



**GenScript
BioTechCorp.**

2025 Interim Report

Make people and nature healthier
through biotechnology

GENSCRIPT BIOTECH CORPORATION

(Incorporated in the Cayman Islands with limited liability)

Stock code: 1548



This interim report is printed on environmental-friendly paper

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CORPORATE PROFILE

Genscript Biotech Corporation (the “**Company**”, together with its subsidiaries, the “**Group**” or “**GenScript Biotech**”) is a well-recognised biotechnology company. Based on our proprietary DNA synthesis technology and the other technology and know-hows on life-science research and application, we have well established several major platforms including (i) a life-science services and products platform under the brand “GenScript” (the “**GenScript**”), providing one-stop solutions to global scientific communities, (ii) ProBio Technology Limited (“**ProBio Cayman**” or “**ProBio**”), a biologics contract development and manufacturing organisation (“**CDMO**”) platform, and (iii) Bestzyme Biotech Corporation (“**Bestzyme**”), an industrial synthetic products platform. The above internally built platforms collectively have demonstrated their strong growth from research and development to commercial delivery for the six months ended June 30, 2025 (the “**Reporting Period**”). The Group also holds significant investments in Legend Biotech Corporation (“**Legend**”, together with its subsidiaries, the “**Legend Group**”), which is a global leading biotech company dedicated developing cell therapies.

The Group’s business operations span over 100 countries and regions worldwide with legal entities located in Mainland China, the United States of America (the “**U.S.**”), Hong Kong, Japan, Singapore, Netherlands, the United Kingdom, Korea, Spain, Australia and Macao. Our professional workforce is consisted of approximately 5,769 team members as at June 30, 2025.

GenScript offers DNA synthesis, protein production, peptide synthesis, oligonucleotide synthesis, antibody development, and life-science equipment and consumables. We serve global pharma, biotech, and academic researchers across more than 100 countries-empowering early-stage discovery and innovation with high-quality, reliable, and scalable solutions. In 2025, we accelerated our marketing transformation with a data-led, digitally-enabled and customer-centered philosophy. This repositioning is already showing tangible results in growth, engagement, and impact.

ProBio is a subsidiary of the Group. As a leading CDMO, ProBio empowers biologics innovators worldwide by providing seamless end-to-end solutions. Our comprehensive platform integrates discovery, development, and manufacturing services, streamlining the development process, reducing timelines, and increasing the success rate of biologics projects. By accelerating the development and manufacturing of life-changing biologic therapies, we aim to improve the lives of patients worldwide and contribute to a healthier future.

Bestzyme is a subsidiary of the Group engaged in the industrial synthetic biology fields. Bestzyme uses our advanced protein engineering technology to develop products for feed, food, grain processing, and home care industries. We believe synthetic biology offers us new opportunities from both technical and commercial perspectives.

Legend is a significant associate of the Group that specifically engages in the discovery and development of novel cell therapies for oncology and other indications. Legend’s lead product candidate, ciltacabtagene autoleucel (cilta-cel), is a chimeric antigen receptor T-cell (“**CAR-T**”) therapy jointly developed with Janssen Biotech, Inc., for the treatment of multiple myeloma (MM).

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Jiange Meng ("**Mr. Robin Meng**") (*Chairman*)
Dr. Fangliang Zhang ("**Dr. Frank Zhang**")
Dr. Li Zhu
Ms. Ye Wang ("**Ms. Sally Wang**") (*President*)

Independent Non-Executive Directors

Dr. Alphonse Galdes
Mr. Yiu Leung Andy Cheung ("**Mr. Andy Cheung**")
Mr. Jiu Pan ("**Mr. Ethan Pan**")
Dr. John Quelch
Dr. Ross Grossman
Dr. Chenyang Shi ("**Dr. Victor Shi**")

AUDIT COMMITTEE

Mr. Andy Cheung (*Chairman*)
Dr. Alphonse Galdes
Mr. Ethan Pan

REMUNERATION COMMITTEE

Dr. Victor Shi (*Chairman*)
Ms. Sally Wang
Dr. Ross Grossman

NOMINATION COMMITTEE

Mr. Robin Meng (*Chairman*)
Ms. Sally Wang
Mr. Andy Cheung
Mr. Ethan Pan
Dr. Victor Shi

RISK MANAGEMENT AND ESG COMMITTEE

Dr. Frank Zhang (*Chairman*)
Mr. Andy Cheung
Mr. Ethan Pan

SUB-COMMITTEE ON DATA SECURITY AND GEOPOLITICAL RESILIENCE OF THE RISK MANAGEMENT AND ESG COMMITTEE

Dr. Frank Zhang (*Chairman*)
Dr. John Quelch
Ms. Weihui Shao ("**Ms. Sherry Shao**")
Dr. Kening Li

STRATEGY COMMITTEE

Dr. Frank Zhang (*Chairman*)
Mr. Ethan Pan
Dr. John Quelch
Dr. Victor Shi

SANCTIONS RISK CONTROL COMMITTEE

Ms. Sherry Shao
Dr. Eric Wang
Dr. Kening Li

COMPANY SECRETARY

Ms. Wai Ling Wong

AUTHORISED REPRESENTATIVES

Mr. Robin Meng
Dr. Li Zhu

HONG KONG LEGAL ADVISERS

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1 Lyndhurst Terrace
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Hong Kong

Corporate Information

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor
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Hong Kong

REGISTERED OFFICE IN THE CAYMAN ISLANDS

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Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN THE U.S.

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NJ 08854
U.S.

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40th Floor, Dah Sing Financial Centre
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Wanchai
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Harneys Services (Cayman) Limited
4th Floor, Harbour Place
103 South Church Street
George Town
P.O. Box 10240, Grand Cayman KY1-1002
Cayman Islands

HONG KONG SHARE REGISTRAR

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183 Queen's Road East
Wan Chai
Hong Kong

COMPANY WEBSITES

www.genscript.com
www.probiocdmo.com
www.bestzyme.com
www.legendbiotech.com

PLACE OF LISTING OF SHARES

The Stock Exchange of Hong Kong Limited
– Main Board

STOCK CODE

1548

STOCK NAME

GENSCRIPT BIO

FINANCIAL HIGHLIGHT

-
- The Group delivered notable revenue growth, with a substantial increase in license revenue and sustained growth in underlying businesses. Revenue of the Group from continuing operations for the Reporting Period was approximately US\$518.8 million, representing an increase of 81.9% as compared with approximately US\$285.2 million for the six months ended June 30, 2024 (the “**Prior Period**”).
 - The incremental revenue has led to a strong increase in gross profit of the Group. Gross profit of the Group from continuing operations for the Reporting Period was approximately US\$320.6 million, representing an increase of 140.1% as compared with approximately US\$133.5 million recorded for the Prior Period.
 - The Group held cash and bank balances and wealth management financial products at approximately US\$966.6 million as at June 30, 2025.
 - The adjusted net profit of the Group from continuing operations for the Reporting Period was approximately US\$178.0 million, representing an increase of 509.6% as compared with approximately US\$29.2 million for the Prior Period.
 - The Group recorded net loss of approximately US\$24.5 million for the Reporting Period, as compared with net loss of approximately US\$215.6 million for the Prior Period. The loss for the Reporting Period was significantly impacted by the Group’s share of loss from Legend Group, which amounted to approximately US\$193.7 million. The adjusted net income of Legend Group has been positive in the second quarter of 2025.

Financial Highlight

Notes:

(1)

	For the six months ended June 30,	
	2025 US\$'000	2024 US\$'000
Continuing operations		
Net loss	(24,547)	(137,739)
Excluding:		
Equity-settled share-based compensation expense, net of tax	8,904	12,844
Impact from acquisition and fair value (gains)/losses of preferred shares	(587)	113,509
Losses on foreign currency forward and option contracts, net of tax	11	896
Impairment losses on long-lived assets, net of tax	–	37,480
Exchange gains, net of tax	(1,404)	(1,309)
Fair value (gains)/losses on non-current financial assets, net of tax	(388)	1,171
Unrealised finance costs for equity financing activities	2,286	2,305
Share of loss from Legend Group	193,698	–
Adjusted net profit	177,973	29,157

- (2) In order to better reflect the key performance of the Group's current business and operations, the adjusted net profit is calculated on the basis of net profit/loss, excluding: (i) equity-settled share-based compensation expense; (ii) impact from acquisition and fair value changes of preferred shares; (iii) losses on foreign currency forward and option contracts; (iv) impairment losses on long-lived assets; (v) exchange gains; (vi) fair value gains or losses on non-current financial assets, (vii) unrealised finance costs for equity financing activities; and (viii) share of loss from Legend Group.
- (3) All the comparative financial figures in the interim condensed consolidated statement of profit or loss and interim condensed consolidated statement of comprehensive income and related notes to them in this report have been re-presented in according to Hong Kong Financial Reporting Standards ("HKFRS") 5 *Non-current Assets Held for Sale and Discontinued Operations* to reflect the impact caused by the deconsolidation of Legend Group, and to conform with current period's presentation. Please refer to note 8 to the financial statements below for details. For the readers' easy understanding and analysis, notes 3 to 6 to the financial statements are prepared for continuing operations only, except when otherwise indicated.

MANAGEMENT'S DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group delivered notable revenue growth. From continuing operations, the overall revenue of the Group was approximately US\$518.8 million during the Reporting Period, representing an increase of 81.9% as compared with approximately US\$285.2 million for the Prior Period. Gross profit was approximately US\$320.6 million, representing an increase of 140.1% as compared with approximately US\$133.5 million for the Prior Period.

During the Reporting Period, the loss attributable to owners of the Company (the “**Shareholder(s)**”) was approximately US\$25.5 million, as compared with approximately US\$175.1 million for the Prior Period.

During the Reporting Period, the external revenue of (i) life-science services and products, (ii) biologics development services, and (iii) industrial synthetic biology products accounted for approximately 47.2%, 47.0% and 5.5% of the total revenue of the Group, respectively.

RESULTS ANALYSIS OF THE THREE BUSINESS SEGMENTS

	For the six months ended June 30, 2025			For the six months ended June 30, 2024		
	Life-science services and products US\$'000	Biologics development services US\$'000	Industrial synthetic biology products US\$'000	Life-science services and products US\$'000	Biologics development services US\$'000	Industrial synthetic biology products US\$'000
Revenue	247,639	246,883	28,283	222,355	40,382	26,148
Adjusted gross profit	126,316	181,613	11,432	119,868	5,927	11,032
Adjusted selling and distribution expenses	(34,529)	(6,146)	(3,631)	(30,709)	(5,905)	(3,327)
Adjusted administrative expenses	(22,999)	(23,334)	(3,668)	(21,268)	(14,794)	(2,558)
Adjusted research and development expenses	(22,262)	(2,981)	(4,693)	(18,814)	(1,484)	(2,851)
(Provision for)/reversal of impairment of financial assets, net	(176)	454	(21)	(1,230)	(2,622)	(1)
Adjusted operating profit/(loss)	46,350	149,606	(581)	47,847	(18,878)	2,295

The adjusted cost and expenses exclude the impact from: (i) equity-settled share-based compensation expense, and (ii) impairment losses on long-lived assets.

Life-science Services and Products

During the Reporting Period, revenue from life-science services and products was approximately US\$247.6 million, representing an increase of 11.3% as compared with approximately US\$222.4 million for the Prior Period. The adjusted gross profit was approximately US\$126.3 million, representing an increase of 5.3% as compared with approximately US\$119.9 million for the Prior Period. The adjusted gross profit margin decreased slightly to 51.0% from 53.9% for the Prior Period. The adjusted operating profit also decreased slightly to approximately US\$46.4 million from approximately US\$47.8 million for the Prior Period.

Management's Discussion and Analysis

The increase in revenue and adjusted gross profit were mainly attributable to the (i) platform upgrades through innovations and automation, delivering services and products with enhanced reliability, accelerated turnaround and superior quality standards, particularly in protein and gene editing platforms, (ii) continued operational efficiency improvement across production sites in Mainland China, Singapore and the U.S., and (iii) enhanced customer engagement driven by targeted campaigns and renewed brand visibility. The decrease in adjusted operating profit was caused by the higher investments in marketing transformation and research and development (“R&D”) activities to build the medium-to-long-term competitiveness.

Biologics Development Services

During the Reporting Period, revenue from biologics development services was approximately US\$246.9 million, representing an increase of 511.1% as compared with approximately US\$40.4 million for the Prior Period. The adjusted gross profit was approximately US\$181.6 million, as compared with approximately US\$5.9 million for the Prior Period. The adjusted gross profit margin increased to 73.6% for the Reporting Period from 14.7% for the Prior Period. The adjusted operating profit was approximately US\$149.6 million, while the adjusted operating loss was approximately US\$18.9 million for the Prior Period.

The increase in revenue, adjusted gross profit and adjusted operating profit were attributable to the substantial increase in license revenue, mainly caused by the sublicense revenue generated from LaNova Medicines Ltd. (“LaNova”). Apart from the contribution from the license revenue, the revenue derived from rendering of services and sales of products recorded double-digit growth, primarily driven by successful fulfillment of biologics Good Manufacturing Practice (“GMP”) orders and global expansion of viral vector business during the Reporting Period. The adjusted gross profit and adjusted operating loss arising from services and products were significantly impacted by the intense competitive dynamics and persistent pricing pressures in specific regional markets, as well as the incremental costs associated with the launch of new production facilities in Mainland China and the U.S..

Industrial Synthetic Biology Products

During the Reporting Period, revenue from industrial synthetic biology products was approximately US\$28.3 million, representing an increase of 8.4% as compared with approximately US\$26.1 million for the Prior Period. The adjusted gross profit was approximately US\$11.4 million, representing an increase of 3.6% as compared with approximately US\$11.0 million for the Prior Period. The adjusted gross profit margin decreased slightly to 40.4% for the Reporting Period from 42.2% for the Prior Period. The adjusted operating loss was approximately US\$0.6 million, while the adjusted operating profit was approximately US\$2.3 million for the Prior Period.

The increase in revenue was primarily attributable to the (i) expansion of the synthetic biology business in Mainland China, and (ii) enhancement of ex-China operations, particularly in the Asia-Pacific, driven by the rapid development of sales channels and establishment of localised teams. The reversal to adjusted operating loss from adjusted operating profit was mainly attributable to the increase in R&D expenditure, which exerted pressure on the short-term profitability but will lay the groundwork for technological innovation and future revenue growth.

Management's Discussion and Analysis

Environmental, Social and Governance

Aligned with the corporate mission to “make people and nature healthier through biotechnology”, the Group has consistently prioritised Environmental, Social and Governance (“**ESG**”) commitments and actions across its operations and every step of the value chain. During the Reporting Period, our ongoing efforts to advance ESG practices have resulted in notable breakthroughs, underscoring our dedication to sustainable growth and responsible business practices.

As a global company, the Group has actively engaged with the global sustainability community. After joining the United Nations Global Compact (UNGC) in 2023, the Group have further expanded its sustainability framework by becoming a supplier partner of the Pharmaceutical Supply Chain Initiative (PSCI) in 2025. As part of the initiatives to combat climate change, the carbon reduction targets of the Group have been validated by the Science Based Targets initiative (SBTi). During the Reporting Period, the Group has also been widely recognised by global rating agencies, including a silver medal from EcoVadis, an AA rating from MSCI ESG Ratings, an ESG “Low Risk” rating from Morningstar Sustainalytics, and inclusion in the FTSE4Good Index Series. These milestones demonstrate the unwavering commitment of the Group to driving long-term value creation for all stakeholders.

GenScript Business System

The GenScript Business System (“**GBS**”) was officially introduced and implemented in 2025 as a Group-wide program to institutionalise operational excellence and sustain long-term value creation. During the Reporting Period, approximately 20 Kaizen projects and events were executed under GBS, covering manufacturing, sales, and functional support. These projects have already delivered quantifiable benefits in cost reduction, process efficiency and management discipline, demonstrating the program’s early success. These achievements have also established a robust foundation for elevating quality standards and deepening cross-functional collaboration. While still in its nascent stage, GBS is fostering a culture of continuous improvement and rigorous problem-solving. The Group will continue to roll out and embed GBS across all operations, further strengthening capabilities and empowering talent to deliver enduring value to clients and shareholders of the Group.

Management's Discussion and Analysis

FINANCIAL REVIEW

	For the six months ended June 30,		
	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)	Change US\$'000
Continuing operations			
Revenue	518,773	285,160	233,613
Gross profit	320,631	133,505	187,126
Loss after income tax expense	(24,547)	(137,739)	113,192
Adjusted net profit	177,973	29,157	148,816
Discontinued operation			
Loss for the period from Legend Group, net of tax	–	(77,892)	77,892
Loss for the period	(24,547)	(215,631)	191,084
Loss attributable to owners of the Company	(25,462)	(175,115)	149,653
Loss per share for the period (US cent)			
– Basic	(1.18)	(8.27)	7.09
– Diluted	(2.16)	(8.27)	6.11
Adjusted profit and expenses:			
Gross profit	323,179	138,697	184,482
Selling and distribution expenses	45,659	41,357	4,302
Administrative expenses	58,972	47,298	11,674
Research and development expenses	30,460	24,321	6,139

Revenue

During the Reporting Period, the Group recorded revenue of approximately US\$518.8 million, representing an increase of 81.9% from approximately US\$285.2 million for the Prior Period. This is mainly attributable to the (i) substantial increase in license revenue, mainly caused by the sublicense revenue generated from LaNova, and (ii) continuous investment in commercial promotion to enhance brand awareness, particularly in Europe and the U.S..

Gross Profit

During the Reporting Period, the Group's gross profit increased by 140.1% to approximately US\$320.6 million from approximately US\$133.5 million for the Prior Period. The increase in gross profit was primarily attributable to the expansion of revenue, especially the license revenue in the biologics development services segment. The adjusted gross profit increased by 133.0% over the Prior Period.

Management's Discussion and Analysis

Selling and Distribution Expenses

During the Reporting Period, the Group's selling and distribution expenses increased by 10.2% to approximately US\$47.5 million from approximately US\$43.1 million for the Prior Period. This is mainly attributable to the (i) expansion of the marketing teams and strengthened local recruitment of experienced professionals, and (ii) continued investment in regional operations to support business development and customer engagement in key ex-China markets. The adjusted selling and distribution expenses increased by 10.4% over the Prior Period.

Administrative Expenses

During the Reporting Period, the Group's administrative expenses increased by 19.7% to approximately US\$63.1 million from approximately US\$52.7 million for the Prior Period. This is mainly attributable to the (i) continued expenditures in infrastructure associated with capacity expansion and enhanced administrative functions, and (ii) expenses incurred during the preparation phase for the new site. The adjusted administrative expenses increased by 24.7% over the Prior Period.

Research and Development Expenses

During the Reporting Period, the Group's R&D expenses increased by 25.7% to approximately US\$31.3 million from approximately US\$24.9 million for the Prior Period. This is mainly attributable to the increase in professional recruitment and the expansion of strategic research initiatives. The adjusted research and development expenses increased by 25.2% over the Prior Period.

