong Kong Dollar ("HK$")25.35 (equivalent to RMB23.15) per share for a total gross proceeds of HK$1,039,000,000 (equivalent to RMB949,270,000) from placing of H shares. The proceeds of RMB41,000,000 representing the per value of the shares of the Company, were credited to the Company's share capital. The remaining proceeds of RMB908,270,000 were credited to the share premium of the Company. Transaction costs attributable to the issuance amounting to RMB12,240,000 was debited to share premium directly.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

23. CAPITAL AND OTHER COMMITMENTS

At the end of the reporting period, the Group had the following capital and other commitments:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Capital expenditure contracted for but not provided in the condensed consolidated financial statements:		
– acquisition of property, plant and equipment	**1,063,467**	928,144
Other commitments in respect of investments:	**379,105**	56,000

24. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value measurements and valuation process

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. For instruments with significant unobservable inputs under Level 3, the Group engages third party qualified valuers to perform the valuation. The management of the Group works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

The fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are based on quoted prices (unadjusted) in active market for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include the lowest level inputs which are significant to the fair value measurement for the asset or liability that are not based on observable market data (significant unobservable inputs).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

24. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Financial assets	Fair value as at 30 June 2025 RMB'000 (Unaudited)	Fair value as at 31 December 2024 RMB'000 (Audited)	Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs
Financial assets at FVTPL					
Unlisted equity investment	16,898	16,898	Level 3	Back-solve from recent transaction price	Redemption/Liquidation/IPO probability/ risk – free rate/expected volatility/ liquidity discount
Investment in preference shares	53,483	63,872	Level 3	Back-solve from recent transaction price	Redemption/Liquidation/IPO probability/ risk – free rate/expected volatility/ liquidity discount
Unlisted equity investment	84,131	–	Level 3	Back-solve from recent transaction price	Redemption/Liquidation/IPO probability/ risk – free rate/expected volatility/ liquidity discount
Investment in preference Shares	–	84,131	Level 3	Back-solve from recent transaction price	Redemption/Liquidation/IPO probability/ risk – free rate/expected volatility/ liquidity discount
Investment in preference shares	356,191	274,140	Level 3	Market comparison approach – in this approach, fair value was determined with reference to P/R&D multiple	Discount rate of 13-27% (2024: 15%-27%) and P/R&D multiple of 3.6-9.23 (2024: 3.6-6.67), taking into account management's experience and knowledge of market conditions
Unlisted investments in partnership	205,181	188,869	Level 3	The fair value is determined based on the share of fair value of the underlying net assets held by the investee	Fair value of the underlying net assets held by the investee
Investment in preference shares	275,000	175,000	Level 2	Recent transaction price	N/A

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

24. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

	Fair value as at				
Financial assets	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)	Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs
Investment in preference shares	24,815	41,596	Level 3	2025: Back-solve from recent transaction price 2024: Market comparison approach – in this approach, fair value was determined with reference to P/R&D multiple	2025: Redemption/Liquidation/IPO probability/risk – free rate/expected volatility/liquidity discount 2024: Discount rate of 16% and P/R&D multiple of 2.73, taking into account management's experience and knowledge of market conditions
Unlisted equity investment	76,780	–	Level 2	Recent transaction price	N/A
Investment in preference shares	–	65,999	Level 3	Market comparison approach – in this approach, fair value was determined with reference to P/R&D multiple	Discount rate of 11% and P/R&D multiple of 5.8, taking into account management's experience and knowledge of market conditions
Unlisted equity investment	30,000	30,000	Level 2	Recent transaction price	N/A
Financial products	501,203	430,508	Level 2	Discounted cash flow – Future cash flows are estimated based on expected return	N/A
	1,623,682	1,371,013			
Financial assets at FVTOCI					
Listed equity investment	13,046	24,721	Level 1	Quoted bid prices in an active market	N/A
Unlisted equity investment	33,430	37,844	Level 3	Back-solve from recent transaction price	Redemption/Liquidation/IPO probability/risk – free rate/expected volatility/liquidity discount
	1,670,158	1,433,578			

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FOR THE SIX MONTHS ENDED 30 JUNE 2025

24. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

There were no transfers between Level 1 and Level 2 during both periods.

For the sensitivity analysis of significant unobservable inputs of other investments, the management of the Group considers that the impacts are immaterial, and such relevant information is not disclosed.