Unrealised Gain and Fair Value Changes of Preferred Shares

On August 18, 2021 (New York time), Probio Cayman entered into a purchase agreement with certain investors, whereby Probio Cayman sold 300,000,000 shares of series A preferred shares of Probio Cayman (the "**Probio Series A Preferred Shares**") and a warrant exercisable for up to an aggregate of 189,393,939 ordinary shares of Probio Cayman (the "**Probio Warrant**", and collectively the "**Probio Cayman Purchase**"). The total proceeds from the Probio Cayman Purchase were US\$150.0 million. Pursuant to the purchase agreement, Probio Cayman issued the Probio Warrant to the investors to purchase the ordinary shares of Probio Cayman at a certain price per share for up to an aggregate amount of US\$125.0 million. The Probio Warrant has expired in accordance with the terms and conditions of the purchase agreement. The Probio Series A Preferred Shares has been purchased by the Company (through a direct wholly-owned subsidiary) pursuant to a share transfer agreement dated April 28, 2025. An unrealised non-cash gain of approximately US\$14.4 million was recognised associated with this acquisition, which was caused by the variance between the fair value of Probio Series A Preferred Shares and the aggregate consideration. Please refer to the announcements of the Company dated May 14, 2021, June 7, 2021, August 19, 2021, September 5, 2021, April 28, 2025 and May 7, 2025 for details.

On January 17, 2023, Probio Cayman entered into a subscription agreement with certain investors (including the Company), pursuant to which Probio Cayman issued and sold, and the investors purchased an aggregate of 319,998,370 series C preferred shares of Probio Cayman (the "**Probio Series C Preferred Shares**") for an aggregate consideration of approximately US\$224.0 million at the applicable closing (the "**Probio Series C Financing**"). Please refer to the announcements of the Company dated January 17, 2023, February 10, 2023, and April 21, 2023 for details.

The Probio Series A Preferred Shares and the Probio Series C Preferred Shares are accounted for as financial liabilities measured at fair value with changes through profit or loss in accordance with relevant HKFRSs. The Probio Series A Preferred Shares were derecognised after being purchased by the Company.

Management's Discussion and Analysis

As at June 30, 2025, the fair value of the Probio Series C Preferred Shares was assessed at approximately US\$248.0 million. During the Reporting Period, fair value losses of approximately US\$13.8 million was recorded in respect of the Probio Series A Preferred Shares and Probio Series C Preferred Shares due to the changes in fair values of these financial liabilities.

Financial Liabilities at Amortised Cost

On July 2, 2022, Probio Cayman entered into a subscription agreement with an investor, pursuant to which Probio Cayman issued and sold and the investor purchased 57,314,000 series B preferred shares of Probio Cayman (the **"Probio Series B Preferred Shares"**) at an aggregate consideration of approximately US\$37.3 million (the **"Probio Series B Financing"**). The completion of the Probio Series B Financing took place on July 6, 2022. Please refer to the announcements of the Company dated July 4, 2022 and July 6, 2022 for details.

The Probio Series B Preferred Shares is accounted for as financial liabilities at amortised cost for liability component and other reserves for equity component.

On May 26, 2023, Nanjing Bestzyme Bio-Engineering Co., Ltd.* (南京百斯傑生物工程有限公司) (**"BSJ Nanjing"**), an indirect non-wholly owned subsidiary of the Company, entered into a capital increase agreement with certain investors, pursuant to which the investors subscribed for the additional registered capital of BSJ Nanjing of RMB37,609,070 (equivalent to approximately US\$5.3 million) for a total consideration of RMB250.0 million (equivalent to approximately US\$35.2 million) to acquire approximately 10.4168% equity interest in BSJ Nanjing upon the closing (the **"BSJ Series A Capital Increase"**). In connection with the BSJ Series A Capital Increase, the investors are entitled to the redemption right pursuant to the shareholder agreement dated May 26, 2023 entered into by, among others, the investors and BSJ Nanjing. Please refer to the announcements of the Company dated May 28, 2023 and June 25, 2023 for details.

The BSJ Series A Capital Increase is accounted for as financial liabilities at amortised cost.

As at June 30, 2025, the equity component of Probio Series B Preferred Shares in other reserves was assessed at approximately US\$1.6 million, and the liability component was assessed at approximately US\$42.3 million with interest expenses assessed at approximately US\$1.1 million during the Reporting Period. The financial liabilities at amortised cost of the BSJ Series A Capital Increase was assessed at approximately US\$39.6 million with interest expenses at approximately US\$1.2 million during the Reporting Period.

Income Tax Expense

During the Reporting Period, the income tax expense from continuing operations increased by 149.0% to approximately US\$24.4 million from approximately US\$9.8 million for the Prior Period. The increase of tax expense was primarily attributable to the considerable taxable income resulting from increased license revenue.

Net Loss

During the Reporting Period, from continuing operations, net loss of the Group was approximately US\$24.5 million, whilst the net loss for the Prior Period was approximately US\$137.7 million. The adjusted net profit of the Group was approximately US\$178.0 million for the Reporting Period.

Management's Discussion and Analysis

Loss from Discontinued Operation

Pursuant to the announcement of the Company dated October 22, 2024, effective from October 18, 2024, the Company has no power to unilaterally govern the financial and operation policies of the Legend Group due to the loss of power to cast the majority of votes at the general meeting of Legend Group, the Legend Group was deconsolidated from the Company then in accordance with the requirements of HKFRS 10 *Consolidated Financial Statements*. After the Deconsolidation, Legend was reclassified as an associate (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”)) and the Company subsequently accounts for the investment in Legend Group using equity method as the Company is assessed to have significant influence in Legend Group.

During the Reporting Period, no profit or loss was recognised from discontinued operation as Legend is an associate of the Company. Loss of approximately US\$77.9 million was recorded for the Prior Period.

Working Capital and Financial Resources

The Group consistently adopted a prudent financial management policy. Fund management, financing and investment activities were all undertaken and monitored by the management of the Company. Given the industry characteristics of the core business of the Group, the emphasis of routine financial control management was placed on the management of working capital, particularly the timely receipts of trade receivables and payment arrangement of trade payables.

The capital structure of the Group was constantly monitored by the Company and aimed to monitor its working capital and financial resources to maintain a solid financial position. The use of any capital instruments, including banking facilities, by each subsidiary was under the central coordination and arrangement of the Company.

As at June 30, 2025, the wealth management financial products, time deposits and cash and cash equivalents of the Group amounted to approximately US\$943.9 million (as at December 31, 2024: approximately US\$719.9 million), and the restricted cash of the Group amounted to approximately US\$22.7 million (as at December 31, 2024: approximately US\$17.9 million).

As at June 30, 2025, the Group had available unutilised bank facilities of approximately US\$532.7 million (as at December 31, 2024: approximately US\$577.6 million).

As at June 30, 2025, the Group's current ratio (current assets to current liabilities) was approximately 2.0 (as at December 31, 2024: approximately 2.7); and gearing ratio (total liabilities to total assets) was approximately 18.6% (as at December 31, 2024: approximately 18.1%).

After considering its current cash and cash flows from operating activities, as well as the credit facilities available to the Group, it is believed that the Group has sufficient capital to fund its future operations and for business expansion and general development purposes.

Management's Discussion and Analysis

Treasury Policy

The Group follows a set of funding and treasury policies to manage its capital resources and prevent risks involved. The Group invests surplus cash in the instruments issued by reputable and large-scale banks and financial institutions, only with reasonable expected return rates and controllable or predictable risks. The Group expects to fund its working capital and other capital requirements from a combination of various sources, including but not limited to necessary bank facilities.

To mitigate the risks arising from volatility of foreign exchange market and its impact to the Group's operation, the Group uses proper derivative instruments to hedge the foreign currency risks in the ordinary course of business, including foreign currency forward contracts and collar contracts, based on the cashflow forecast by currency and the outlook on and expectation of future exchange rate fluctuations, after the approval of senior management of the Company.

Capital Expenditure

During the Reporting Period, the expenditure of purchasing other intangible assets, particular for software, was approximately US\$1.0 million, and the expenditure of constructing and purchasing property, plant and equipment amounted to approximately US\$38.3 million.

Significant Investments Held, Material Acquisitions and Disposals

Significant investment in the key associate

As at June 30, 2025, the Group held a significant investment in an associate company, Legend, with a carrying value of approximately US\$3.6 billion, representing approximately 65.6% of the total assets of the Group. The Group's share of loss from Legend Group was approximately US\$193.7 million for the Reporting Period.

The Legend Group is principally engaged in the discovery, development, manufacturing and commercialisation of novel cell therapies for oncology and other indications. The Group intends to hold the abovementioned equity interests in the Legend Group as a long-term investment. Details of the financial information of Legend Group is set out in notes 8 and 12 to the financial statements in this interim report.

Management's Discussion and Analysis

Significant investments in the financial assets

As at June 30, 2025, significant investments held by the Group are as follows:

	As at June 30, 2025 US\$'000	As at December 31, 2024 US\$'000
Financial assets at fair value through profit or loss		
Current		
Wealth management financial products (a)	541,141	224,851
Listed equity investments	22	23
	541,163	224,874
Non-current		
Wealth management financial products (a)	–	65,344
Unlisted equity investments (b)	25,158	23,299
	25,158	88,643
Total	566,321	313,517

The majority of the wealth management financial products we purchased during the Reporting Period were issued by banks and financial institutions in Mainland China, Europe, Hong Kong and the U.S., and mainly included non-guaranteed floating-income product, the money market fund and credit linked notes with floating expected return rates ranging from 1.5% to 5.7% per annum and with maturity days between one day and about one year. These products did not guarantee the return of principals upon maturity. As at June 30, 2025, we preserved all our invested capital in these products and did not encounter any default by the issuing banks and institutions, and none of our investments was past due or impaired. The Group has redeemed those wealth management financial products at maturation and has no intention to dispose the investments in the long term. None of our investments had been pledged to secure our borrowings as at June 30, 2025.

As part of our treasury management plan, we have purchased wealth management financial products as an auxiliary mean to improve utilisation of our cash on hand in line with our cashflow forecast. We have made such purchases only when (i) we have surplus funds after we have fully considered the cash requirement of our operations for the future years and allocated accordingly, and (ii) our management has carefully assessed the risks and benefits and decides to make such purchases (including, among others, the availability of certain wealth management financial products which have high liquidity and generate finance income meeting our standards).

All investments were made in low-risk, liquid and sound wealth management financial products, such as capital preservation products, fixed-income products, trust products with agreed yield expectations and adequate safeguards.

Management's Discussion and Analysis

Any purchase and early redemption of our investments in wealth management financial products shall be reviewed and approved by chief finance officer of the Group or other authorised personnel based on internal approval authority matrix.

(a) Information in relation to the wealth management financial products* as at June 30, 2025 are set out as follows:

Item	Banks/Financial institutions	Product type/description	Original amount RMB or US\$	Investment cost US\$'000	Fair value as at June 30, 2025 US\$'000
1.	China Merchants Bank	Non-guaranteed floating-income product	RMB443,980,000	62,021	62,999
2.	CITIC Securities Company Limited	Non-guaranteed floating-income product	RMB348,139,807	48,632	49,617
3.	CITIC Securities Company Limited	Non-guaranteed floating-income product	RMB161,750,882	22,595	23,147
4.	CITIC Securities Company Limited	Non-guaranteed floating-income product	RMB21,700,000	3,031	3,056
5.	China Merchants Bank	Non-guaranteed floating-income product	RMB80,000,000	11,175	11,222
6.	China Merchants Bank	Non-guaranteed floating-income product	RMB17,200,000	2,403	2,428
7.	China Merchants Bank	Non-guaranteed floating-income product	RMB297,969,262	41,624	42,307
8.	China Merchants Bank	Non-guaranteed floating-income product	RMB170,023,859	23,751	23,777
9.	CITIC Securities Company Limited	Non-guaranteed floating-income product	RMB195,000,000	27,240	27,256
10.	JPMorgan Chase Bank	Money Market Fund	US\$91,500,000	91,500	92,362
11.	JPMorgan Asset Management (Europe) S.à r.l.	Money Market Fund	US\$18,000,000	18,000	18,050
12.	JPMorgan Chase Financial Company LLC	Credit Linked Notes	US\$33,000,000	33,000	33,964
13.	J.P. Morgan Structured Products B.V.	Credit Linked Notes	US\$44,000,000	44,000	45,821
14.	J.P. Morgan Structured Products B.V.	Credit Linked Notes	US\$10,000,000	10,000	10,567
15.	CMB International Capital Corporation Limited	Money Market Fund	US\$18,025,986	18,026	18,599
16.	CMB International Capital Corporation Limited	Non-guaranteed floating-income product	US\$74,999,500	75,000	75,969
Total				531,998	541,141

* The above wealth management financial products have been already aggregated based on issuing banks/financial institutions and underlying financial products.

Management's Discussion and Analysis

(b) Information in relation to the unlisted equity instruments as at June 30, 2025 are set out as follows:

Name of investee company/fund	Principal business or investment scope	Nature of investment	Number of shares/units/amount of investments held	Percentage of total share capital/units owned by the Group as at June 30, 2025	Investment Cost	Fair value as at June 30, 2025	Percentage to the Group's total assets as at June 30, 2025	Unrealised gain/(loss) on changes in fair value during the six months ended June 30, 2025
				%	US\$'000	US\$'000	%	US\$'000
Yuanming Prudence SPC – Healthcare Fund I Segregated Portfolio	Fund investment	Investment in fund/securities	486.43	0.28	219	212	0.01	(40)
Panacea Venture Healthcare Fund I, L.P.	Fund investment	Investment in fund/securities	Not applicable	5.54	9,370	8,165	0.15	38
Shenzhen Emma Biotechnology Co., Ltd. (深圳艾碼生物科技有限公司)	Equity investment	Investment in corporation	Not applicable	3.96	1,118	1,606	0.03	–
AffyXell Therapeutics Co., Ltd.	Equity investment	Investment in corporation	113,637	0.97	810	535	0.01	–
Fund A**	Fund investment	Investment in fund/securities	Not applicable	40.24	3,574	3,564	0.06	108
Fund B**	Fund investment	Investment in fund/securities	Not applicable	90.91	3,833	4,435	0.08	391
7G BIOVENTURES I, L.P.	Fund investment	Investment in fund/securities	Not applicable	29.56	4,500	3,652	0.07	(109)
Hanx Biopharmaceuticals (Wuhan) Co., Ltd.	Equity investment	Investment in corporation	180,402	1.53	2,993	2,989	0.05	–
Total					26,417	25,158	0.46	388

** The Company is subject to strict confidentiality obligations under which the name of the fund cannot be disclosed to any third party. As at the date of this interim report, to the best knowledge of the Company, each of the general partners, limited partners, and their ultimate beneficial owners of Fund A and Fund B is an independent third party who is, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, independent of and not connected with the Company and the connected person(s) (as defined in the Listing Rules) of the Company.

(Note) Given the value of investment in each financial asset at fair value through profit or loss does not constitute a notifiable transaction of the Company pursuant to Chapter 14 of the Listing Rules, as the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules), whether on a standalone or aggregate basis, are less than 5.0% of the total assets of the Group as of June 30, 2025, the Company has not prepared any analysis on their prospects as required by the Listing Rules.

During the Reporting Period, we recorded the investment gains on the financial assets at fair value through profit or loss of approximately US\$1.3 million and fair value gains at approximately US\$6.9 million.

Save as disclosed above, the Group did not have any other significant investments held as at June 30, 2025, or engage in any material acquisitions or disposals of subsidiaries and associated companies during the Reporting Period.

Management's Discussion and Analysis

Bank Loans

As at June 30, 2025, the Group had short-term interest-bearing loans from Citibank, HSBC China, China Merchants Bank, China CITIC Bank and Bank of China, respectively, for a total amount of approximately RMB939.9 million (equivalent to approximately US\$131.3 million), with fixed interest rates ranging from 2.25% to 2.60% per annum. These loans were used for the daily operation of subsidiaries located in Mainland China, of which approximately RMB350.8 million (equivalent to approximately US\$49.0 million) is secured by credit.

As at June 30, 2025, Zhenjiang ProBio Biotech Co., Ltd. (鎮江蓬勃生物科技有限公司) ("ProBio Zhenjiang") had long-term interest-bearing loans due within one year from China Construction Bank and Jiangsu Bank for a total amount of approximately RMB129.2 million (equivalent to approximately US\$18.0 million), with a floating interest rate at LPR (Loan Prime Rate) minus 0.6% per annum, which were secured by the leasehold land held by ProBio Zhenjiang. Such loans were used for the facility construction of ProBio Zhenjiang. These loans were repaid and the leasehold land was released from pledge in July 2025.

As at June 30, 2025, the Group had short-term interest-bearing loans from China Merchants Bank in amount of approximately RMB20.7 million (equivalent to approximately US\$2.9 million) with a fixed interest rate at 1.95% per annum. Such loans were derived from discounting of bank notes.

As at June 30, 2025, the Group had a short-term interest-bearing loan from China Merchants Bank in amount of approximately RMB23.2 million (equivalent to approximately US\$3.2 million) with a fixed interest rate at 1.9% per annum. Such a loan was derived from issuance of letters of credit.

Save as disclosed above, the Group did not have any other outstanding, unpaid bank loans and/or other borrowings.

Provision, Contingent Liabilities and Guarantees

The Group did not have any material provision, contingent liabilities or guarantees as at June 30, 2025.

No Material Adverse Change

The directors of the Company (the "Director(s)") confirm that there has been no material adverse change in the financial or trading position of the Group from the information disclosed under "Management's Discussion and Analysis" in the Company's annual report for the year ended December 31, 2024 (the "Annual Report 2024") up to the date of this interim report.

Management's Discussion and Analysis

Charges on Group Assets

As at June 30, 2025, the leasehold land located in Jiangsu, China of approximately RMB34.6 million (equivalent to approximately US\$4.8 million) was pledged by ProBio Zhenjiang to secure a loan of approximately RMB129.2 million (equivalent to approximately US\$18.0 million). This pledge was released in July 2025.

As at June 30, 2025, bank balances of approximately US\$8.8 million were pledged as guarantee of certain financial products, of approximately US\$12.9 million were pledged as security deposits for rentals, and of approximately US\$1.0 million were pledged for the letters of guarantee to suppliers.

As at June 30, 2025, the properties acquired by Jiangsu GenScript Biotech Co., Ltd.* (江蘇金斯瑞生物科技有限公司) and ProBio Zhenjiang amounted to approximately RMB226.6 million (equivalent to approximately US\$31.7 million) were pledged to an affiliate of the Series B Investor of ProBio (as defined in the announcement of the Company dated July 4, 2022) so as to secure the performance of the redemption obligation of the Company and ProBio Cayman. Please refer to the announcements of the Company dated June 29, 2022 and July 4, 2022 for details.

Save as disclosed above, the Group did not have any other material charges over its assets as at June 30, 2025.

Subsequent Events

Since June 30, 2025 and up to the date of this interim report, no important events affecting the Company occurred.

Future Plans for Material Investments or Capital Assets

For life-science services and products, to solidify our position as an industry leader, the Group plans to continue expanding our manufacturing footprint in the U.S., Singapore, and Mainland China, including (i) expansion of molecular biology and protein production capabilities globally, (ii) enhancement of GMP-grade manufacturing capacity to support key reagent production in the cell and gene therapy ("CGT") supply chain, and (iii) improve reliability, quality and cost effectiveness of our products and services through continuous lean management and process automation. In addition, to reinforce our leadership as a science-first, customer-centric brand, we are executing a global brand transformation that includes the launch of a unified visual identity, a hyper-targeted and enhanced user experience and an omni-channel always-on communications approach. This initiative is already elevating brand preference, amplifying our voice in the industry, and enabling tighter integration between marketing, sales, and service excellence.

For biologics development services, the Group continues to enhance its service portfolio with the successful launch of GMP Plasmid in March 2025 and the upcoming introduction of adeno-associated viruses (AAV) capabilities in the third quarter of 2025. We remain deeply committed to the U.S. market, with significant investments underway – including GMP lentiviral vector (LVV) capabilities scheduled to launch in the first quarter of 2026. These strategic expansions further solidify the Company's position as a global leader in CGT. Besides, we will continuously invest in asset out-licensing or New Molecule Entity (NME) model, leveraging our strong capabilities and comprehensive technology platforms with solid track-record in antibody drug discovery, engineering and manufacturing. We've successfully developed a rare and highly demanded cluster of differentiation 3 (CD3) single-domain antibody (VHH) with cynomolgus monkey cross reactivity, allowing for accelerated construction of T cell engager ("TCE") molecules. In addition, we also have some other developed single-domain antibodies (sdAbs), monoclonal antibodies (mAbs), and bispecific antibodies (BsAbs) with great potential for out-licensing, which may potentially boost ProBio's revenue generation in the upcoming years.

Management's Discussion and Analysis

For industrial synthetic biology products, the Group plans to further optimise our manufacturing facility and expand manufacturing capacity in Mainland China, in order to support the growing business needs in the future. We are also planning to expand our synthetic biology laboratories in order to enhance our R&D capabilities.

The Group also plans to invest in upgrading supply chain and IT infrastructures as well as other supporting functions to improve operating efficiency and accommodate the strong business growth.

Save as disclosed above, there was no other specific plan for material investments or capital assets as at June 30, 2025.

The Group has sufficient resources in the form of cash and cash equivalents, time deposits and other financial assets to support the planned capital investments.

RISK MANAGEMENT

Foreign Exchange Risk

The Group conducts business in several countries and regions and transacts in multiple foreign currencies. The Group seeks to limit its exposure to foreign currency risk by closely monitoring and minimising its cash outflow position of non-U.S. dollars. Since January 2019, the Group has engaged in a series of forward and option contracts to manage the Group's currency risk, which are usually placed and adjusted quarterly. The Group may choose not to hedge certain foreign exchange exposures due to immateriality, prohibitive economic cost of hedging particular exposures, or limited availability of appropriate hedging instruments. The Group currently focuses on the management of our exposure to foreign exchange risk in relation to RMB, aiming to control foreign exchange risk to an acceptable level by ensuring that the Group will only consider hedging operational flows. The Group attempts to limit counterparty risk by executing foreign exchange contracts with only reputable financial institutions and banks.

As at June 30, 2025, the Group had no outstanding foreign currency forward or option contracts (as at December 31, 2024: approximately US\$8.2 million in respect of U.S. dollar against RMB of notional principal). The management of the Company will continue to evaluate the Group's foreign exchange risk management procedures and take actions as appropriate to minimise the Group's exposure whenever necessary.

The foreign currency forward and option contracts are derivatives and are recorded at fair market value. The changes in fair value of them were recognised in the consolidated statement of profit or loss. All of the foreign currency forward and option contracts were settled within one year.

Cash Flow and Fair Value Interest Rate Risk

As at June 30, 2025, other than bank balances with variable interest rates and time deposits with fixed interest rates, the Group has financial products of approximately US\$532.0 million related to fair value interest rate risk. The Group is also exposed to fair value interest rate risk in relation to lease liabilities and cash flow interest rate risk in relation to variable-rate bank loans. The Company currently does not enter into any hedging instrument for both of the fair value interest rate risk and cash flow interest rate risk.

Management's Discussion and Analysis

The sensitivity analysis for fair value interest rate risk is prepared on the exposure to financial assets at the end of the Reporting Period. If the interest rates had been 50 basis points higher or lower and all other variables were held constant, our pre-tax loss would have been approximately US\$1.3 million lower or higher for the Reporting Period.

The sensitivity analysis for cash flow interest rate risk is prepared on the exposure to interest rates for interest-bearing bank loans at the end of the Reporting Period. If the interest rates had been 50 basis points higher or lower and all other variables were held constant, our pre-tax loss would have been approximately US\$0.4 million higher or lower for the Reporting Period.

Credit Risk

The carrying amounts of cash and cash equivalents, trade and other receivables and other current assets are the Group's maximum exposure to credit risk in relation to its financial assets. The objective of the Group's measures to manage credit risk is to control potential exposure to recoverability problems.

In respect of trade and other receivables, individual credit rating is performed on customers and counterparties. These evaluations focus on the counterparty's business performance, including but not limited to, financing activities, financial position, market economic environment, and past history of payment punctuality. Prepayment requirement is determined and credit limit is granted based on the credit rating and historical contracting amount, which will be reviewed quarterly. Monitoring procedures have been implemented to ensure that follow-up actions will be taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual transaction and account's revenue volume, outstanding balances, long-time past due invoices and payment records monthly to ensure that adequate impairment losses are made for irrecoverable amounts.

Risk Related to Geopolitical Factors, International Trade Agreements, Tariffs and Import/Export Regulations and Export Control and Sanctions

In recent years, there have been more material uncertainties arising from geopolitical factors, including international trade agreements, tariffs and import/export regulations as well as export control and sanctions. In order to mitigate this risk, the Group has continuously diversified the global manufacturing footprint and supply chain partners.

(i) Change in tariff, export & import regulations

US-China trade tension remains palpable. Recently, both the China and the U.S. imposed new tariff on goods from the other. If additional burdens or restrictions were imposed on international trade that negatively affect the ability of both countries to import and export goods and services, it may lead to a decline in material supply and demand of the Group's services. In order to mitigate this, the Group has continuously increased the layout of global service capacities.

(ii) Export controls and economic sanctions

As the international trade regulatory environment in the United States, Europe and other countries/regions grows increasingly tightened, additional regulatory measures may be imposed by sanctions, import and export controls, and other trade control laws and regulations in the U.S. and abroad. We have been keeping a close eye on the change of the regulatory rules from various regulatory authorities/jurisdictions and constantly updating and improving our programs and policies to mitigate the potential compliance risks.

Management's Discussion and Analysis

To mitigate aforesaid risks, effective from February 5, 2025, the board of Directors (the “**Board**”) has established the Sub-Committee on Data Security and Geopolitical Resilience (as a sub-committee of the Risk Management and ESG Committee) for the purpose of, among others, supporting the Board in reviewing the effectiveness of the Company's risk management in respect of geopolitical risks and other relevant risks. The Group is aware of and has continuously kept monitoring the latest development of the trend and adopted appropriate measures accordingly.

IMPORTANT EVENTS

As of June 27, 2025, Nanjing ProBio Biotech Co., Limited* (南京蓬勃生物科技有限公司) and ProBio Zhenjiang had received payments of approximately US\$213.8 million (after withholding taxes) under a restated and amended license agreement (the “**License Agreement**”) with LaNova. These payments comprise: (i) an upfront payment, (ii) a milestone payment for the first milestone achieved; and (iii) a sublicense revenue in connection with the sublicense of anti-PD-1 single domain antibody licensed under the License Agreement, which has been incorporated into LM-299, an investigational PD-1/VEGF bispecific antibody developed by LaNova that has obtained investigational new drug (IND) clearance. Please refer to the announcements of the Company dated November 15, 2024 and June 30, 2025.

During the Reporting Period, our life science services and products business initiated a bold global brand transformation, culminating in the launch of our new brand identity and positioning under the theme “Scripting Possibilities”. This marks a milestone moment in GenScript's evolution – modernizing our presence, amplifying customer relevance, and signaling our ambition to shape the future of biotech. The global launch was celebrated on August 8, 2025 across our global sites. This historic moment positions us to expand influence across strategic markets and stand tall as a trusted, purpose-driven leader in life science industry.

PROSPECTS

The life science business remains as the foundation of the Group's success. Since our inception in 2002, we have continuously innovated and revolutionised our services to enhance accessibility, affordability, and high-quality for scientists worldwide. Having served over 230,000 customers across over 100 countries, we have made a profound impact in vaccine development, antibody therapeutics, CGT, diagnostics, and agriculture. Moving forward, we will continue to enhance our leadership through well-defined, market-driven initiatives. We will reinforce our commitment to advancing science and expanding our global footprint while fostering an agile and high-performing marketing organisation.

With the new capacity now operational in the U.S. and key milestones achieved, ProBio is strategically positioned to capitalise on the returning funding momentum in the U.S. and European market by strengthening our presence and deepening client partnerships. Simultaneously, we view the vibrant licensing activity in Asia-Pacific as a key catalyst to provide resilient growth pathway. Our diversified capabilities and global platform uniquely allow us to navigate regional uncertainties and reinforce our confidence in sustainable growth.

After years of dedicated efforts on product optimisation and production efficiency improvements, Bestzyme has successfully achieved healthy growth and profitability. We are also developing new synthetic biologic products to explore potential business opportunities in new areas. We believe synthetic biology will serve more industrial applications with health and environmental benefits.

Management's Discussion and Analysis

The Company retains a substantial interest in Legend following its deconsolidation. We anticipate holding our investment in Legend for the long term, as we believe that Legend's operation will generate greater value for the Company and Shareholders in the future.

EMPLOYEES AND REMUNERATION POLICIES

As at June 30, 2025, the Group had a total of 5,769 employees, of which 9.5% were engaged in R&D roles. The Group had entered into employment contracts covering positions, employment conditions and terms, compensation, responsibilities for breach of contractual obligations, and reason for termination with its employees. The remuneration package of the Group's employees includes basic salary, subsidies, other employee benefits, short-term and long-term incentives, which are determined with reference to their capability, responsibility, performance, and other general factors.

During the Reporting Period, the Group's total expenses (excluding equity-settled share-based compensation expense) on the remuneration of employees (including the Directors and the chief executives) was approximately US\$143.0 million, representing approximately 45.4% of the total revenue (excluding license revenue) of the Group, which was mainly due to that the Group views this as the necessary long-term investment in our talents pool. This investment has demonstrated the Group's desires and resolutions to continue to strengthen its talent uplifting strategy. This talent uplifting strategy not only involves the recruitment of experienced professional and managerial personnel to fulfill the front-line posts of R&D, commercial and production functions, but also systematically increases the overall salary and benefits packages to sustain the stability of the employees to drive for long-term commitment and performance improvement as well. The Group's remuneration policy and structure for remuneration of the Directors and senior management of the Group are based on the Group's operating results, individual performance and comparable market statistics and are reviewed by the remuneration committee of the Company (the "**Remuneration Committee**") periodically.

The remuneration of the independent non-executive Directors is recommended by the Remuneration Committee and is decided by the Board, while the remuneration of the executive Directors and senior management members of the Group is determined by the Remuneration Committee, having regard to their merit, qualifications and competence, the Group's operating results and comparable market statistics.

The Group invests in continuing education and training programmes for its employees with a view to constantly upgrading their skills and knowledge and providing the employees with an environment that encourages them to develop their career with the Group. The Group has arranged continuous on-the-job training for its employees. These training courses cover a broad spectrum, including technical know-how of various business segments, environmental, health and safety management systems, and mandatory training required by applicable laws and regulations.

In accordance with relevant regulations on social insurances or other benefits, the Group makes contribution to these statutory and supplementary insurances and benefits for its employees.

OTHER INFORMATION

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the Reporting Period, neither the Directors nor any of their close associates had any interests in any business which competed or was likely to compete, either directly or indirectly, with the business of the Group.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES, AND DEBENTURES

As at June 30, 2025, the interests and short positions of the Directors and chief executive of the Company in the shares of the Company (the "Shares") (or any of its associated corporations, within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), and their interests in any 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 Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix C3 to the Listing Rules, are set out as follows:

Long Positions in the Ordinary Shares and Underlying Shares of the Company as of June 30, 2025

Name of Directors and Chief Executive of the Company	Capacity/Nature of interest	Number of Shares/ underlying Shares held/ interested	Approximate Percentage of Shareholding* (%)
Directors			
Robin Meng	Beneficial owner ^(Note 1)	1,144,021	0.05
Frank Zhang	Interest in controlled corporation ^(Note 2) , parties acting in concert ^(Note 6) , founder of a discretionary trust ^(Note 3) and interest of spouse ^(Note 2)	801,563,753	36.78
Li Zhu	Beneficial owner ^(Note 4)	1,812,815	0.08
Sally Wang	Interest in controlled corporation ^(Note 5) , parties acting in concert ^(Note 6) , beneficial owner ^(Note 7) , founder of a discretionary trust and trustee ^(Note 8)	801,563,753	36.78
Ethan Pan	Beneficial owner ^(Note 9)	284,929	0.01
John Quelch	Beneficial owner ^(Note 10)	21,905	0.001
Ross Grossman	Beneficial owner ^(Note 11)	21,905	0.001
Chief Executive of the Company			
Sherry Shao	Beneficial owner ^(Note 12)	6,953,997	0.32

* The percentage has been calculated based on 2,179,361,282 Shares in issue as at June 30, 2025.

Notes:

- (1) As at June 30, 2025, Robin Meng held 80,000 underlying Shares under the 2019 RSA Scheme, 743,320 underlying Shares under the options conditionally granted to him under the Pre-IPO Share Option Scheme and 320,701 Shares.
- (2) As at June 30, 2025, Frank Zhang held approximately 10.70% in the issued share capital of Genscript Corporation (the “**GS Corp**”). Pursuant to the GS Corp Shareholder Voting Agreement and for the purpose of the SFO, Frank Zhang was deemed, or taken to be interested in, all the Shares held by GS Corp. On June 16, 2025, the Fang Liang Zhang 2023 Grantor Retained Annuity Trust, with Weihong Jin as the initial trustee, transferred 2,394,935 shares of GS Corp underlying 4,253,415 Shares to Frank Zhang. On the same day, the 2017 Fang Liang Zhang Trust (the “**Zhang Trust**”) ^(note 3) transferred 2,563,800 shares of GS Corp underlying 4,553,320 Shares to Frank Zhang. On June 16, 2025, the Weihong Jin 2023 Grantor Retained Annuity Trust, of which Weihong Jin, the spouse of Frank Zhang, is the initial trustee and Frank Zhang became the trustee since May 31, 2025, and the Weihong Jin 2024 Grantor Retained Annuity Trust II (the “**Jin 2024 Trust**”) of which Weihong Jin is the initial trustee, transferred 2,394,935 and 5,918,130 shares of GS Corp underlying 4,253,415 and 10,510,624 Shares to Weihong Jin respectively. On the same day, Weihong Jin transferred 15,000,000 shares of GS Corp underlying 26,640,064 Shares to the Weihong Jin 2025 Grantor Retained Annuity Trust (the “**Jin 2025 Trust**”), of which Weihong Jin is the initial trustee.
- (3) On October 12, 2017, Frank Zhang set up the Zhang Trust, an irrevocable discretionary family trust, with his three children and their respective living issue as beneficiaries. Weihong Jin is the trustee of the Zhang Trust. As at June 30, 2025, the Zhang Trust (through its trustee), held approximately 20.36% of the entire issued share capital of GS Corp.
- (4) As at June 30, 2025, Li Zhu held 83,276 underlying Shares under the 2019 RSA Scheme, and 634,000 underlying Shares under the options conditionally granted to him under the Post-IPO Share Option Scheme and 1,095,539 Shares.
- (5) As at June 30, 2025, Sally Wang held approximately 4.15% in the issued share capital of GS Corp. Pursuant to the GS Corp Shareholder Voting Agreement and for the purpose of the SFO, Sally Wang was deemed, or taken to be interested in, all the Shares held by GS Corp.
- (6) On August 14, 2008, Frank Zhang, Sally Wang and Luquan Wang (“**Larry Wang**”) entered into the GS Corp Shareholder Voting Agreement, whereby Frank Zhang, Sally Wang and Larry Wang agreed to vote unanimously in the shareholder meetings of GS Corp and, contemporaneously, proxies were conferred by Larry Wang and Sally Wang to Frank Zhang authorising Frank Zhang to vote and exercise all voting and related rights with respect to the shares that each of Larry Wang and Sally Wang beneficially owned in GS Corp, which held 799,999,123 Shares as of June 30, 2025. On May 29, 2015, Yongmei Wu signed a proxy agreement whereby she conferred all her voting and related rights in relation to all the shares that she owned in GS Corp, i.e. 22.66% of the issued shares of GS Corp to Frank Zhang.
- (7) As at June 30, 2025, Sally Wang held 60,000 underlying Shares under the 2019 RSA Scheme and 228,630 Shares.
- (8) On October 5, 2017, Sally Wang set up 2017 Wang Ye Family Trust (the “**Wang Trust**”), an irrevocable discretionary family trust, with her spouse, her son and his living issue as beneficiaries. Zhiyong Hu, the spouse of Sally Wang, is the trustee of the Wang Trust. As at June 30, 2025, the Wang Trust (through its trustee) held approximately 8.06% of the entire issued share capital of GS Corp. On December 21, 2021, Sally Wang transferred 638,000 Shares to Ren-Shiu Foundation Inc., of which Sally Wang is the trustee.
- (9) As at June 30, 2025, Ethan Pan held 5,480 underlying Shares under the 2019 RSA Scheme, and 270,000 underlying Shares under the options granted to him under the Post-IPO Share Option Scheme and 9,449 shares.
- (10) As at June 30, 2025, John Quelch held 21,905 underlying Shares under the 2021 RSA Scheme.
- (11) As at June 30, 2025, Ross Grossman held 21,905 underlying Shares under the 2021 RSA Scheme.
- (12) As at June 30, 2025, Sherry Shao held 3,824,584 underlying Shares under the 2019 RSA Scheme, 29,954 underlying Shares under the 2021 RSA Scheme, 2,000,000 underlying Shares under the options granted to her under the Post-IPO Share Option Scheme and 1,099,459 Shares.

Other Information

Interests in the Ordinary Shares and Underlying Shares of Associated Corporations of the Company as of June 30, 2025

Legend Biotech Corporation ^(Note 1)

Name of Directors	Capacity/Nature of interest	Number of Shares/ underlying Shares held/ interested	Approximate Percentage of Shareholding ^(Note 2)
Frank Zhang	Interest of controlled corporation ^(Note 3) and other ^(Note 4)	175,658,134	47.59%
Sally Wang	Interest of controlled corporation ^(Note 5) and beneficial owner ^(Note 5)	174,904,744	47.38%
Li Zhu	Interests in spouse ^(Note 6)	8,400	0.00%
Ross Grossman	Beneficial Owner ^(Note 7)	7,086	0.00%

Notes:

- (1) The Company beneficially owned 174,497,556 ordinary shares of Legend, representing approximately 47.27% of the outstanding share capital of Legend as of June 30, 2025. Legend is a significant associate of the Company, whose shares are listed by way of American Depositary Shares ("ADS") on the Nasdaq Global Select Market in the U.S..
- (2) The approximate percentage of shareholding was calculated on basis of the outstanding share capital of Legend as at June 30, 2025, which was 369,141,409.
- (3) As at June 30, 2025, among 174,904,728 ordinary shares of Legend: (i) 407,172 ordinary shares of Legend were held by GS Corp; and (ii) 174,497,556 ordinary shares of Legend were held by the Company. Pursuant to the GS Corp Shareholder Voting Agreement and for purpose of the SFO, Frank Zhang was deemed, or taken to be interested in any shares that GS Corp holds in Legend. Furthermore, as a controlling shareholder of the Company, Frank Zhang is taken to be interested in any shares that the Company holds in Legend. Consequently, Frank Zhang was deemed to be interested in an aggregate of 174,904,728 ordinary shares of Legend through these controlled corporations under the SFO.
- (4) Frank Zhang has voting power over 753,406 ordinary shares of Legend pursuant to an irrevocable proxy, which became effective upon the exercise of the stock option pursuant to which such ordinary shares of Legend were issued and will terminate with respect to any such ordinary shares sold by their registered owner in a public market sale.
- (5) As at June 30, 2025, among 174,904,728 ordinary shares of Legend: (i) 407,172 ordinary shares of Legend were held by GS Corp; and (ii) 174,497,556 ordinary shares of Legend were held by the Company. Pursuant to the GS Corp Shareholder Voting Agreement and for purpose of the SFO, Sally Wang was deemed, or taken to be interested in any shares that GS Corp holds in Legend. Furthermore, as a controlling shareholder of the Company, Sally Wang is taken to be interested in any shares that the Company holds in Legend. Consequently, Sally Wang was deemed to be interested in an aggregate of 174,904,728 ordinary shares of Legend through these controlled corporations under the SFO. As at June 30, 2025, Sally Wang held 8 ADS (the equivalent of 16 ordinary shares of Legend).
- (6) As at June 30, 2025, Fanny Wan, Li Zhu's spouse, held 4,200 ADS (the equivalent of 8,400 ordinary shares of Legend).
- (7) As at June 30, 2025, Ross Grossman held 3,738 ordinary shares of Legend and 3,348 underlying shares of Legend under the 2020 restricted shares plan adopted by Legend on May 26, 2020.