Reconciliation of Level 3 fair value measurements

	Unlisted equity investments RMB'000	Unlisted investments in partnership RMB'000	Investments in preference shares RMB'000	Total RMB'000
At 1 January 2025 (Audited)	**54,742**	**188,869**	**529,738**	**773,349**
Additions	**–**	**28,794**	**–**	**28,794**
Transfer in from investments in preference shares	**84,131**	**–**	**–**	**84,131**
Transfer out to unlisted equity investments	**–**	**–**	**(84,131)**	**(84,131)**
Transfer out of Level 3 due to change of valuation technique *(Note a)*	**–**	**–**	**(65,999)**	**(65,999)**
Dividend received	**–**	**(1,639)**	**–**	**(1,639)**
Total gains (losses):				
– in profit or loss	**–**	**(10,843)**	**54,881**	**44,038**
– in other comprehensive income	**(4,414)**	**–**	**–**	**(4,414)**
At 30 June 2025 (Unaudited)	**134,459**	**205,181**	**434,489**	**774,129**
At 1 January 2024 (Audited)	37,592	153,777	451,385	642,754
Transfer into Level 3 due to change of valuation technique *(Note b)*	–	–	10,000	10,000
Change in fair value charged to profit or loss	4,716	(3,671)	(33,195)	(32,150)
At 30 June 2024 (Unaudited)	42,308	150,106	428,190	620,604

Note a: These investments were measured by market comparison approach as at the end of preceding reporting period.

Note b: These investments were measured by recent transaction price as at the end of preceding reporting period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

25. ACQUISITION OF SUBSIDIARIES

During the period ended 30 June 2025, the Group acquired a 99.2% equity interest in Shanghai Herunyuan Biotechnology Co., Ltd.* 上海合潤遠生物技術有限公司 ("HRY") through Suzhou Chuangmei Biotechnology Co., Ltd.* 蘇州創美生物技術有限公司, the non-wholly owned subsidiary at nil consideration. Upon completion of the acquisition, the equity interest in HRY held by the Group was 99.6% and HRY has become a non-wholly owned subsidiary of the Group as the Group obtained the control over HRY by majority shareholding. Upon the completion of the acquisition, the Group's equity interest in Shanghai Junyu Biotechnology Development Co., Ltd.* 上海君峪生物科技發展有限公司 ("SHJY") increased to 100% and SHJY became a subsidiary of the Group. The acquisition has been accounted for as acquisition of business using the acquisition method. The principal activities of HRY and SHJY are engaged in technical services, technological development, drug production, wholesale of drugs and commissioned production of drugs.

Fair value of assets acquired and liabilities recognised at the date of acquisition

	RMB'000
Property, plant and equipment	15,674
Right-of-use assets	11,342
Intangible assets	26,164
Other assets, prepayments and other receivables	10,209
Other financial assets	2,000
Bank balances and cash	823
Trade and other payables	(53,896)
Lease liabilities	(12,173)
	143

The non-controlling interests 0.4% in HRY recognised at the acquisition date was measured by reference to the proportionate share of recognised amounts of net assets of HRY.

The consideration for the acquisition is less than the fair value of the net assets identified, resulting in a gain of RMB143,000 recognised.

Net cash inflows arising on acquisition of HRY and SHJY

	RMB'000
Consideration paid in cash	–
Less: cash and cash equivalents acquired	(823)
	823

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

25. ACQUISITION OF SUBSIDIARIES (Continued)

Impact of acquisition on the results of the Group

Included in the loss for the period ended 30 June 2025 is RMB2,013,000 attributable to the additional business generated by HRY and SHJY. No revenue was generated from HRY and SHJY after the acquisition to 30 June 2025.

Had the acquisition of HRY and SHJY been completed on 1 January 2025, revenue of the Group for the interim period ended 30 June 2025 would have been RMB1,172,979,000, and the loss for the interim period would have been RMB471,871,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2025, nor is it intended to be a projection of future results.

In determining the 'pro-forma' revenue and loss of the Group had HRY and SHJY been acquired at the beginning of the interim period, the directors of the Company calculated amortization/depreciation of intangible assets/property, plant and equipment based on the recognised amounts of intangible assets/property, plant and equipment at the date of the acquisition.