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

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at June 30, 2025, within the knowledge of the Directors, the following persons (other than the Directors or chief executive of the Company) had an interest or a short position in the Shares or underlying Shares, which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept pursuant to Section 336 of the SFO:

Long Positions in the Ordinary Shares of the Company as at June 30, 2025

Name	Capacity/Nature of interest	Number of Shares/ underlying Shares held/ interested	Approximate Percentage of Shareholding* (%)
GS Corp ^(Note 1)	Beneficial owner	799,999,123	36.71
Larry Wang ^(Note 2) <i>(resigned as a Director on May 29, 2025)</i>	Interest in controlled corporation ^(Note 1) , parties acting in concert and interests in spouse ^(Note 6)	801,563,753	36.78
Weihong Jin ^(Note 3)	Interest in controlled corporation, parties acting in concert and trustee	801,563,753	36.78
Zhiyong Hu ^(Note 4)	Interest in controlled corporation, parties acting in concert and trustee	801,563,753	36.78
Lili Huang ^(Note 6)	Beneficial owner and interest in spouse	801,563,753	36.78
GNS Holdings Limited ^(Note 7)	Beneficial owner	164,770,965	7.56
Hillhouse Investment Management V, Ltd. ^(Note 7)	Interest in controlled corporation	173,348,965	7.95
Hillhouse Investment Management, Ltd. ^(Note 7)	Investment manager	173,348,965	7.95
Hillhouse Fund V, L.P. ^(Note 7)	Interest in controlled corporation	173,348,965	7.95

* The percentage has been calculated based on 2,179,361,282 Shares in issue as at June 30, 2025.

Other Information

Notes:

- (1) As at June 30, 2025, GS Corp is a company incorporated in the State of Delaware in the U.S. and owned as to approximately 10.70%, approximately 20.36%, approximately 2.58%, approximately 3.28%, approximately 3.33%, approximately 22.76%, approximately 0.43%, approximately 3.99%, approximately 3.72%, approximately 3.72%, approximately 1.85%, approximately 0.29%, approximately 8.66%, approximately 4.15%, approximately 8.06%, approximately 1.05%, and approximately 1.07% by Frank Zhang, the Zhang Trust^(Note 3), Weihong Jin, the Jin 2024 Trust, the Jin 2025 Trust, Larry Wang, Yongmei Wu, the Wu 2017 Trust^(Note 5), the Wu 2020 Separate Trust A^(Note 5), the Wu 2020 Separate Trust L^(Note 5), the Wu 2022 Trust^(Note 5), the Wu 2023 Trust^(Note 5), the Wu 2024 Trust^(Note 5), Ye Wang, the Wang Trust^(Note 4), Yingjun Mu and Charity B-Community Foundation of New Jersey, respectively.
- (2) Larry Wang is the spouse of Lili Huang. For the purpose of the SFO, Larry Wang was deemed, or taken to be interested in all the Shares in which Lili Huang was interested, i.e. 638,000 Shares.
- (3) On October 12, 2017, Frank Zhang set up the Zhang Trust, an irrevocable discretionary family trust, with his three children and their respective living issue as beneficiaries. Weihong Jin, the spouse of Frank Zhang, is the trustee of the Zhang Trust. As at June 30, 2025, the Zhang Trust (through its trustee), held approximately 20.36% of the entire issued share capital of GS Corp and was deemed, or taken to be interested in, all the Shares held by GS Corp for the purpose of the SFO. As at June 30, 2025, Weihong Jin, Jin 2024 Trust, and Jin 2025 Trust held approximately 2.58%, 3.28% and 3.33% of the entire issued share capital of GS Corp respectively.
- (4) On October 5, 2017, Ye Wang set up the Wang Trust, an irrevocable discretionary family trust, with her spouse, her son and his living issue as beneficiaries. Zhiyong Hu, the spouse of Ye Wang, is the trustee of the Wang Trust. As at June 30, 2025, Zhiyong Hu, as the trustee of the Wang Trust, held approximately 8.06% of the entire issued share capital of GS Corp and was deemed, or taken to be interested in, all the Shares held by GS Corp for the purpose of the SFO.
- (5) On December 17, 2017, Yongmei Wu set up 2017 Wu Yongmei Trust (the “**Wu 2017 Trust**”). On October 28, 2020, Yongmei Wu set up Descendants’ Separate Trust FBO A (the “**Wu 2020 Separate Trust A**”) and Descendants’ Separate Trust FBO L (the “**Wu 2020 Separate Trust L**”). On October 31, 2022, Yongmei Wu set up the Yongmei Wu 2022 Trust (the “**Wu 2022 Trust**”) and serves as the initial trustee. On October 31, 2023, Yongmei Wu set up the Yongmei Wu 2023 Trust (the “**Wu 2023 Trust**”). On October 30, 2024, Yongmei Wu set up Yongmei Wu 2024 Grantor Retained Annuity Trust (the “**Wu 2024 Trust**”).
- (6) As at June 30, 2025, Lili Huang held 638,000 Shares. In addition, since Lili Huang is the spouse of Larry Wang, for the purpose of the SFO, Lili Huang was deemed, or taken to be interested in all the Shares in which Larry Wang was interested.
- (7) The entire issued share capital of GNS Holdings Limited is wholly owned by Hillhouse Investment Management V, Ltd. As at June 30, 2025, 173,348,965 Shares are held by wholly-owned subsidiaries (namely GNS Holdings Limited and GNS II Holdings Limited) of Hillhouse Investment Management V, Ltd., which is wholly owned by Hillhouse Fund V, L.P.. Hillhouse Investment Management, Ltd. is the sole investment manager of Hillhouse Fund V, L.P..

Save as disclosed above, as at June 30, 2025, the Directors were not aware of any other person (other than the Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares, which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept pursuant to Section 336 of the SFO.

SHARE SCHEMES

The Company has adopted the pre-IPO share option scheme on July 15, 2015 (the “**Pre-IPO Share Option Scheme**”), the post-IPO share option scheme on December 7, 2015 (as amended on June 21, 2024) (the “**Post-IPO Share Option Scheme**”), the restricted share award scheme on March 22, 2019 (as amended on June 21, 2024) (the “**2019 RSA Scheme**”), and the restricted share award scheme on 23 August 2021 (as amended on May 26, 2022 and June 21, 2024) (the “**2021 RSA Scheme**”, together with the Pre-IPO Share Option Scheme, the Post-IPO Share Option Scheme, the 2019 RSA Scheme, the “**Share Schemes**”).

Grant of Share Options and/or Restricted Shares by the Company During the Reporting Period

No further options have been granted pursuant to the Pre-IPO Share Option Scheme since the listing of Company on the Stock Exchange. During the Reporting Period, no options have been granted under the Post-IPO Share Option Scheme.

During the Reporting Period, 624,540 restricted shares were granted on June 11, 2025 under the 2019 RSA Scheme (the “**RSA Grant A**”). Please refer to our announcement dated June 11, 2025 for details. Save as disclosed, no other restricted shares have been granted under the 2019 RSA Scheme during the Reporting Period. 624,540 restricted shares will be satisfied by the existing Shares arising from previously lapsed restricted shares pursuant to the 2019 RSA Scheme.

During the Reporting Period, under the 2021 RSA Scheme, 6,777,120 restricted shares were granted on June 11, 2025, among which 69,828 restricted shares were granted to Service Providers (as defined below) (the “**RSA Grant B**”). Please refer to our announcement dated June 11, 2025 for details. Save as disclosed, no other restricted shares have been granted under the 2021 RSA Scheme during the Reporting Period. Among 6,777,120 restricted shares granted on June 11, 2025, a total of 306,616 restricted shares were not accepted by the relevant grantees, and the remaining 6,470,504 restricted shares will be satisfied by issuance of new Shares within the Scheme Mandate Limit (as defined below).

Pursuant to the scheme mandate limit granted by the Shareholders at the annual general meeting of the Company held on June 21, 2024 (the “**2024 AGM**”), the Directors may exercise the power to grant share options and/or awards involving issue of new shares pursuant to the Share Schemes and any other share schemes adopted by the Company up to the limit of 212,768,651 Shares, representing 10% of the total number of Shares in issue as at the date of the 2024 AGM (the “**Scheme Mandate Limit**”), and within which, share awards involving issue of new Shares up to the limit of 21,276,865 Shares, representing 1% of the total number of issued Shares as at the 2024 AGM (the “**Service Provider Sublimit**”) may be granted to the service providers of the Company as defined in the 2019 RSA Scheme and the 2021 RSA Scheme (the “**Service Provider(s)**”). The Stock Exchange had granted conditional listing approval for the new Shares underlying the share option(s) and/or award(s) within the Scheme Mandate Limit which may be granted pursuant to the Share Schemes, subject to fulfillment of all other conditions of the respective Share Schemes of the Company.

As at June 30, 2025, no grant has been made to (i) any related entity participant or Service Provider with options and awards granted in excess of 0.1% of the Company’s issued Shares over the 12-month period and (ii) any other participant with options and awards granted in excess of the 1% individual limit, as such terms are used in the Listing Rules.

Other Information

Number of Options and Awards Available for Grant

As at January 1, 2025, 211,642,174 Shares remained available for grant under all share schemes adopted by the Company, and among which, 21,208,811 Shares are available for future grant under the Service Provider sublimit of the 2019 RSA Scheme and 2021 RSA Scheme adopted by the Company.

As at June 30, 2025, 205,390,591 Shares remained available for grant under all share schemes adopted by the Company, and among which, 21,138,983 Shares are available for future grant under the Service Provider sublimit of the 2019 RSA Scheme and 2021 RSA Scheme adopted by the Company.

The number of Shares that may be issued in respect of awards (i.e. 6,470,504 restricted shares) granted under the share schemes of the Company during the Reporting Period divided by the weighted average number of shares (i.e. 2,154,852,609) of the relevant class in issue for the Reporting Period is 0.3003%.

Share Schemes of the Subsidiaries of the Company

On August 3, 2021, the shareholders of Probio Cayman, being an indirect non-wholly owned subsidiary of the Company, approved and adopted the restricted share unit award scheme of Probio Cayman (the “**ProBio RSUA Scheme**”). On June 16, 2022, BSJ Nanjing, being an indirect non-wholly owned subsidiary of the Company, adopted the employee stock ownership plan (the “**Bestzyme ESOP**”). Neither the ProBio RSUA Scheme nor the Bestzyme ESOP is subject to the provisions of Chapter 17 of the Listing Rules, as neither Probio Cayman nor BSJ Nanjing is a principal subsidiary of the Company under Rule 17.14.

Pre-IPO Share Option Scheme

The Company adopted the Pre-IPO Share Option Scheme by resolutions of the then sole shareholder of the Company on July 15, 2015. No further share options are granted under the Pre-IPO Share Option Scheme after the listing.

Set out below are details of the outstanding share options under the Pre-IPO Share Option Scheme:

				Number of share options						
Category/ Name of Grantee	Date of Grant	Vesting Period	Exercise Period	Exercise Price per Share	Outstanding as at January 1, 2025	Granted during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Exercised during the Reporting Period ^(Note 1)	Outstanding as at June 30, 2025
US\$										
Directors										
Robin Meng	January 30, 2015	January 30, 2016 – July 31, 2025 January 30, 2017 – July 31, 2025 January 30, 2018 – July 31, 2025 January 30, 2019 – July 31, 2025 January 30, 2020 – July 31, 2025	January 30, 2016 – July 31, 2025	0.077	1,043,320	–	–	–	300,000	743,320
Sally Wang	March 20, 2014	December 31, 2014 – July 31, 2025 December 31, 2015 – July 31, 2025 December 31, 2016 – July 31, 2025	December 31, 2014 – July 31, 2025	0.062	25,008,000	–	–	–	25,008,000	–
Other employees										
Employees	October 17, 2005 – March 30, 2015	October 17, 2008 – December 31, 2025	October 17, 2008 – December 31, 2025	0.003–0.103	194,332	–	–	–	–	194,332
Total					26,245,652	–	–	–	25,308,000	937,652

Notes:

- (1) The weighted average closing price of the Shares immediately before the dates on which the options were exercised was HK\$11.05.
- (2) For further details of the Pre-IPO Share Option Scheme, please refer to Appendix V “Statutory and General Information” of the prospectus of the Company and note 21 to the financial statements in this report.

Other Information

Post-IPO Share Option Scheme

The Company approved and adopted the Post-IPO Share Option Scheme by written resolutions of its then sole shareholder on December 7, 2015. On June 21, 2024, the Company approved the amendments to the Post-IPO Share Option Scheme by ordinary resolutions. The Post-IPO Share Option Scheme is subject to the requirements under Chapter 17 of the Listing Rules. A summary of the principal terms of the Post-IPO Share Option Scheme was set out in the circular of the Company dated April 22, 2024.

Set out below are details of the outstanding share options under the Post-IPO Share Option Scheme:

Category/ Name of Grantee	Date of Grant	Vesting Period	Exercise Period	Exercise Price per Share	Closing Price per Share immediately before the date of grant	Number of share options					Outstanding as at June 30, 2025
						Outstanding as at January 1, 2025	Granted during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Exercised during the Reporting Period ^(Note 1)	
				HK\$	HK\$						
Directors											
Li Zhu	October 11, 2017	December 31, 2019 – October 10, 2027 December 31, 2020 – October 10, 2027 December 31, 2021 – October 10, 2027 December 31, 2022 – October 10, 2027 December 31, 2023 – October 10, 2027	December 31, 2019 – October 10, 2027	8.33	8.07	634,000	–	–	–	–	634,000
Ethan Pan	September 1, 2020	September 1, 2020 – August 31, 2025 November 25, 2020 – August 31, 2025 September 1, 2021 – August 31, 2025 November 25, 2021 – August 31, 2025 September 1, 2022 – August 31, 2025	September 1, 2020 – August 31, 2030	15.00	14.98	270,000	–	–	–	–	270,000
Former Director											
Edward Dai <i>(resigned on May 29, 2025)</i> <small>(Note 3)</small>	September 1, 2020	September 1, 2020 – August 31, 2025 September 1, 2021 – August 31, 2025 September 1, 2022 – August 31, 2025	September 1, 2020 – August 31, 2030	15.00	14.98	58,000	–	–	58,000	–	–
Chief executive of the Company											
Sherry Shao	April 25, 2017	April 25, 2021 – April 24, 2027 April 25, 2024 – April 24, 2027	April 25, 2021 – April 24, 2027	3.512	3.45	2,000,000	–	–	–	–	2,000,000

Other
Information

Category/ Name of Grantee	Date of Grant	Vesting Period	Exercise Period	Exercise Price per Share	Closing Price per Share immediately before the date of grant	Number of share options						
						Outstanding as at January 1, 2025	Granted during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Exercised during the Reporting Period ^(Note 1)	Outstanding as at June 30, 2025	
						HK\$	HK\$					
Other employees												
Employees	June 22, 2016 ^(Note 4)	June 22, 2016 – June 21, 2026	June 22, 2016 – June 21, 2026	1.204	1.21	7,672,000	–	–	–	5,000,000	2,672,000	
	September 23, 2016	September 23, 2017 – September 22, 2026	September 23, 2017 – September 22, 2026	2.406	2.30	2,732,000	–	–	–	170,000	2,562,000	
	April 25, 2017	April 25, 2019 – April 24, 2027	April 25, 2019 – April 24, 2027	3.512	3.45	7,829,950	–	–	–	1,459,950	6,370,000	
	October 11, 2017	July 25, 2018 – October 10, 2027	July 25, 2018 – October 10, 2027	8.33	8.07	2,853,000	–	–	–	293,000	2,560,000	
	November 20, 2017	December 31, 2019 – November 19, 2027	December 31, 2019 – November 19, 2027	9.35	8.91	1,955,000	–	–	–	30,000	1,925,000	
	May 4, 2018	January 1, 2019 – May 3, 2028	January 1, 2019 – May 3, 2028	26.46	26.65	3,505,476	–	–	622,619	–	2,882,857	
	November 29, 2018	November 29, 2019 – November 28, 2028	November 29, 2019 – November 28, 2028	14.04	14.32	126,000	–	–	–	–	126,000	
	July 19, 2019	July 19, 2020 – July 18, 2029	July 19, 2020 – July 18, 2029	18.30	17.86	1,926,000	–	–	50,000	–	1,876,000	
	November 29, 2019	November 29, 2020 – November 28, 2029	November 29, 2020 – November 28, 2029	19.132	19.54	2,204,000	–	–	300,000	–	1,904,000	
	April 29, 2020	April 29, 2021 – April 28, 2030	April 29, 2021 – April 28, 2030	13.84	13.698	1,960,500	–	–	–	140,000	1,820,500	
	December 28, 2020	December 28, 2021 – December 27, 2030	December 28, 2021 – December 27, 2030	12.10	11.36	750,000	–	–	–	200,000	550,000	
	March 31, 2021	March 31, 2022 – March 30, 2031	March 31, 2022 – March 30, 2031	13.892	14.04	100,000	–	–	20,000	–	80,000	
	May 31, 2021	May 31, 2022 – May 30, 2031	May 31, 2022 – May 30, 2031	30.45	27.35	184,937	–	–	–	–	184,937	
Total						36,760,863	–	–	1,050,619	7,292,950	28,417,294	

Notes:

- (1) The weighted average closing price of the Shares immediately before the dates on which the share options were exercised was HK\$12.54.
- (2) For further details of the Post-IPO Share Option Scheme, please refer to Appendix V “Statutory and General Information” of the Prospectus and note 21 to the interim condensed consolidated financial information in this interim report.
- (3) Mr. Zumian Dai (“**Mr. Edward Dai**”) ceased to be a Director on May 29, 2025. Pursuant to Post-IPO Share Option Scheme, 58,000 unexercised share options were lapsed on May 29, 2025.
- (4) The movements of the share options include the options granted to a former rotating chief executive officer (off-duty) of the Company, who resigned on December 31, 2024.

Other Information

2019 RSA Scheme

The Company adopted the 2019 RSA Scheme on March 22, 2019. On June 21, 2024, the Company approved the amendments to the 2019 RSA Scheme by ordinary resolutions. The 2019 RSA Scheme is subject to the requirements under Chapter 17 of the Listing Rules. A summary of the principal terms of the 2019 RSA Scheme was set out in the circular of the Company dated April 22, 2024.

The Company and Computershare Hong Kong Trustees Limited as the trustee (the “**Trustee**”) entered into the trust deed in respect of the appointment of the Trustee for the administration of the 2019 RSA Scheme (the “**2019 Trust Deed**”). Pursuant to the 2019 RSA Scheme, the Shares that may be offered by the Company to any selected participant will be satisfied by (i) existing shares to be acquired by the Trustee on the market, and/or (ii) new shares to be allotted and issued to the Trustee. The restricted shares should be held by the Trustee in accordance with the Listing Rules and the 2019 Trust Deed until the end of the relevant vesting date and be transferred to the grantees upon satisfaction of the relevant vesting conditions as may specified by the Board at the time of making the grant of restricted shares.

During the Reporting Period, 624,540 restricted shares were granted under the 2019 RSA Scheme on June 11, 2025. Please refer to our announcement dated June 11, 2025 for details. Save as disclosed, no other restricted shares have been granted under the 2019 RSA Scheme during the Reporting Period.

For the fair value of the restricted shares granted during the Reporting Period at the grant date and the accounting standard and policy adopted, please refer to note 2.4 to the consolidated financial statements of the Annual Report 2024 and note 22 to the interim condensed consolidated financial information.

Set out below are details of the outstanding shares under the 2019 RSA Scheme:

			Number of shares					
Category/ Name of Grantee	Date of Grant	Vesting Period (subject to other conditions in the 2019 RSA Scheme)	Closing Price per Share Immediately Before the Date of Grant	Outstanding as at January 1, 2025	Granted during the Reporting Period ^(Note 1)	Lapsed during the Reporting Period	Vested during the Reporting Period ^(Note 2)	Outstanding as at June 30, 2025
			HK\$					
Directors								
Robin Meng	December 28, 2020	In five equal installments annually between December 28, 2021 and December 28, 2025	11.36	80,000	–	–	–	80,000
Sally Wang	May 31, 2021	In five equal installments annually between May 31, 2022 and May 31, 2026	27.35	120,000	–	–	60,000	60,000
Li Zhu	December 28, 2020	In five equal installments annually between December 28, 2021 and December 28, 2025	11.36	40,000	–	–	–	40,000
	May 31, 2021	In five equal installments annually between May 31, 2022 and May 31, 2026	27.35	40,000	–	–	20,000	20,000
	June 11, 2025 ^(Note 3)	In three batches with the last batch vested on August 31, 2028	16.80	–	23,276	–	–	23,276
Ethan Pan	January 18, 2023	In three batches with the last batch vested on 17 December 2025	27.00	5,480	–	–	–	5,480

Other Information

Category/ Name of Grantee	Date of Grant	Vesting Period (subject to other conditions in the 2019 RSA Scheme)	Closing Price per Share Immediately Before the Date of Grant	Number of shares				
				Outstanding as at January 1, 2025	Granted during the Reporting Period ^(Note 1)	Lapsed during the Reporting Period	Vested during the Reporting Period ^(Note 2)	Outstanding as at June 30, 2025
HK\$								
Former Director								
Edward Dai <i>(resigned on May 29, 2025)</i> <small>(Note 4)</small>	January 18, 2023	In three batches with the last batch vested on December 17, 2025	27.00	5,480	–	5,480	–	–
Chief Executive of the Company								
Sherry Shao	April 3, 2023	20% of the restricted shares will be vested on April 3, 2024 and the remaining restricted shares will be vested on an annual basis equally between March 31, 2025 and March 31, 2028	16.80	215,519	–	–	53,879	161,640
	June 1, 2023	In five batches annually between June 1, 2024 and May 31, 2028	17.32	2,516,555	–	–	629,138	1,887,417
	June 12, 2024	In five batches annually between August 31, 2025 and August 31, 2029	9.10	1,174,263	–	–	–	1,174,263
	June 11, 2025 ^(Note 5)	In five batches annually between August 31, 2026 and August 31, 2030	16.80	–	601,264	–	–	601,264
Other Employees								
Employees	April 29, 2020	In two to five annual installments with the last batch on April 29, 2025	13.698	80,000	–	–	80,000	–
	December 28, 2020	In one to five annual installments with the last batch on December 28, 2025	11.36	133,645	–	19,645	–	114,000
	January 10, 2022 ^(Note 6)	In five installments annually between January 10, 2023 and January 10, 2027	31.15	98,617	–	98,617	–	–
	March 22, 2022 ^(Note 6)	In five installments annually between March 22, 2023 and March 22, 2027	25.10	325,858	–	325,858	–	–
	April 3, 2023 ^(Note 6)	20% of the restricted shares will be vested on April 3, 2024 and that the remaining shares will be vested on an annual basis equally between March 31, 2025 and March 31, 2028	16.80	586,356	–	586,356	–	–
	June 1, 2023 ^(Note 6)	In two to five batches on an annual basis between June 1, 2024 and May 31, 2028	17.32	2,528,755	–	2,528,755	–	–
	June 12, 2024 ^(Note 6)	In two batches on an annual basis between 31 August 2025 and 31 August 2026	9.10	45,538	–	45,538	–	–
Total ^(Note 7)				7,996,066	624,540	3,610,249	843,017	4,167,340

Other Information

Notes:

- (1) The consideration of the restricted shares granted by the Company to the grantees during the Reporting Period is nil.
- (2) The weighted average closing price of the Shares immediately before the dates on which the restricted shares were vested was HK\$12.65.
- (3) The vesting conditions of the restricted shares granted to Dr. Li Zhu on June 11, 2025 is conditional upon the achievement of certain performance targets, including without limitation, Dr. Li Zhu having met certain key performance criteria.
- (4) On May 29, 2025, Mr. Edward Dai ceased to be a Director. Accordingly, a total of 5,480 unvested restricted shares granted under the 2019 RSA Scheme were lapsed on May 29, 2025.
- (5) The vesting conditions of the restricted shares granted to Ms. Sherry Shao on June 11, 2025 is conditional upon the achievement of certain performance targets, including without limitation, Ms. Sherry Shao having met certain key performance criteria.
- (6) The movements of the shares include the restricted shares granted to a former rotating chief executive officer (off-duty) of the Company, who resigned on December 31, 2024.
- (7) No restricted share has been cancelled during the Reporting Period.

2021 RSA Scheme

The Company adopted the 2021 RSA Scheme on August 23, 2021. On June 21, 2024, the Company approved the amendments to the 2021 RSA Scheme by ordinary resolutions. The 2021 RSA Scheme is subject to the requirements under Chapter 17 of the Listing Rules. A summary of the principal terms of the 2021 RSA Scheme was set out in the circular of the Company dated April 22, 2024.

The Company and the Trustee entered into the trust deed in respect of the appointment of the Trustee for the administration of the 2021 RSA Scheme (the “**2021 Trust Deed**”). Pursuant to the 2021 RSA Scheme, the Shares that may be offered by the Company to selected participant will be satisfied by (i) existing Shares to be acquired by the Trustee on the market, and/or (ii) new Shares to be allotted and issued to the Trustee or the grantees. Certain restricted shares should be held by the Trustee in accordance with the Listing Rules and the 2021 Trust Deed until the end of the relevant vesting date and be transferred to the grantees upon satisfaction of the relevant vesting conditions as may specified by the Board at the time of making the grant of restricted shares.

During the Reporting Period, 6,777,120 restricted shares were granted under the 2021 RSA Scheme on June 11, 2025. Please refer to our announcement dated June 11, 2025 for details. Among which a total of 6,470,504 restricted shares were accepted by the relevant grantees. Save as disclosed, no other restricted shares have been granted under the 2021 RSA Scheme during the Reporting Period.

For the fair value of the restricted shares granted during the Reporting Period at the grant date and the accounting standard and policy adopted, please refer to note 2.4 to the consolidated financial statements of the Annual Report 2024 and note 22 to the interim condensed consolidated financial information.

Set out below are details of the outstanding shares under the 2021 RSA Scheme:

			Number of shares					
Category/ Name of Grantee	Date of Grant	Vesting Period (subject to other conditions in the 2021 RSA Scheme)	Closing Price per Share Immediately Before the Date of Grant	Outstanding as at January 1, 2025	Granted during the Reporting Period ^(Note 1)	Lapsed during the Reporting Period	Vested during the Reporting Period ^(Note 2)	Outstanding as at June 30, 2025
HK\$								
Directors								
Ross Grossman	November 19, 2024	In three installments annually between November 30, 2025 and November 30, 2027	10.66	21,905	–	–	–	21,905
John Quelch	November 19, 2024	In three installments annually between November 30, 2025 and November 30, 2027	10.66	21,905	–	–	–	21,905
Chief Executive of the Company								
Sherry Shao	March 22, 2022	In five installments annually between March 22, 2023 and March 22, 2027	25.10	65,683	–	–	35,729	29,954

Other Information

Category/ Name of Grantee	Date of Grant	Vesting Period (subject to other conditions in the 2021 RSA Scheme)	Closing Price per Share Immediately Before the Date of Grant	Number of shares				
				Outstanding as at January 1, 2025	Granted during the Reporting Period ^(Note 1)	Lapsed during the Reporting Period	Vested during the Reporting Period ^(Note 2)	Outstanding as at June 30, 2025
HK\$								
Other Employees								
Employees	March 22, 2022	In two to five annual installments with the last batch on March 22, 2027	25.10	492,644	–	3,415	422,229	67,000
	May 26, 2022	In two or three annual installments with the last batch on May 26, 2025	20.65	623,258	–	45,816	577,442	–
	September 2, 2022	In two or three annual installments with the last batch on September 2, 2025	24.80	59,875	–	4,366	–	55,509
	January 18, 2023	In one to three batches with the last batch on December 17, 2025	27.00	862,464	–	60,555	–	801,909
	April 3, 2023	In two to five batches with the first batch on April 3, 2024 and the remaining restricted shares will be vested on an annual basis between March 31, 2025 and March 31, 2028	16.80	633,444	–	19,083	236,149	378,212
	June 1, 2023	In two to five batches on an annual basis between June 1, 2024 and May 31, 2028	17.32	3,101,952	–	32,496	1,240,065	1,829,391
	August 24, 2023	In two to three batches on an annual basis between August 31, 2024 and August 31, 2026	17.98	34,163	–	–	–	34,163
	November 28, 2023	In three batches on an annual basis on November 30, 2024, November 30, 2025 and November 30, 2026	22.75	44,042	–	–	–	44,042
	March 13, 2024	In one to three batches on an annual basis between March 31, 2025 and March 31, 2027	15.70	127,665	–	–	38,299	89,366
	June 12, 2024	In two to five batches on an annual basis between August 31, 2025 and August 31, 2029	9.10	11,163,820	–	136,470	–	11,027,350
	August 19, 2024	In three batches on an annual basis between August 31, 2025 and August 31, 2027	12.80	244,121	–	37,326	–	206,795
	November 19, 2024	In three batches on an annual basis between November 30, 2025 and November 30, 2027	10.66	770,492	–	142,948	–	627,544
	June 11, 2025 ^(Note 3)	In two to five batches on an annual basis between August 31, 2026 and 31 August 2030	16.80	–	6,707,292	306,616	–	6,400,676
Service Providers								
	June 1, 2023	In three batches on an annual basis between June 1, 2024 and May 31, 2026	17.32	148,898	–	–	74,336	74,562
	March 13, 2024	In one to three batches on an annual basis between 31 March 2025 and 31 March 2027	15.70	316,933	–	–	165,936	150,997
	June 12, 2024	In one to three batches on an annual basis between 31 August 2025 and 31 August 2027	9.10	39,991	–	–	–	39,991
	July 8, 2024	In one to three batches on an annual basis between 31 August 2025 and 31 August 2027	9.19	68,054	–	–	–	68,054
	June 11, 2025 ^(Note 4)	In one to three batches on an annual basis between 31 August 2026 and 31 August 2028	16.80	–	69,828	–	–	69,828
Total ^(Note 5)				18,841,309	6,777,120	789,091	2,790,185	22,039,153

Notes:

- (1) The consideration of the restricted shares granted during the Reporting Period is nil.
- (2) The weighted average closing price of the Shares immediately before the dates on which the restricted shares were vested was HK\$12.65.
- (3) The vesting conditions of certain restricted shares granted to certain employee grantees on June 11, 2025 is conditional upon the achievement of certain performance targets, including without limitation, the employee grantees having met their respective key performance criteria. There is no performance target attached to the portion of the restricted shares granted to a senior manager. Having considered that such restricted shares constitute a part of the fixed annual remuneration which was determined by the Remuneration Committee and the Board after taking into account the past performance and contribution of the senior manager, the Remuneration Committee and the Board believe that without performance target, such grant could align the interests of the grantee with that of the Company and the Shareholders, provide incentive to the grantee to devote to the future continuous competitiveness, results of operation and growth of the Company, and reinforce his commitment to long term services of the Company, which is in line with the purpose of the 2021 RSA Scheme.
- (4) The service provider grantees are two individual consultants engaged by the Company: one to provide technical research and development services, and the other to provide advisory and consulting services in relation to strategic development and operational management. There is no performance target attached to the restricted shares granted to the service provider grantees on June 11, 2025.
- (5) No restricted share has been cancelled during the Reporting Period.

Other Information

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section headed "Share Schemes", no rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company were granted to any Director or their respective spouses or children under 18 years of age, nor were any such rights exercised by them, nor was the Company or any of its subsidiaries a party to any arrangement to enable the Directors, or their respective spouses or children under 18 years of age, to acquire such rights in any other body corporate at any time during the Reporting Period.

SUFFICIENCY OF PUBLIC FLOAT

Based on information publicly available to the Company and within the knowledge of the Directors, the Directors confirmed that the Company had maintained a sufficient public float of more than 25% of the Company's issued share capital as required under the Listing Rules as at the date of this report.

INTERIM DIVIDEND

The Board resolved not to declare any interim dividend for the six months ended June 30, 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of the treasury shares as defined in the Listing Rules).

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted its own *Code for Securities Transaction by Directors and Specified Individuals* on terms no less exacting than the required standard set out in the Model Code. Specific inquiry has been made to all the Directors and each of the Directors has confirmed that he/she has complied with the Model Code during the Reporting Period.

The Model Code is also applicable to the Company's relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of their dealings in the Company's securities. No incidents of non-compliance with the Model Code by the Directors and the relevant employees of the Company were noted by the Company during the Reporting Period.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Listing Rules (as in effect from time to time) as its own code of corporate governance.

The Company has complied with all the applicable code provisions as set out in the CG Code during the Reporting Period and up to the date of this report.

The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

AUDIT COMMITTEE

The Company has established an audit committee (the “**Audit Committee**”). The Audit Committee currently comprises of three members, namely, Mr. Andy Cheung (chairman of the Audit Committee), Mr. Mr. Ethan Pan and Dr. Alphonse Galdes, all being independent non-executive Directors.

The principal duties of the Audit Committee are (i) to review and monitor the Company’s financial reporting system, risk management and internal control systems, (ii) to maintain the relations with the external auditor of the Company, and (iii) to review the financial information of the Company.

The Audit Committee has, together with the management, reviewed the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters.

The written terms of reference of the Audit Committee are of no less exacting terms than those set out in the CG Code and available on the websites of the Stock Exchange and the Company.

REVIEW ON INTERIM RESULTS

The Audit Committee has reviewed the unaudited condensed consolidated interim results of the Group for the six months ended June 30, 2025 and was of the opinion that such interim results had been prepared in accordance with the relevant accounting standards, laws and regulations, and that adequate disclosures have been made in accordance with the requirements of the Listing Rules.

ADJUSTMENTS TO EXECUTIVE DIRECTORS’ EMOLUMENTS

The Remuneration Committee of the Company recommended certain adjustments to the annual remuneration of the executive Directors of the Company with effect from April 1, 2025. The adjusted annual remuneration was determined having consideration to the executive Directors’ duties, responsibilities and performance, the prevailing market rate and the results of the Group. These adjustments have been approved by the Board on March 11, 2025 and agreed by the respective Directors. Details of the adjustments to the executive Directors’ emoluments are as follows:

- (1) the adjusted annual emoluments of Dr. Frank Zhang shall be US\$583,440 (comprising of base salary and performance related bonuses), subject to adjustment based on the individual’s and the Group’s overall performance;
- (2) the adjusted annual emoluments of Mr. Robin Meng shall be US\$474,435 (comprising of base salary, allowance and performance related bonuses), subject to adjustment based on the individual’s and the Group’s overall performance;
- (3) the adjusted annual emoluments of Ms. Sally Wang shall be US\$681,471 (comprising of base salary and performance related bonuses), subject to adjustment based on the individual’s and the Group’s overall performance; and
- (4) the adjusted annual emoluments of Dr. Zhu Li shall be US\$346,273 (comprising of base salary, allowance and performance related bonuses), subject to adjustment based on the individual’s and the Group’s overall performance.

Other Information

CHANGES IN DIRECTORS' AND CHIEF EXECUTIVE'S INFORMATION

In accordance with Rule 13.51B(1) of the Listing Rules, changes of the information of the Directors and chief executives, subsequent to the date of the Annual Report 2024, are set out below.

With effect from May 29, 2025, Dr. Larry Wang has resigned as a non-executive Director.

With effect from May 29, 2025, Mr. Edward Dai has retired as an independent non-executive Director, and ceased to be the chairman of the Audit Committee, the chairman of the Remuneration Committee, a member of the Nomination Committee, and a member of the Strategy Committee.

With effect from May 29, 2025, Mr. Andy Cheung has been re-designated from a member to the chairman of the Audit Committee.

With effect from May 29, 2025, Dr. Victor Shi has been re-designated from a member to the chairman of the Remuneration Committee.

Please refer to the announcement of the Company dated May 29, 2025 for details of the above changes.

Dr. Ross Grossman ceased to be a member of the board of directors of Velox, Inc. upon its cancellation on May 8, 2025.