26. DEEMED DISPOSAL OF A SUBSIDIARY

As disclosed in Note 12, JKLT ceased to be a subsidiary of the Group during the current period. The net assets of JKLT at the date of disposal were as follows:

	As at 28 March 2025 RMB'000
Right-of-use assets	435
Other assets, prepayments and other receivables	148
Bank balances and cash	20,918
Trade and other payables	(13,305)
Lease liabilities	(424)
Net assets on the date of disposal	7,772
Fair value of equity interest retained	9,109
Gain on deemed disposal	1,337
Net cash outflow arising on disposal:	
Cash and cash equivalents disposed of	20,918

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FOR THE SIX MONTHS ENDED 30 JUNE 2025

27. RELATED PARTIES DISCLOSURES

Except as disclosed elsewhere in the condensed consolidated financial statements, the Group had also entered into the following transactions with related parties:

(a) Related party transactions

		For the six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
JKLT *(Note a)*	License income	**3,587**	–
	Service income	**2,511**	–
Shanghai Allink Biopharmaceutical Co., Ltd.* 上海安領科生物醫藥有限公司 ("Allink") *(Note b)*	Service income	**962**	27,873
Excellmab Pte Ltd. ("Excellmab") *(Note c)*	License income	**–**	16,344
SHJY *(Note d)*	Service income	**594**	849
Hainan Junshi Phase I Equity Investment Fund Partnership Enterprise (Limited Partnership)* 海南君實一期股權投資基金合夥企業(有限合夥) ("Junshi Phase I Fund") *(Note e)*	Management fee income	**501**	491
Anwita Biosciences, Inc. ("Anwita") *(Note f)*	R&D expenses incurred	**1,199**	–
Shanghai Ruotuo Biotechnology Co., Ltd.* 上海偌妥生物科技有限公司 ("SHRT") *(Note g)*	R&D expenses incurred	**3,440**	–
	Interest expenses on lease liability	**65**	–
Shanghai Kelaijie Biotechnology Co., Ltd.* 上海科睐傑生物技術有限公司 ("KLJ") *(Note h)*	Lease income	**29**	–

Note a: JKLT is an associate of the Group after 28 March 2025. The amount represents transactions when JKLT is an associate of the Group.

Note b: One of the Company's non-executive directors, who resigned on 21 June 2024, is the chairman of Allink. It is still regarded as a related party for 12 months following his resignation.

Note c: This is the amount before offsetting the downstream transaction.

Note d: SHJY is an associate of the Group before 21 May 2025. The amount represents transactions when SHJY is an associate of the Group.

Note e: Junshi Phase I is an associate of the Group.

Note f: Anwita is an associate of the Group.

Note g: SHRT is a joint venture of the Group.

Note h: KLJ is an associate of the Group.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

27. RELATED PARTIES DISCLOSURES (Continued)

(b) Related party balances

		As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Junshi Phase I Fund	Trade receivable	**2,546**	2,040
Jiangsu Ruihe Environmental Engineering Research Centre Co., Ltd. ("Ruihe")* 江蘇瑞河環境工程研究院有限公司 *(Note i)*	Trade payable	**1,497**	1,497
SHRT	Trade payable	**–**	9,684
	Lease liability	**–**	4,814
Anwita	Trade payable	**–**	10,782
Excellmab	Trade receivable	**–**	13,227
Allink	Trade receivable	**–**	19,220
Feng Hui *(Note j)*	Other payable	**–**	250

Note i: One of the Company's non-executive directors is a director of Ruihe.

Note j: Feng Hui was one of the Company's non-executive directors, who resigned during the period ended 30 June 2024, and is still regarded as related party for 12 months following his resignation.

(c) Compensation of directors and key management personnel

The remuneration of directors of the Company and other members of key management during both periods were as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Short-term benefits and performance bonus	**17,218**	28,859
Post-employment benefits	**274**	404
	17,492	29,263

The remuneration of key management personnel is determined by the management of the Company having regard to the performance of individuals and market trends.

DEFINITIONS

2025 A Share Option Incentive Scheme	the A Share Option Incentive Scheme proposed to be adopted by the Company at the EGM
2025 H Share Option Incentive Scheme	the H Share Option Incentive Scheme proposed to be adopted by the Company at the EGM
A Share(s)	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid for in Renminbi and have been issued and listed on the STAR Market since 15 July 2020
A Share Option	the right to be granted to an eligible participant by the Company to acquire certain number of A Shares under the pre-determined conditions in a particular period of time in the future
A Shareholder(s)	holder(s) of A Share(s)
Articles of Association	articles of association of the Company
Audit Committee	the audit committee of the Company
Board of Supervisors	the Company's board of Supervisors
Board or Board of Directors	the Company's board of Directors
CG Code	Corporate Governance Code in Part 2 of Appendix C1 to the Hong Kong Listing Rules
cHL	classic Hodgkin lymphoma
Companies Ordinance	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong
Compliance Committee	the compliance committee of the Company
Coherus	Coherus BioSciences, Inc.
Company	Shanghai Junshi Biosciences Co., Ltd.* 上海君實生物醫藥科技股份有限公司
COVID-19	coronavirus disease 2019
CSCO	Chinese Society of Clinical Oncology