After making specific enquiries by the Company and confirmed by the Directors, save as disclosed as above, no other changes in the information of any Directors and chief executive after the date of the Annual Report 2024 that are required to be disclosed pursuant to paragraphs (a) to (e) and paragraph (g) of Rule 13.51(2) of the Listing Rules have to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Each of the independent non-executive Directors has confirmed, during the term of office: (i) his independence as regards each of the factors referred to in Rule 3.13(1) to (8) of the Listing Rules; (ii) that he has no past or present financial or other interest in the business of the Company or its subsidiaries nor any connection with any core connected persons of the Company; and (iii) there are no other factors that may affect his independence during the term of office. The Company considers that all of the independent non-executive Directors were independent in accordance with the guidelines set out in the Listing Rules during the term of office.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

	Notes	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited) (Restated)
CONTINUING OPERATIONS			
REVENUE	4	518,773	285,160
Cost of sales		(198,142)	(151,655)
Gross profit		320,631	133,505
Other income, gains and expenses, net	4	37,178	18,641
Selling and distribution expenses		(47,509)	(43,052)
Administrative expenses		(63,124)	(52,730)
Research and development expenses		(31,321)	(24,909)
Fair value losses of preferred shares	19	(13,783)	(113,509)
Share of (losses)/profits of associates:	12		
Investment in a significant associate		(193,698)	–
Investments in other associates		292	(1,261)
Finance costs	6	(9,202)	(3,269)
Reversal of/(Provision for) impairment on financial assets, net	5	417	(3,863)
Provision for impairment of long-lived assets	5	–	(37,480)
LOSS BEFORE TAX	5	(119)	(127,927)
Income tax expense	7	(24,428)	(9,812)
LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS		(24,547)	(137,739)
DISCONTINUED OPERATION	8		
Loss for the period from Legend Group, net of tax		–	(77,892)
LOSS FOR THE PERIOD FROM DISCONTINUED OPERATION		–	(77,892)
LOSS FOR THE PERIOD		(24,547)	(215,631)
Attributable to:			
Owners of the parent		(25,462)	(175,115)
Non-controlling interests		915	(40,516)
		(24,547)	(215,631)

Interim Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2025

	Notes	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited) (Restated)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	10		
Basic (US cent per share)			
– For loss for the period		(1.18)	(8.27)
– For loss from continuing operations		(1.18)	(6.51)
Diluted (US cent per share)			
– For loss for the period		(2.16)	(8.27)
– For loss from continuing operations		(2.16)	(6.51)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited) (Restated)
LOSS FOR THE PERIOD	(24,547)	(215,631)
OTHER COMPREHENSIVE INCOME:		
CONTINUING OPERATIONS		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Share of other comprehensive income of a significant associate	87,419	–
Exchange differences on translation of foreign operations	4,815	(4,526)
Other comprehensive income/(loss) for the period from continuing operations	92,234	(4,526)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	67,687	(142,265)
DISCONTINUED OPERATION		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	–	(58,528)
Other comprehensive loss for the period from discontinued operation	–	(58,528)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD FROM DISCONTINUED OPERATION	–	(136,420)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	67,687	(278,685)
Attributable to:		
Owners of the parent	66,742	(207,500)
Non-controlling interests	945	(71,185)
	67,687	(278,685)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	11	522,590	518,001
Advance payments for property, plant and equipment, net		8,429	7,220
Investment properties		5,174	4,848
Right-of-use assets		75,292	77,617
Goodwill		1,341	1,336
Other intangible assets		12,772	13,035
Investments in associates	12	3,578,174	3,667,731
Financial assets at fair value through profit or loss	13	25,158	88,643
Deferred tax assets		18,737	27,735
Time deposits	15	5,588	33,387
Other non-current assets		4,545	3,738
Total non-current assets		4,257,800	4,443,291
CURRENT ASSETS			
Inventories		38,802	31,097
Contract costs		20,273	19,349
Trade and bills receivables	14	132,180	116,291
Prepayments, other receivables and other assets		24,487	29,137
Financial assets at fair value through profit or loss	13	541,163	224,874
Restricted cash	15	22,706	17,919
Time deposits	15	103,989	264,321
Cash and cash equivalents	15	293,206	131,990
Total current assets		1,176,806	834,978
CURRENT LIABILITIES			
Trade and bills payables	16	51,728	29,838
Other payables and accruals	17	336,082	125,530
Interest-bearing bank loans	18	155,464	88,745
Lease liabilities		8,357	7,524
Tax payable		7,785	9,387
Contract liabilities		41,113	46,211
Financial liabilities at fair value through profit or loss		–	107
Total current liabilities		600,529	307,342
NET CURRENT ASSETS		576,277	527,636
TOTAL ASSETS LESS CURRENT LIABILITIES		4,834,077	4,970,927

Interim Condensed Consolidated Statement of Financial Position

30 June 2025

	Notes	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
NON-CURRENT LIABILITIES			
Interest-bearing bank loans	18	–	17,309
Lease liabilities		54,811	56,990
Deferred tax liabilities		13,712	5,839
Financial liabilities at fair value through profit or loss	19	248,003	473,732
Financial liabilities measured at amortised cost		81,884	79,435
Other payables and accruals	17	14,355	14,260
Total non-current liabilities		412,765	647,565
Net assets		4,421,312	4,323,362
EQUITY			
Share capital	20	2,178	2,142
Shares held for RSA Schemes		(4,240)	(6,091)
Reserves		4,418,011	4,325,121
Equity attributable to owners of the parent		4,415,949	4,321,172
Non-controlling interests		5,363	2,190
Total equity		4,421,312	4,323,362

Meng Jiange
Director

Zhu Li
Director

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to owners of the parent											
	Shares held			Share-based		Statutory		Exchange		Non-controlling		Total equity US\$'000
	Share capital	Schemes for RSA	Share premium	Merger reserve	compensation reserve	Other reserve	surplus reserve	Accumulated profit	fluctuation reserve	Total	interests	
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
	(Note 20)				(Note 21 & Note 22)							
At 1 January 2025 (Audited)	2,142	(6,091)	1,981,525	(20,883)	108,662	904	13,790	2,350,362	(109,239)	4,321,172	2,190	4,323,362
Loss for the period	-	-	-	-	-	-	-	(25,462)	-	(25,462)	915	(24,547)
Other comprehensive income for the period:												
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	4,785	4,785	30	4,815
Share of other comprehensive income of an associate	-	-	-	-	-	-	-	-	87,419	87,419	-	87,419
Total comprehensive income for the period	-	-	-	-	-	-	-	(25,462)	92,204	66,742	945	67,687
Equity transaction with non-controlling interests	-	-	-	-	-	-	-	-	-	-	(7)	(7)
Capital injection from a non-controlling shareholder	-	-	(1,872)	-	-	-	-	-	-	(1,872)	2,235	363
Equity-settled share-based compensation arrangements	-	-	-	-	9,575	-	-	-	-	9,575	-	9,575
Exercise of share options and restricted share units	36	1,851	4,081	-	(2,012)	-	-	-	-	3,956	-	3,956
Share of other reserves of an associate	-	-	-	-	16,376	-	-	-	-	16,376	-	16,376
As at 30 June 2025 (Unaudited)	2,178	(4,240)	1,983,734	(20,883)	132,601	904	13,790	2,324,900	(17,035)	4,415,949	5,363	4,421,312

Interim Condensed Consolidated Statement of Changes In Equity

For the six months ended 30 June 2024

	Attributable to owners of the parent											
												Total equity US\$'000
	Shares held		Share-based			Statutory		Exchange		Non-		
	Share capital	for RSA Schemes	Share premium	Merger reserve	compensation reserve	Other reserve	surplus reserve	Accumulated losses	fluctuation reserve	Total	controlling interests	
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
(Note 20)				(Note 21 & Note 22)								
At 1 January 2024 (Audited)	2,121	(9,445)	1,939,258	(20,883)	98,378	904	13,790	(611,515)	(21,529)	1,391,079	653,275	2,044,354
Loss for the period	-	-	-	-	-	-	-	(175,115)	-	(175,115)	(40,516)	(215,631)
Other comprehensive income for the period:												
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	(32,385)	(32,385)	(30,669)	(63,054)
Total comprehensive loss for the period	-	-	-	-	-	-	-	(175,115)	(32,385)	(207,500)	(71,185)	(278,685)
Equity transaction with non-controlling interests	-	-	175	-	-	-	-	-	-	175	214	389
Gain on deemed disposal partial equity interest of an associate	-	-	-	-	-	642	-	-	-	642	56	698
Equity-settled share-based compensation arrangements	-	-	-	-	29,920	-	-	-	-	29,920	21,067	50,987
Exercise of share options and restricted share units	5	1,137	35,223	-	(35,763)	-	-	-	-	602	5,862	6,464
As at 30 June 2024 (Unaudited)	2,126	(8,308)	1,974,656	(20,883)	92,535	1,546	13,790	(786,630)	(53,914)	1,214,918	609,289	1,824,207

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Notes	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax:			
From continuing operations		(119)	(127,927)
From discontinued operation		–	(77,661)
Adjustments for:			
(Reversal of)/Provision for impairment of trade receivables	5	(417)	3,863
Provision for inventories and contract costs to net realisable value		587	8,758
Depreciation of property, plant and equipment	11	28,543	30,276
Depreciation of investment properties	5	47	46
Depreciation of right-of use assets		5,057	7,460
Amortisation of other intangible assets		1,245	2,513
Loss on disposal of property, plant and equipment		22	516
Finance income		(9,913)	(43,778)
Share of losses of associates	12	193,406	1,261
Provision for impairment of long-lived assets		–	37,480
Fair value changes on financial assets at fair value through profit or loss		(6,924)	(1,722)
Fair value losses of preferred shares	19	13,783	113,509
Unrealised gains on acquisition of preferred shares	4	(14,370)	–
Finance costs		9,202	14,226
Deferred subsidies		(1,529)	(971)
Foreign exchange differences, net	5	(1,680)	(62,111)
Equity-settled share-based compensation expense		9,411	53,349
		226,351	(40,913)
(Increase)/Decrease in trade and bills receivables		(15,493)	83,288
Decrease/(Increase) in prepayments, other receivables and other assets		4,650	(26,739)
Increase in inventories		(6,378)	(4,917)
Increase in contract costs		(2,241)	(4,775)
Increase in other non-current assets		(807)	(355)
Increase in trade and bills payables		21,890	17,821
Increase in other payables and accruals		12,409	46,810
Decrease in contract liabilities		(5,098)	(18,346)
Increase/(Decrease) in other non-current liabilities		34	(62)
Increase in restricted cash		(45)	(71)
Cash generated from operations		235,272	51,741
Interest received		9,648	39,123
Interest paid for finance rental lease payment		(1,636)	(1,263)
Interest paid		(1,456)	(512)
Income taxes paid		(9,209)	(9,234)
Net cash flows generated from operating activities		232,619	79,855

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Notes	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
CASH FLOWS USED IN INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		(38,278)	(100,331)
Purchases of financial assets at fair value through profit or loss		(351,700)	(221,239)
Redemption of financial assets at fair value through profit or loss		106,708	163,899
Purchases of time deposits		(126,352)	(2,503,237)
Redemptions of time deposits		315,416	1,559,175
Proceeds from disposal of property, plant and equipment		5	69
Purchases of intangible assets		(992)	(112)
Receipt of investment income		1,290	1,967
(Increase)/Decrease in restricted cash		(4,742)	450
Prepayment to collaborator for collaboration assets		—	(33,695)
Net cash flows used in investing activities		(98,645)	(1,133,054)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment for acquisition of ProBio's preferred shares		(22,515)	—
Exercise of share options		4,072	4,389
Proceeds from interest-bearing bank loans		83,429	25,158
Repayment of interest-bearing bank loans		(34,899)	(43,193)
Increase in restricted cash		—	23,053
Principal portion of lease payments		(4,040)	(4,231)
Cash received from equity transaction with non-controlling interests, net		356	389
Net cash flows generated from financing activities		26,403	5,565
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		160,377	(1,047,634)
Cash and cash equivalents at beginning of period		131,990	1,446,403
Effect of foreign exchange rate changes, net		839	528
CASH AND CASH EQUIVALENTS AT END OF PERIOD	15	293,206	399,297

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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1. CORPORATE INFORMATION

The Company was incorporated on May 21, 2015 as an exempted company in the Cayman Islands with limited liability under the Companies Law of the Cayman Islands. The registered office address of the Company is 4th Floor, Harbour Place, 103 South Church Street, George Town, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands.

The Company is an investment holding company. The Company through its various subsidiaries manufactures and sells products and services, mainly including life-science services and tools, biologics development services and industrial synthetic biology products. Before October 18, 2024, the Company conducted cell therapy business through a subsidiary, Legend Biotech Corporation ("**Legend**", together with its subsidiaries, the "**Legend Group**"), which was deconsolidated from the Company on October 18, 2024 (the "**Deconsolidation**") and was reclassified as an associate thereafter. The shares of the Company were listed on the Main Board of the Stock Exchange since December 30, 2015.

In the opinion of the Directors, the ultimate holding company of the Company is Genscript Corporation ("**GS Corp**"), which was incorporated in the United States of America (the "**U.S.**").

2. BASIS OF PREPARATION

2.1 Basis of Preparation

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024. This interim condensed consolidated financial information are presented in United States dollars ("**US\$**") and all values are rounded to the nearest thousand except when otherwise indicated.

In accordance with Hong Kong Financial Reporting Standards ("**HKFRS**") 5 *Non-current Assets Held for Sale and Discontinued Operations*, Legend Group was presented as a discontinued operation for the six months ended 30 June 2024 resulting from the Deconsolidation, and the comparative figures in the interim condensed consolidated statement of profit or loss and the interim condensed consolidated statement of comprehensive income were re-presented to reflect the Legend Group's deconsolidation as if the business had been discontinued at the beginning of the comparative period and to conform with current period's presentation.

Notes to Interim Condensed Consolidated Financial Information

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2. BASIS OF PREPARATION (Continued)

2.2 Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period's financial information.

Amendments to HKAS 21

Lack of Exchangeability

The nature and impact of the amended HKFRS Accounting Standard are described below:

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments have no significant financial effect on the Group's interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group was organised into business units based on their products and services and has four reportable operating segments as follows:

- (a) The life-science services and products unit which provides comprehensive research services and products, which are widely used and are fundamental to life-science research and application;
- (b) The biologics development services unit provides comprehensive services aimed to help biopharmaceutical and biotech companies accelerate the development of therapeutic antibodies, and gene/cell therapy products with an integrated platform;
- (c) The industrial synthetic biology products unit provides industrial enzyme development and production through non-pathogenic microbial strains constructed using genetic engineering; and
- (d) The operation unit mainly provides shared services to other segments.

The Company was previously engaged in the cell therapy business through Legend Group. With the deconsolidation of Legend Group effective from 18 October 2024, the cell therapy business is being classified as a discontinued operation. Accordingly, the comparative segment information for the six months ended 30 June 2024 has been re-presented to conform with the current period's presentation.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of profit or loss before tax.

Notes to Interim Condensed Consolidated Financial Information

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3. OPERATING SEGMENT INFORMATION (Continued)

No analysis of the Group's assets and liabilities by operating segments is disclosed as it is not regularly provided to the chief operating decision maker for review.

Six months ended 30 June 2025

	Life-science services and products US\$'000 (Unaudited)	Biologics development services US\$'000 (Unaudited)	Industrial synthetic biology products US\$'000 (Unaudited)	Operation unit US\$'000 (Unaudited)	Eliminations US\$'000 (Unaudited)	Total US\$'000 (Unaudited)
Segment revenue (Note 4)						
Sales to external customers	245,050	244,047	28,283	1,393	–	518,773
Intersegment sales	2,589	2,836	–	29,719	(35,144)	–
Total segment revenue	247,639	246,883	28,283	31,112	(35,144)	518,773
Segment cost of sales	(122,595)	(66,539)	(16,853)	(26,477)	34,322	(198,142)
Segment gross profit	125,044	180,344	11,430	4,635	(822)	320,631
Other income, gains and expenses, net	(7)	4,205	1,683	17,406	13,891	37,178
Selling and distribution expenses	(35,894)	(6,473)	(3,642)	(1,641)	141	(47,509)
Administrative expenses	(24,355)	(23,159)	(3,691)	(12,460)	541	(63,124)
Research and development expenses	(22,876)	(3,095)	(4,721)	(997)	368	(31,321)
Fair value (losses)/gains of preferred shares	–	(20,126)	–	20,713	(14,370)	(13,783)
Finance costs	–	(2,996)	(1,643)	(5,319)	756	(9,202)
Share of (losses)/profits of associates:						
Investment in a significant associate	–	–	–	(193,698)	–	(193,698)
Investments in other associates	–	–	338	(46)	–	292
(Provision for)/Reversal of impairment of financial assets, net	(176)	454	(21)	128	32	417
Profit/(Loss) before tax	41,736	129,154	(267)	(171,279)	537	(119)

**Notes to Interim Condensed Consolidated
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3. OPERATING SEGMENT INFORMATION (Continued)

Six months ended 30 June 2024

	Life-science services and products US\$'000 (Unaudited)	Biologics development services US\$'000 (Unaudited)	Industrial synthetic biology products US\$'000 (Unaudited)	Operation unit US\$'000 (Unaudited)	Eliminations US\$'000 (Unaudited)	Total US\$'000 (Unaudited)
Segment revenue (Note 4)						
Sales to external customers	220,336	37,587	26,109	1,128	–	285,160
Intersegment sales	2,019	2,795	39	17,006	(21,859)	–
Total segment revenue	222,355	40,382	26,148	18,134	(21,859)	285,160
Segment cost of sales	(103,410)	(38,715)	(15,116)	(15,865)	21,451	(151,655)
Segment gross profit	118,945	1,667	11,032	2,269	(408)	133,505
Other income, gains and expenses, net	(282)	7,052	1,044	(148,179)	159,006	18,641
Selling and distribution expenses	(31,724)	(6,433)	(3,327)	(1,740)	172	(43,052)
Administrative expenses	(20,440)	(15,524)	(2,552)	(14,158)	(56)	(52,730)
Research and development expenses	(19,257)	(1,567)	(2,848)	(1,264)	27	(24,909)
Fair value gains/(losses) of preferred shares	–	32,283	–	–	(145,792)	(113,509)
Finance costs	–	(1,622)	(1,213)	(900)	466	(3,269)
Share of losses of associates	–	–	(680)	(581)	–	(1,261)
Provision for impairment of long-lived assets	–	(37,480)	–	–	–	(37,480)
(Provision for)/Reversal of impairment on financial assets, net	(1,230)	(2,622)	(1)	(397)	387	(3,863)
Profit/(Loss) before tax	46,012	(24,246)	1,455	(164,950)	13,802	(127,927)

Notes to Interim Condensed Consolidated Financial Information

30 June 2025

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

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
Revenue from contracts with customers	517,358	284,020
Revenue from other sources:		
Gross rental income from operating leases	690	613
Others	725	527
Total	518,773	285,160

Revenue from Contracts with Customers

(a) Disaggregated revenue information

For the six months ended 30 June 2025

Segments	Life-science services and products US\$'000 (Unaudited)	Biologics development services US\$'000 (Unaudited)	Industrial synthetic biology products US\$'000 (Unaudited)	Total US\$'000 (Unaudited)
Types of goods or services				
Rendering of services and sale of products	245,050	41,634	28,261	314,945
License and collaboration revenue	–	202,413	–	202,413
Total	245,050	244,047	28,261	517,358
Timing of revenue recognition				
Goods and services transferred at a point in time	245,050	41,634	28,261	314,945
Licenses recognised at a point in time	–	202,413	–	202,413
Total	245,050	244,047	28,261	517,358

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4. REVENUE, OTHER INCOME, GAINS AND EXPENSES, NET (Continued)

Revenue from Contracts with Customers (Continued)

(a) Disaggregated revenue information (Continued)

For the six months ended 30 June 2024

Segments	Life-science services and products US\$'000 (Unaudited)	Biologics development services US\$'000 (Unaudited)	Industrial synthetic biology products US\$'000 (Unaudited)	Total US\$'000 (Unaudited)
Types of goods or services				
Rendering of services and sale of products	220,336	36,832	26,097	283,265
License and collaboration revenue	–	755	–	755
Total	220,336	37,587	26,097	284,020
Timing of revenue recognition				
Goods and services transferred at a point in time	220,336	36,832	26,097	283,265
Licenses recognised at a point in time	–	755	–	755
Total	220,336	37,587	26,097	284,020

Other Income, Gains and Expenses, Net

For the six months ended 30 June

	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
Unrealised gains on acquisition of preferred shares (Note 19)	14,370	–
Finance income	9,913	12,859
Fair value gains on financial assets at fair value through profit or loss	6,924	1,520
Subsidies	3,615	2,935
Foreign currency exchange gain, net	1,680	1,407
Management service income	456	461
Others	220	(541)
Total	37,178	18,641

Notes to Interim Condensed Consolidated Financial Information

30 June 2025

5. LOSS BEFORE TAX

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

	For the six months ended 30 June	
	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
Cost of services and products	124,370	87,444
Depreciation of property, plant and equipment	28,543	24,939
Depreciation of investment properties	47	46
Depreciation of right-of-use assets	5,057	3,231
Amortisation of other intangible assets	1,245	1,399
(Reversal of)/Provision for impairment of trade receivables	(417)	3,863
Provision for impairment of long-lived assets	–	37,480
Provision for inventories and contract costs to net realisable value	587	2,333
Employee benefit expenses (including directors' and chief executives' remuneration):		
Wages and salaries	132,790	119,869
Pension scheme contributions (defined contribution schemes)	10,163	9,359
Equity-settled share-based compensation expense	9,575	10,545
Less: Amount capitalised	(164)	2,362
	152,364	142,135
Loss on disposal of property, plant and equipment	22	514
Gains on wealth management financial products	(7,838)	(3,821)
Losses on foreign currency forward and option contracts, net	15	1,016
Fair value (gains)/losses of non-current financial assets	(388)	1,171

Notes to Interim Condensed Consolidated Financial Information

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6. FINANCE COSTS

	For the six months ended 30 June	
	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
Interest accrued on other payables	3,664	–
Interest on financial liabilities measured at amortised cost	2,286	2,305
Interest on lease liabilities	1,636	526
Interest on bank loans	1,616	679
Less: Interest capitalised	–	(241)
Total	9,202	3,269

7. INCOME TAX EXPENSE

The Company is subject to income tax on an entity basis on profits arising in or derived from jurisdictions in which the Group operates.

Cayman and British Virgin Islands

Pursuant to the rules and regulations of Cayman and the British Virgin Islands, the Group was not subject to any income tax in Cayman and the British Virgin Islands.

Greater China

The provision for China current income tax is based on the statutory rate of 25% of the assessable profits of the Group's subsidiaries in Mainland China as determined in accordance with the Corporate Income Tax Law in Mainland China, which was approved and became effective on 1 January 2008, except for certain subsidiaries of the Group in China as below which are granted tax concession and are taxed at preferential tax rates.

Jinan Bestzyme Bio-Engineering Co., Ltd. is qualified as High and New Technology Enterprises. It was subject to income tax at a preferential tax rate of 15% (2024: 15%) for the reporting period.

Jiangsu GenScript Biotech Co., Ltd. is qualified as High and New Technology Enterprises, and Advanced Technology Service Enterprises. It was subject to income tax at a preferential tax rate of 15% (2024: 15%) for the reporting period.

Nanjing GenScript Biotech Co., Ltd. is qualified as High and New Technology Enterprises. It was subject to income tax at a preferential tax rate of 15% (2024: 15%) for the reporting period.

United States of America

The subsidiaries of the Group operating in the United States of America were subject to federal tax at a rate of 21% (2024: 21%) and state tax ranged from 0.75% to 9.80% (2024: 0.75% to 9.99%) during the reporting period.

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7. INCOME TAX EXPENSE (Continued)

Netherlands

The subsidiary of the Group operating in the Netherlands was subject to two-tiered profits tax rates regime depends on the assessable profits. The first EUR200,000 (2024: EUR200,000) of assessable profits was taxed at 19% (2024: 19%) and the remaining assessable profits was taxed at 25.8% (2024: 25.8%).

An analysis of income tax expense is as follows:

	For the six months ended 30 June	
	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
Current – Mainland China	6,085	1,781
Current – the U.S.	(61)	4,406
Current – Others	1,560	457
Deferred income tax expense	16,844	3,399
Total tax expense for the period	24,428	10,043
Less: Total tax charge for the period from discontinued operation	–	(231)
Total tax charge for the period from continuing operations	24,428	9,812

The Group is within the scope of the Pillar Two model rules. Under the Pillar Two legislation, the Group is liable to pay a top-up tax for the difference between the Global Anti-Base Erosion Proposal (GloBE) effective tax rate for each jurisdiction and the 15% minimum rate.

The Group has reviewed its corporate structure in light of the introduction of Pillar Two model rules in various jurisdictions and engaged external tax specialists in assessing its tax exposure. Pillar Two legislation has been enacted or substantially enacted in certain jurisdictions in which the Group operates. Based on the assessment carried out so far, the Group may benefit from the transitional Safe Harbour or calculated effective tax rate is close to 15% in elsewhere the Group operates including Netherlands, Singapore and South Korea, thus, no significant impact in terms of potential top-up tax is expected in those jurisdictions. Potential exposure to top-up tax may exist is Mainland China, where the expected Pillar Two effective tax rate is likely to be lower than 15%. However, because tax law is uncertain and its application requires a degree of judgement, which authorities may dispute, quantitative information required for the assessment is still being discussed and gathered and, therefore, potential exposure to Pillar Two income taxes is currently not known or reasonably estimable. The Group is still in the process of assessing the potential exposure to Pillar Two income taxes, and expects to reflect potential exposure in the consolidated financial statements for the year ended 31 December 2025, if any.

The Group applies the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes.

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8. DISCONTINUED OPERATION

In October 2024, the Company lost control on Legend Group due to the loss of power to cast the majority of votes at Legend's general meeting. The Company subsequently account for investment in Legend as an associate under equity method, as the Company still has significant influence on Legend Group.

Legend Group was presented as a discontinued operation resulting from the Deconsolidation in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, with the comparative figures for the six months ended 30 June 2024 in the Group's condensed consolidated statement of profit or loss and condensed consolidated statement of comprehensive income were re-presented to conform with current period's presentation.

The results of Legend Group for the six months ended 30 June 2024 are presented below:

	For the six months ended 30 June 2024 US\$'000 (Unaudited)
REVENUE	280,514
Cost of revenue	(105,190)
Other income, gains and expenses, net	93,035
Research and development expenses	(213,590)
Administrative expenses	(67,282)
Selling and distribution expenses	(54,286)
Finance costs	(10,959)
Loss before tax	(77,758)
Income tax expense	(231)
Loss for the period	(77,989)
Add: Intra-group unrealised gain before deconsolidation	97
Loss for the period from discontinued operation	(77,892)

Notes to Interim Condensed Consolidated Financial Information

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8. DISCONTINUED OPERATION (Continued)

The cash flows of Legend Group for the six months ended 30 June 2024 are as follows:

	For the six months ended 30 June 2024 US\$'000 (Unaudited)
Operating activities	13,867
Investing activities	(1,091,779)
Financing activities	1,786
Net foreign exchange differences	(334)
Net cash outflow for the period from the discontinued operation	(1,076,460)

9. DIVIDENDS

The board of directors resolved not to declare any dividend for the six months ended 30 June 2025 (for the six months ended 30 June 2024: Nil).

10. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amount is based on the loss for the reporting period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 2,154,852,609 (for the six months ended 30 June 2024: 2,116,588,240) in issue during the reporting period.

The calculation of the diluted loss per share amount is based on the loss for the period attributable to ordinary equity holders of the parent, adjusted by the effect of the preferred shares issued by the Company's certain subsidiaries, excluding those which have anti-dilutive effect on the Group's loss per share calculation. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic loss per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

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**10. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT
(Continued)**

The calculations of basic and diluted loss per share are based on:

	For the six months ended 30 June	
	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
Loss		
Loss attributable to ordinary equity holders of the parent		
From continuing operations	(25,462)	(137,821)
From discontinued operation	–	(37,294)
Total loss attributable to ordinary holders of parent, used in basic calculation	(25,462)	(175,115)
Dilution effect arising from preferred shares issued by a subsidiary	(21,080)	–
Loss attributable to ordinary equity holders of the parent, used in the diluted and diluted loss per share calculation from continuing operation	(46,542)	(175,115)

	Number of shares For the six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Shares		
Weighted average number of ordinary shares in issue during the period	2,157,984,701	2,121,657,378
Effect of shares repurchased	(3,132,092)	(5,069,138)
Weighted average number of ordinary shares in issue during the period used in the basic loss per share calculation	2,154,852,609	2,116,588,240
Effect of dilution – adjustments for share options and awarded shares	1,221,941	39,014,924
Weighted average number of ordinary shares in issue during the period used in the diluted loss per share calculation	2,156,074,550	2,155,603,164

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10. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (Continued)

	For the six months ended 30 June	
	2025 US\$ Cent (Unaudited)	2024 US\$ Cent (Unaudited)
Basic loss per share arising from		
Continuing operations	(1.18)	(6.51)
Discontinued operation	–	(1.76)
Loss for the period	(1.18)	(8.27)
Diluted loss per share arising from		
Continuing operations	(2.16)	(6.51)
Discontinued operation	–	(1.76)
Loss for the period	(2.16)	(8.27)

11. PROPERTY, PLANT AND EQUIPMENT

The carrying amounts of the Group's property, plant and equipment and the movements during the period are as follows:

	Total US\$'000
As at 1 January 2024 (Audited)	608,107
Additions	125,395
Deconsolidation of Legend Group	(104,031)
Depreciation	(58,823)
Disposal	(1,806)
Impairment	(44,666)
Exchange realignment	(6,175)
As at 31 December 2024 and 1 January 2025 (Audited)	518,001
Additions	32,126
Depreciation	(28,543)
Disposal	(196)
Exchange realignment	1,202
As at 30 June 2025 (Unaudited)	522,590

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11. PROPERTY, PLANT AND EQUIPMENT (Continued)

As at 30 June 2025, properties amounted to approximately US\$31,653,000 (31 December 2024: approximately US\$31,974,000) were pledged to an affiliate of the Series B Investor of Probio Technology Limited (the “**ProBio**” or “**Probio Cayman**”) as security for the redemption obligation of the Company and Probio Cayman.

During the six months ended 30 June 2025, no impairment loss was recognised for property, plant and equipment (for the six months ended 30 June 2024: approximately US\$37,480,000 belonging to biologics development services segment).

12. INVESTMENTS IN ASSOCIATES

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Investment in a significant associate	3,564,029	3,653,932
Investments in other associates	14,145	13,799
Net carrying amount	3,578,174	3,667,731

Legend Group, a significant associate of the Company, whose shares are listed by way of American Depositary Shares on the Nasdaq Global Select Market in the United States.

Notes to Interim Condensed Consolidated Financial Information

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12. INVESTMENTS IN ASSOCIATES (Continued)

The following tables illustrate the condensed financial information of Legend Group adjusted for any differences in accounting policies and reconciled to the carrying amount in the interim condensed consolidated financial statements:

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Non-current assets	6,329,666	6,503,503
Current assets	1,249,874	1,283,918
Current liabilities	265,482	277,645
Non-current liabilities	1,276,401	1,320,526
Total identifiable net assets at fair value	6,037,657	6,189,250
Proportion of the Group's ownership	47.27%	47.51%
Group's share of identifiable net assets of Legend Group	2,854,073	2,940,413
Equity method goodwill	709,956	713,519
Carrying amount of the investment in Legend Group	3,564,029	3,653,932

	For the six months ended 30 June 2025 US\$'000 (Unaudited)
Revenue	450,111
Loss for the period, including:	
Legend Group's loss for the period, net of tax	(226,296)
Amortisation and depreciation for fair value on Legend Group's identifiable assets, net of tax	(146,585)
Other comprehensive income	184,929
Total comprehensive loss	(187,952)

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12. INVESTMENTS IN ASSOCIATES (Continued)

The movement on interest in Legend Group is as follows:

	Total US\$'000 (Unaudited)
Initial carrying amount in Legend Group upon Deconsolidation on the Deconsolidation Date (Audited)	3,740,355
Share of loss for the period	(33,980)
Loss on deemed dilution of interests during the period	(3,771)
Share of other comprehensive loss	(55,032)
Share of the change in other reserves	6,360
As at 31 December 2024 and 1 January 2025 (Audited)	3,653,932
Share of loss for the period	(176,266)
Loss on deemed dilution of interests during the period	(17,432)
Share of other comprehensive income	87,419
Share of the change in other reserves	16,376
As at 30 June 2025 (Unaudited)	3,564,029
Fair value of the Group's investment in Legend Group as at 30 June 2025*	3,096,459

* The fair value is calculated based on the number of Legend Group's ordinary shares held by the Company and the market price of Legend's American Depositary Shares on the Nasdaq Global Select Market in the United States as at 30 June 2025.

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

	For the six months ended	
	30 June 2025 US\$'000 (Unaudited)	30 June 2024 US\$'000 (Unaudited)
Share of the associates' profits/(losses) for the period	292	(1,261)
Share of the associates' total comprehensive income/(losses)	292	(1,261)

Notes to Interim Condensed Consolidated Financial Information

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13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Current		
Investments in financial products (note i)	541,141	224,851
Listed equity investments (note ii)	22	23
	541,163	224,874
Non-current		
Investments in financial products (note i)	–	65,344
Unlisted equity investments (note ii)	25,158	23,299
	25,158	88,643
Total	566,321	313,517

Notes:

- (i) The balance represents the investments in wealth management financial products issued by reputable commercial banks or institutions mainly located in the Mainland China, Europe, Hong Kong, and the U.S., which were classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.
- (ii) The balance mainly represents the Group's investments in certain funds, listed and unlisted companies. These investments are not regarded as associates of the Group because the Group has no right to participate in the relevant activities of these limited partnerships and companies.

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14. TRADE AND BILLS RECEIVABLES

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Trade receivables	140,388	123,746
Bills receivable	5,697	6,404
	146,085	130,150
Impairment of trade receivables	(13,905)	(13,859)
Total	132,180	116,291

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

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Within 3 months	83,336	83,598
3 to 6 months	31,428	15,058
6 to 12 months	10,584	9,325
Over 1 year	15,040	15,765
Total	140,388	123,746

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15. CASH AND BANK BALANCES

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Cash and bank balances	425,489	447,617
Less:		
Restricted cash	22,706	17,919
Non-pledged time deposits:		
Current portion	103,989	264,321
Non-current portion	5,588	33,387
Cash and cash equivalents	293,206	131,990

As at 30 June 2025, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to approximately US\$159,507,000 (31 December 2024: US\$19,723,000). The RMB is not freely convertible into other currencies, however, under China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with credit worthy banks with no recent history of default. The carrying amounts of the cash and bank balances are approximately their fair values.

16. TRADE AND BILLS PAYABLES

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Trade payables	51,728	29,794
Bills payables	–	44
Total	51,728	29,838

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16. TRADE AND BILLS PAYABLES (Continued)

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

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Within 3 months	48,278	26,281
3 to 6 months	1,044	1,298
6 to 12 months	543	975
Over 1 year	1,863	1,240
Total	51,728	29,794

17. OTHER PAYABLES AND ACCRUALS

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Current		
Payables for acquisition of ProBio's preferred shares	206,291	–
Accrued payroll and welfare	39,837	47,236
Payables for purchases of property, plant and equipment	35,771	39,833
Accrued expenses	16,951	17,270
Other tax payables	8,857	5,352
Subsidies (note)	1,429	1,151
Other payables	26,946	14,688
	336,082	125,530
Non-current		
Subsidies (note)	13,085	13,025
Others	1,270	1,235
	14,355	14,260
Total	350,437	139,790

Note:

The subsidies received from the local government authorities for the purpose of compensation for the expenditure on certain facilities and projections, and were credited to a deferred income account. The grants were released to profit or loss over the expected useful lives of the relevant assets or upon fulfillment of the required conditions.

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18. INTEREST-BEARING BANK LOANS

	Note	30 June 2025 (Unaudited)			31 December 2024 (Audited)		
		Effective interest rate (%)	Maturity	US\$'000	Effective interest rate (%)	Maturity	US\$'000
Current							
Unsecured bank loans		1.9-2.6	2026	137,418	1.9-2.6	2025	88,745
Secured – current portion of long-term bank loans	(a)	3.0	2025	18,046	–	–	–
				155,464			88,745
Non-current							
Secured – non-current portion of long-term bank loans	(a)	–	–	–	3.95-4.2	2026-2029	17,309
				–			17,309
Total				155,464			106,054

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Analysed into:		
Bank loans repayable:		
Within one year or on demand	155,464	88,745
In the second year	–	3,863
In the third to fifth years, inclusive	–	13,446
Total	155,464	106,054

Note:

- (a) As at 30 June 2025, certain of the Group's bank loans were secured by the land with a book value of approximately US\$4,829,000 (31 December 2024: US\$4,865,000). The effective interest rate of the bank loan was based on the LPR (Loan Prime Rate), and the average effective interest rate for the reporting period was calculated at 3% (for the six months ended 30 June 2024: 4.08%). These loans were repaid and the land was released from pledge in July 2025.

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19. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	Note	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Current			
Foreign currency forward contracts		–	107
		–	107
Non-current			
Probio Series A Preferred Shares	(a)	–	235,500
Probio Series C Preferred Shares	(a)	248,003	238,232
		248,003	473,732
Total		248,003	473,839

Note:

(a) Probio Series A Preferred Shares and Probio Series C Preferred Shares

During the year ended 31 December 2021, Probio Cayman issued a total of 300,000,000 Probio Series A Preferred Shares in its Series A Financing, together with the issuance of Probio Warrant in the Probio Series A Financing.

During the year ended 31 December 2023, Probio Cayman issued a total of 319,998,370 Probio Series C Preferred Shares in its Series C Financing, of which 42,857,000 Series C Preferred Shares was subscribed by the Company at consideration of US\$30,000,000.

The key terms of the Probio Series A Preferred Shares and Probio Series C Preferred Shares are summarised as follows:

(1) Dividends right

Each of the holders of Probio Series C Preferred Shares and Probio Series A Preferred Shares is entitled to receive non-cumulative dividends in preference to any dividend on the Probio Shares when, as and if declared by the board of directors of Probio Cayman, for each Series C Preferred Share and Series A Preferred Share held by such holder, at a rate of 8% per annum.

No non-cumulative dividends to Probio Series A Preferred Shares will be paid unless and until the full payment of the non-cumulative dividends to Probio Series C Preferred Shares.

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19. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Note: (Continued)

(a) Probio Series A Preferred Shares and Probio Series C Preferred Shares (Continued)

(2) Conversion right

Probio Series A Preferred Shares and Probio Series C Preferred Shares shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such preferred shares into such number of fully paid and non-assessable ordinary shares as determined by dividing the issue price by the then effective conversion price of such series of preferred shares, in effect at the time of the conversion. The initial Series A conversion price shall be the Series A issue price (US\$0.50 per Probio Series A Preferred Share) and the initial Series C conversion price shall be the Series C issue price (US\$0.70 per Probio Series C Preferred Share), and such initial conversion price for Series A Preferred Shares and Series C Preferred Shares shall be subject to adjustments for certain further events, including but not limited to dilutive issuances, share splits, share combinations and etc.

Probio Series A Preferred Shares and Probio Series C Preferred Shares shall automatically be converted into the ordinary shares of Probio Cayman at then respective effective conversion price of such series of preferred shares upon the completion of a qualified IPO of Probio Cayman.

(3) Redemption feature

Each eligible holder of Probio Series C Preferred Shares (excluding the Company in its capacity as the holder of Probio Series C Preferred Shares) shall be entitled to request Probio Cayman and the Company, jointly and severally, to redeem all or any of part of such holder's Series C Preferred Shares at a price per share (the "**Series C Redemption Price**") at earliest occurrence of any of the redemption events agreed in the documents of Series C Financing. The Series C Redemption Price equals to the aggregate amount of:

- (i) 100% of the Series C issue price, which shall be subject to adjustments for certain dilutive issuances, splits and combinations;
- (ii) interest accrued based on the Series C issue price and calculated at an agreed rate in the documents of the Probio Series C Financing, from the date of issuance thereof through and including the redemption date; and
- (iii) any declared but unpaid dividends thereto as of the date of redemption.