DEFINITIONS

Director(s)	director(s) of the Company
DCR	disease control rate
Dr. Reddy's	Dr. Reddy's Laboratories Limited
EEA	European Economic Area
EFS	event-free survival
EGFR	epidermal growth factor receptor
EGM	the 2025 first extraordinary general meeting of the Company to be held on Monday, 29 September 2025 (and any adjournment thereof)
ESCC	esophageal squamous cell carcinoma
ES-SCLC	extensive-stage small cell lung cancer
EU	the European Union
FDA	the United States Food and Drug Administration
GMP	the Good Manufacturing Practice
Group	the Company and its subsidiaries
HCC	hepatocellular carcinoma
HeFH	heterozygous familial hypercholesterolemia
HER3	human epidermal growth factor receptor
HSA	the Singapore Health Sciences Authority
H Share(s)	overseas-listed share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are traded in Hong Kong dollars and are listed on Hong Kong Stock Exchange
H Share Listing	the listing of the Company's H Shares on the Hong Kong Stock Exchange on 24 December 2018

DEFINITIONS

H Shareholder(s)	holder(s) of H Share(s)
Hikma	Hikma MENA FZE
HKD or HK$	Hong Kong dollars, the official currency of Hong Kong
Hong Kong	Hong Kong Special Administrative Region of PRC
Hong Kong Listing Rules or Listing Rules	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
H Share Option	the right to be granted to an eligible participant by the Company to acquire certain number of H Shares under the pre-determined conditions in a particular period of time in the future
IND	Investigational New Drug
LEO Pharma	LEO Pharma A/S
LS-SCLC	limited-stage small cell lung cancer
MHRA	the United Kingdom's Medicines and Healthcare products Regulatory Agency
Model Code	the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 to the Hong Kong Listing Rules
NCE	the New Chemical Entity
NDA	new drug application
NCCN	the National Comprehensive Cancer Network
NMPA	National Medical Products Administration of China
NPC	nasopharyngeal carcinoma
NRDL	the National Drug List for Basic Medical Insurance, Work-Related Injury Insurance and Maternity Insurance
NSCLC	non-small cell lung cancer

DEFINITIONS

Nomination Committee	the nomination committee of the Company
ORR	objective response rate
OS	overall survival
PFS	progression free survival
Placing Shares	the placing of an aggregate of 41,000,000 new H Shares
PRC or China	the People's Republic of China
PsO	psoriasis
RCC	renal cell carcinoma
R&D	research and development
RdRp	RNA-dependent RNA polymerase
Remuneration and Appraisal Committee	the remuneration and appraisal committee of the Company
Reporting Period	the six months ended 30 June 2025
RMB	Renminbi
Rxilient Biotech	Rxilient Biotech Pte. Ltd.
SFO	the Securities and Futures Ordinance, Charter 571 of the laws of Hong Kong
Share(s)	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising H Shares and A Shares
Shareholder(s)	holder(s) of the Share(s)
sNDA	supplemental new drug application
STAR Market	the STAR Market of the Shanghai Stock Exchange
STAR Market Listing	the listing of the Company's A Shares on the STAR Market on 15 July 2020

DEFINITIONS

Stock Exchange or Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
Strategic Committee	The strategic committee of the Company
Supervisors	supervisors of the Company
Territory	the EU and the EEA, Switzerland as well as the UK
TGA	the Therapeutic Goods Administration of the Australian Government Department of Health and Aged Care
TNBC	triple-negative breast cancer
TopAlliance	TopAlliance Biosciences Inc.
UAE	United Arab Emirates
UK	United Kingdom
USD	United States dollars
%	per cent

In this interim report, the terms "associate", "close associate", "connected person", "connected transaction", "controlling shareholder", "core connected person", "subsidiary" and "substantial shareholder" shall have the meanings given to such terms in the Hong Kong Listing Rules, unless the context otherwise requires.

The English translation of the PRC entities, enterprises, nationals, facilities, regulations in Chinese are translations of the Chinese names. To the extent there is any inconsistency between the Chinese names of the PRC entities, enterprises, nationals, facilities, regulations and their English translations, the Chinese names shall prevail.

* *For identification purpose only*