Each holder of Probio Series A Preferred Shares shall be entitled to request Probio Cayman and the Company, jointly and severally, to redeem all or any part of such holder's Series A Preferred Shares at a price per share (the "**Series A Redemption Price**") at earliest occurrence of any of the redemption events agreed in the documents of Series A Financing. The Series A Redemption Price equals to the aggregate amount of:

- (i) 100% of the Series A issue price, which shall be subject to adjustments for certain dilutive issuances, splits and combinations;
- (ii) interest accrued based on the Series A issue price and calculated at an agreed rate in the documents of the Probio Series A Financing, from the date of issuance thereof through and including the redemption date; and
- (iii) any declared but unpaid dividends thereto as of the date of redemption.

No Series A Redemption Price or Series B Redemption Price (which is measured at amortised cost) will be paid unless and until all Series C Redemption Price of the eligible holders of Series C Preferred Shares is fully paid.

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19. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Note: (Continued)

(a) Probio Series A Preferred Shares and Probio Series C Preferred Shares (Continued)

(4) Liquidation Preference

Upon any liquidation, dissolution or winding up or other liquidation events of Probio Cayman, all assets of funds of Probio Cayman legally available for distribution to the shareholders are distributed in the sequence as follows:

(a) Series C liquidation amount

(b) Series A liquidation amount

The Series C liquidation amount and Series A liquidation amount equal to the sum of (i) 100% of their respective issue price; (ii) interests thereon at an agreed rate per annum for each series of preferred shares and plus (iii) all declared and unpaid dividends on such preferred shares.

If the assets and funds thus distributed among the holders of Probio Series C Preferred Shares or Probio Series A Preferred Shares are insufficient to permit the payment to such holders of full Series C liquidation amount or Series A liquidation amount, then all such assets and funds of the Probio Cayman legally available for distribution shall be distributed ratably among the holders of such series of preferred shares in proportion to the liquidation amount that each such holder is otherwise entitled.

If there are any assets or funds remaining after the Series C liquidation amount and the Series A liquidation amount have been distributed or paid in full, the remaining assets and funds of Probio Cayman available for distribution shall be distributed ratably among holders of the preferred shares and ordinary shares based on the number of shares held by each such holder, on an as-if-converted basis.

Presentation and Classification

The Group does not bifurcate the embedded conversion derivatives from the host debt liability arising from the redemption right held by the shareholders of the Probio Series A Preferred Shares and Probio Series C Preferred Shares and has designated the entire instruments of Probio Series A Preferred Shares and Probio Series C Preferred Shares as financial liabilities at FVTPL. The change in fair value of financial liabilities at FVTPL is charged to profit or loss except for the portion attributable to own credit risk change that shall be charged to other comprehensive income.

During the six months ended 30 June 2025, the Company, through a direct wholly-owned subsidiary, purchased all Probio Series A Preferred Shares at an aggregate consideration of approximately US\$225,142,000 pursuant to the share transfer agreement dated 28 April 2025. The transaction was completed in May 2025 and the Probio Series A Preferred Shares were derecognised by the Group thereafter. In connection with the acquisition of the Probio Series A Preferred Shares, the Group recognised gain of approximately US\$14,370,000 (note 4), representing the difference between the carrying amount of the Probio Series A Preferred Shares at the derecognition date and the consideration of the acquisition.

As at 30 June 2025, the fair value of Probio Series C Preferred Shares was assessed at US\$248,003,000 (31 December 2024: US\$238,232,000), and an aggregate fair value loss of US\$13,783,000 was recognised during the six months ended 30 June 2025 (for the six months ended 30 June 2024: US\$113,509,000).

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19. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Presentation and Classification (Continued)

The movements of the above preferred shares are set out below:

	US\$'000
At 1 January 2024 (Audited)	350,151
Fair value changes	123,581
At 31 December 2024 and 1 January 2025 (Audited)	473,732
Acquired by the Group's subsidiary	(239,512)
Fair value changes	13,783
At 30 June 2025 (Unaudited)	248,003

20. SHARE CAPITAL

Shares

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Authorised:		
Ordinary shares of US\$0.001 each	5,000	5,000
Issued and fully paid:		
Ordinary shares of US\$0.001 each	2,178	2,142

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20. SHARE CAPITAL (Continued)

A summary of movements in the Company's share capital is as follows:

	Number of shares issued and fully paid	Share capital US\$'000
As at 1 January 2025 (Audited)	2,142,296,633	2,142
Exercise of share options and restricted share units	35,391,135	36
As at 30 June 2025 (Unaudited)	2,177,687,768	2,178

21. SHARE OPTION SCHEME

The Company's Pre-IPO and Post-IPO share option scheme are generally vested over a 5-year term. The performance goals are determined by the board of directors. For those awards, evaluations are made as of each reporting period to assess the likelihood of performance criteria being met. Equity-settled share-based compensation expenses are then adjusted to reflect the reversion of original estimates.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings. The only condition for vesting is service condition.

	2025		2024	
	Weighted average exercise price US\$ per share	Number of options '000	Weighted average exercise price US\$ per share	Number of options '000
As at 1 January	0.6719	63,006	0.6891	85,143
Forfeited during the period	1.7857	(20)	3.0696	(1,132)
Exercised during the period	0.1216	(32,601)	1.0037	(2,754)
Expired during the period	2.9707	(1,030)	2.0504	(155)
As at 30 June	1.2015	29,355	0.6426	81,102
Exercisable at 30 June	1.1893	28,695	0.6094	79,270

The weighted average share price at the date of exercise for share options exercised during the six months ended 30 June 2025 was HK\$11.681 per share (for the six months ended 30 June 2024: HK\$9.885).

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21. SHARE OPTION SCHEME (Continued)

The exercise prices and exercise periods of the outstanding share options as at the end of the reporting period are as follows:

30 June 2025 Number of options '000	Exercise price* US\$ per share	Exercise period
938	0.0772	2013/09/01–2025/07/31
2,672	0.1552	2016/06/22–2026/06/21
2,562	0.3102	2017/09/23–2026/09/22
8,370	0.4514	2019/04/25–2027/04/24
3,194	1.0672	2018/07/25–2027/10/10
1,925	1.1969	2019/12/31–2027/11/19
1,820	1.7857	2021/04/29–2030/04/28
126	1.7948	2018/11/29–2028/11/28
1,876	2.3444	2020/07/19–2029/07/18
1,904	2.4444	2020/11/29–2029/11/28
2,883	3.3710	2019/01/01–2028/05/03
270	1.9355	2020/09/01–2030/08/31
550	1.5606	2021/11/21–2030/12/27
80	1.7857	2022/03/31–2031/03/30
185	3.9228	2022/05/31–2031/05/30
29,355		

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21. SHARE OPTION SCHEME (Continued)

The exercise prices and exercise periods of the outstanding share options as at the end of the reporting period are as follows: (Continued)

30 June 2024 Number of options '000	Exercise price* US\$ per share	Exercise period
24	0.0515	2013/08/10–2025/07/31
38,150	0.0617	2014/12/31–2025/07/31
1,838	0.0772	2013/09/01–2025/07/31
7,672	0.1552	2016/06/22–2026/06/21
3,217	0.3102	2017/09/23–2026/09/22
10,880	0.4514	2019/04/25–2027/04/24
3,722	1.0672	2018/07/25–2027/10/10
1,955	1.1969	2019/12/31–2027/11/19
1,960	1.7857	2021/04/29–2030/04/28
126	1.7948	2018/11/29–2028/11/28
1,971	2.3444	2020/07/19–2029/07/18
2,246	2.4444	2020/11/29–2029/11/28
5,648	3.3710	2019/01/01–2028/05/03
598	1.9355	2020/09/01–2025/08/31
810	1.5606	2021/11/21–2030/12/27
100	1.7857	2022/03/31–2031/03/30
185	3.9228	2022/05/31–2031/05/30
81,102		

* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

No share options were granted during the six months ended 30 June 2025 and 2024. The Group recognised a share option expense of US\$10,000 during the six months ended 30 June 2025 (for the six months ended 30 June 2024: US\$(1,199,000)).

At the end of reporting period, the Company had 29,355,000 share options outstanding under the scheme, which represented approximately 1.4% of the Company's shares in issue as at that date. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 29,355,000 additional ordinary shares of the Company, an additional share capital of approximately US\$29,335 and a share premium of approximately US\$35,241,000 (before issue expenses).

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22. RESTRICTED STOCK SHARES

(a) The Company

The Company operates the restricted stock unit (“**RSU**”) schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. Eligible participants of the restricted share award scheme adopted by the Company on 22 March 2019 (the “**2019 RSA Scheme**”) include the Company’s directors, including independent non-executive directors, and employees of any member of the Group. Eligible participants of the restricted share award scheme adopted by the Company on 23 August 2021 (the “**2021 RSA Scheme**”, together with the 2019 RSA Scheme, the “**RSA Schemes**”) include (i) directors or employees of the Group, and/or (ii) person who has made significant contribution, or will potentially make significant contribution to, the development of the Group. The RSA Schemes have a performance vesting condition and is subject to forfeiture if the participants cannot meet certain performance target (if any) set by the board of directors.

The movements in the number of RSUs outstanding were as follows:

	Numbers 2025 ‘000	Numbers 2024 ‘000
As at 1 January	27,093	22,030
Granted during the period	7,095	13,045
Forfeited during the period	(4,093)	(3,252)
Vested during the period	(3,889)	(3,266)
As at 30 June	26,206	28,557

The weighted-average remaining contractual life for outstanding RSUs granted under the RSA Schemes was 4.02 years as of 30 June 2025 (30 June 2024: 4.15 years).

The fair value of the awarded shares was calculated based on the market price of the Company’s shares at the respective grant date.

The fair value of the RSUs granted during the six months ended 30 June 2025 was US\$15,239,000 (US\$2.148 each) (for the six months ended 30 June 2024: US\$16,067,000 (US\$1.232 each)). The Group recognised RSUs expense of US\$7,824,000 during the six months ended 30 June 2025 (for the six months ended 30 June 2024: US\$8,455,000).

At the end of reporting period, the Company had 26,206,000 RSUs outstanding under the RSA Schemes, which represented approximately 1.2% of the Company’s shares in issue as at that date.

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22. RESTRICTED STOCK SHARES (Continued)

(b) The ProBio

ProBio operates a restricted stock unit plan (the “**ProBio RSU Scheme**”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the ProBio’s operations. Eligible participants of the ProBio RSU Scheme include the ProBio’s directors, including independent non-executive directors, and employees of any member of the ProBio. The ProBio RSU Scheme became effective on 3 August 2021 unless otherwise cancelled or amended. The ProBio RSU Scheme has performance vesting condition and is subject to forfeiture if the participants cannot meet certain performance target set by the board of directors, and if employment terminated, the vested part have to be transferred back to ProBio RSU pool unless otherwise agreed, the unvested part will be lapsed.

The movements in the number of RSUs outstanding under the ProBio RSU Scheme were as follows:

	Numbers 2025 ‘000	Numbers 2024 ‘000
As at 1 January	60,273	79,976
Granted during the period	412	13,088
Forfeited during the period	(18,566)	(21,847)
Vested during the period	(2,699)	(2,434)
As at 30 June	39,420	68,783

The weighted-average remaining contractual life for outstanding RSUs granted under the ProBio RSU Scheme was 2.09 years as of 30 June 2025 (30 June 2024: 3.28 years).

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22. RESTRICTED STOCK SHARES (Continued)

(b) The ProBio (Continued)

The fair value of the awarded shares was calculated based on the fair value of the ordinary shares of ProBio Cayman at the respective grant date, which was estimated using the discounted cash flow method with the below key assumptions applied in the valuation technique:

	March 2025
Risk-free interest rate	3.89%–3.92%
DLOM	21.81%–24.69%
Volatility	50.91%–54.69%

The fair value of the RSU granted during the six months ended 30 June 2025 was US\$124,000 (US\$0.302 each) (for the six months ended 30 June 2024: US\$3,503,000 (US\$0.268 each)). The Group recognised RSUs expense of US\$1,706,000 during the six months ended 30 June 2025 (for the six months ended 30 June 2024: US\$3,289,000).

At the end of reporting period, ProBio Cayman had 39,420,000 RSUs outstanding under the RSU scheme, which represented approximately 1.7% of ProBio Cayman's shares in issue as at that date.

(c) The BSJ Nanjing

Nanjing Bestzyme Bio-Engineering Co., Ltd. ("BSJ Nanjing") operates Employee Stock Ownership Plan (the "Bestzyme ESOP") for the purpose of providing incentives and rewards to eligible participants who contribute to the successful operations of Bestzyme Biotech Corporation ("Bestzyme"), a subsidiary of the Group engaged in the industrial synthetic biology fields. Eligible participants include directors, management, core technical, consultants or any member of the Bestzyme. The Bestzyme ESOP has performance conditions, and the incentive interests are subject to be repurchased by the pre-determined transferee if the participants fail to meet certain performance targets set by the board of directors. Bestzyme recognized expense of US\$35,000 during the six months ended 30 June 2025.

23. COMMITMENTS

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Property, plant and equipment	11,276	32,335
Capital commitments to unlisted equity investments	30,486	31,917
Total	41,762	64,252

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24. RELATED PARTY TRANSACTIONS

Details of the Group's principal related parties are as follows:

Related parties	Relationship
Deyang Tara Biotechnology Co., LTD (" Tara ")	Associate
Nanjing Huatai GenScript Biotech Venture Capital LP (" Huatai ")	Associate
Nanjing Legend Biotechnology Co., Ltd. (" Legend Nanjing ")	Associate
Legend Biotech USA Inc. (" Legend USA ")	Associate

The Group had the following significant transactions with related parties during the period:

	For the six months ended 30 June	
	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
Sales of products and services to Legend Nanjing	7,626	3,339
Sales of products and services to Legend USA	1,233	769
Management service to Huatai	456	461
Sales of products and services to Tara	157	141
Cost of license and service fee to Legend Nanjing (note)	20,196	210
Purchase of products from Tara	2,202	583

Note: Cost of license fee was derived from Legend Nanjing, which was recognised under a license agreement where the Company is required to remit to the Legend Group 10% of license revenue earned from third parties for sublicensing specified patents and related know-how that are included in the agreement. The payables in connection with this license cost were recorded in trade and bills payables as of 30 June 2025 and were subsequently settled in July 2025.

The above sales and purchases to related parties were made according to the published prices and conditions offered to the major customers of the Group.

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24. RELATED PARTY TRANSACTIONS (Continued)

(a) Outstanding balances with related parties:

The Group had the following significant balances with its major related parties at the end of the reporting period:

(i) Due from related parties

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Legend Nanjing	4,058	2,052
Legend USA	726	966
Tara	178	–
Total	4,962	3,018

(ii) Due to related parties

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Legend Nanjing	21,472	–
Tara	1,211	745
Total	22,683	745

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24. RELATED PARTY TRANSACTIONS (Continued)

(b) Compensation of key management personnel of the Group:

	For the six months ended 30 June	
	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
Short-term employee benefits	1,255	1,449
Pension scheme contributions	26	34
Equity-settled share-based compensation expenses	1,325	4,787
Total compensation paid to key management personnel	2,606	6,270

The benefits in kind include contributions made for directors' social security in the United State of America and medical insurance paid by the Group.

25. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying Amount		Fair Values	
	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Financial assets				
Financial assets at fair value through profit or loss	566,321	313,517	566,321	313,517
Financial liabilities				
Financial liabilities at fair value through profit or loss	248,003	473,839	248,003	473,839

Management has assessed the fair values of trade and bills receivables, financial assets included in prepayments, other receivables and other assets, restricted cash, time deposits, cash and cash equivalents, trade and bills payables, financial liabilities included in other payables and accruals, interest-bearing bank loans and other borrowings and lease liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

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25. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance department reports directly to the finance manager. At each reporting date, the finance department analysed the movements in the values of financial instruments and determined the major inputs applied in the valuation. The valuation was reviewed and approved by the finance manager. The valuation process and results are discussed with the directors twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair Value Hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments.

Assets measured at fair value:

As at 30 June 2025 (Unaudited)

	Fair value measurement using			Total US\$'000
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	US\$'000	US\$'000	US\$'000	
Financial assets at fair value through profit or loss	129,033	437,288	–	566,321

As at 31 December 2024 (Audited)

	Fair value measurement using			Total US\$'000
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	US\$'000	US\$'000	US\$'000	
Financial assets at fair value through profit or loss	31,734	281,783	–	313,517

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25. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair Value Hierarchy (Continued)

Liability measured at fair value:

As at 30 June 2025 (Unaudited)

	Fair value measurement using			Total US\$'000
	Quoted prices in active markets (Level 1) US\$'000	Significant observable inputs (Level 2) US\$'000	Significant unobservable inputs (Level 3) US\$'000	
Financial liabilities at fair value through profit or loss	–	–	248,003	248,003

As at 31 December 2024 (Audited)

	Fair value measurement using			Total US\$'000
	Quoted prices in active markets (Level 1) US\$'000	Significant observable inputs (Level 2) US\$'000	Significant unobservable inputs (Level 3) US\$'000	
Financial liabilities at fair value through profit or loss	–	107	473,732	473,839

The movement in fair value measurements within Level 3 during the six months ended 30 June 2025 is as follows:

	For the six months ended 30 June 2025 US\$'000
Financial liabilities at fair value through profit or loss	
As at 1 January (Audited)	473,732
Acquired by the Group's subsidiary	(239,512)
Fair value changes	13,783
As at 30 June (Unaudited)	248,003

During the six months ended 30 June 2025, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (for the six months ended 30 June 2024: Nil).

Notes to Interim Condensed Consolidated Financial Information

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25. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair Value Hierarchy (Continued)

Valuation techniques and significant inputs used to determine fair values:

(a) *Level 2 financial instruments:*

Financial assets:

The fair value of investments in unlisted equity investments were calculated based on a) the net assets value of the investee which approximates the fair value and b) the investees' recent transaction prices.

The fair value of wealth management products issued by banks and reputable investment management companies was estimated based on the expected return that reflects the credit risk of the products.

Forward currency contracts and option contracts, are measured using valuation techniques similar to forward pricing, using present value calculations. The model incorporates market observable inputs including foreign exchange spot, forward exchange rates and risk-free interest rate curves.

(b) *Level 3 financial instruments:*

Financial liabilities:

As at 30 June 2025, the Group measured fair value of Probio Series C Preferred Shares using discounted cash flows method based on estimate redemption predetermined amount and maturing dates, which involved the use of significant accounting estimates and judgments. The Group estimated the discount rate based on the yield of the United States Treasury Constant Maturity with maturity close to the expected exit timing as of the valuation date, and adjusted credit spread that reflect current market assessments of the uncertainty in the amount and timing of the cash flows. Discount rate used in determining fair value of preferred share was 6.97% (31 December 2024: 7.18%). Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis:

	30 June 2025	31 December 2024
Discount rate	6.97%	7.18%

26. EVENTS AFTER THE REPORTING PERIOD

There were no material events undertaken after 30 June 2025 and up to the date of approval of these financial statements.

27. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised by the board of directors on 16 August 2025.