SINOMAB

SinoMab BioScience Limited
中國抗體製藥有限公司
(Incorporated in Hong Kong with limited liability)

Stock Code: 3681

2025 Interim Report

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Corporate Information

DIRECTORS

Executive Directors

Dr. Shui On LEUNG *(Chairman and Chief Executive Officer)*
Mr. Shanchun WANG *(President (China))*
(ceased to act as President (China) effective from 6 June 2025)
(resigned as executive director effective from 9 June 2025)

Non-executive Directors

Dr. Haigang CHEN
Mr. Xun DONG
Ms. Xiaosu WANG
Dr. Jianmin ZHANG

Independent Non-executive Directors

Mr. George William Hunter CAUTHERLEY
Mr. Ping Cho Terence HON
Dr. Chi Ming LEE
Mr. Dylan Carlo TINKER *(passed away on 29 May 2025)*
Ms. Chi Sau Giselle LEE *(appointed on 30 June 2025)*
Mr. Nan SHEN *(appointed on 30 June 2025)*

AUDIT COMMITTEE

Mr. Ping Cho Terence HON *(Chairman)*
Mr. George William Hunter CAUTHERLEY
Dr. Chi Ming LEE
Mr. Dylan Carlo TINKER *(passed away on 29 May 2025)*
Ms. Chi Sau Giselle LEE *(appointed on 30 June 2025)*
Mr. Nan SHEN *(appointed on 30 June 2025)*

REMUNERATION COMMITTEE

Dr. Chi Ming LEE *(Chairman)*
Mr. Ping Cho Terence HON
Dr. Shui On LEUNG

NOMINATION COMMITTEE

Dr. Shui On LEUNG *(Chairman)*
Mr. Ping Cho Terence HON
Mr. Dylan Carlo TINKER *(passed away on 29 May 2025)*
Ms. Chi Sau Giselle LEE *(appointed on 30 June 2025)*
Mr. Nan SHEN *(appointed on 30 June 2025)*

COMPANY SECRETARY

Ms. Yuk Yin Ivy CHOW

AUTHORISED REPRESENTATIVES

Dr. Shui On LEUNG
Mr. Jianping HUA

REGISTERED OFFICE

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Hong Kong

AUDITOR

Ernst & Young
Registered Public Interest Entity Auditor

LEGAL ADVISER

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DeHeng Law Offices (Hong Kong) LLP

As to PRC law
Zhong Lun Law Firm

HONG KONG SHARE REGISTRAR

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COMPANY WEBSITE

www.sinomab.com

STOCK CODE

3681

Dr. Shui On LEUNG

Chairman, Executive Director and
Chief Executive Officer

Dear valued Shareholders,

On behalf of the Board, I hereby present the interim report of the Company (together with its subsidiaries) for the six months ended 30 June 2025.

BUSINESS OVERVIEW

The biotechnology and biopharmaceutical industries are undergoing a profound transformation. Building on traditional expertise in experimental medicine and breakthroughs in molecular biology (molecular medicine), the industry is now entering its third revolution — the "**Biotech 3.0 Era**". This new phase is characterised by innovation-driven development, multidisciplinary integration, and intelligent, precision-driven processes across the entire supply chain.

We are well-positioned to leverage this era's opportunity for strategic growth. Since our establishment, we have been adhering to the principle of differentiated innovation, prioritising our R&D efforts on "first-in-class" and "best-in-class" novel therapeutics for immunological diseases. During the Reporting Period, the Company achieved breakthrough progress in two key product pipelines, SM03 (Suciraslimab) and SM17.

Our flagship product, Suciraslimab, is a first-in-class monoclonal antibody targeting CD22. Recently, Suciraslimab achieved groundbreaking preclinical results from *in vivo* studies for the treatment of systemic lupus erythematosus ("**SLE**"). Leveraging its unique mechanism: modulating the autoimmune networks through B cell regulation and interaction, with multi-organ protective effects, Suciraslimab not only significantly reduces serum levels of anti-double-stranded DNA (anti-dsDNA) antibodies but also demonstrates superiority over existing drugs in improving proteinuria and renal pathology in lupus nephritis ("**LN**").

Currently, there are over 5 million SLE patients worldwide, with over 1 million in the People's Republic of China ("**China**"). Approximately 50% of these patients may develop LN, a complication that is the leading cause of end-stage renal disease and death. Existing treatment options either fail to improve kidney damage or have limited efficacy for LN, and long-term medication poses infection risk. This breakthrough in the treatment of SLE with Suciraslimab is expected to address the unmet needs in SLE treatment, addressing the safety risks of long-term medication and delivering protective benefit without actual organ damage, providing a new, more effective and safer treatment option for the over 5 million SLE patients worldwide.

The Biologics Licence Application ("**BLA**") for Suciraslimab for the treatment of rheumatoid arthritis ("**RA**") was accepted by the National Medical Products Administration ("**NMPA**") of China in September 2023. The unblinded pivotal Phase 3 data demonstrated Suciraslimab's clear and significant therapeutic efficacy in RA patients. The primary endpoint (ACR20 response rate at Week 24 of the double-blind phase) achieved an approximately 50% response rate and showing statistically significant differences versus the control group. With long-term treatment, ACR20 response rates continued to improve over time and exceeded 65% at Week 52 and surpassed 70% through Week 104 of the extension period, with no new safety risks revealed. Based on the clinical data from the Phase 3 clinical study and extension study, Suciraslimab demonstrated good long-term efficacy and safety.

Taking into account the advantages of SLE as the product's first indication, and based on discussions with the NMPA and the Company's internal evaluation of existing data, the Company has strategically chosen to voluntarily withdraw the BLA application for Suciraslimab in the treatment of RA. Meanwhile, the Company has decided to advance at full speed the clinical development of Suciraslimab for the treatment of SLE.

Furthermore, Suciraslimab modulates microglial function by targeting CD22 and demonstrates potential in treating Alzheimer's disease. It intervenes in the Alzheimer's disease pathology through a dual mechanism: restoring microglial clearance of amyloid β (Aβ), while also downregulating microglial inflammatory signalling pathways to protect neurons. This dual mechanism addresses both Aβ deposition and neuroinflammation, two core pathologies, and has the potential to become the world's first effective and safe immunotherapy for Alzheimer's disease. The Company has initiated planning for a Phase 2 clinical program in the treatment of SLE and is working to enable an Investigational New Drug ("**IND**") application for treating Alzheimer's disease.

Another key product in our pipeline, SM17, is a global first-in-class humanised monoclonal antibody targeting the receptor of interleukin 25 (IL-25). It achieves rapid onset of action on pruritic relief, and skin healing, by simultaneously inhibiting downstream factors of the type II inflammatory pathway and directly blocking the IL-25 receptor secreted by traumatic inflamed skin, thereby disrupting downstream itch signalling. During the Reporting Period, a Phase 1b proof-of-concept study for SM17 for the treatment of moderate-to-severe atopic dermatitis ("**AD**") was completed and achieved breakthrough topline results: 91.7% of patients achieved pruritus relief (NRS-4), 75% achieved skin healing (EASI 75), and 41.7% achieved clear or almost clear signs of AD (IGA0/1) for the high dose group. This data significantly outperforms IL-4/IL-13 monoclonal antibodies and demonstrates a significantly better safety and tolerability profile than Janus Kinase inhibitors (JAK inhibitors). This makes it potentially the first treatment to simultaneously achieve rapid onset of action on pruritic relief, skin healing with a good safety profile.

There are over 230 million people who suffer from AD globally, including over 70 million in China, 28% of whom suffer from moderate to severe AD. Existing treatment options struggle to achieve a balanced combination of rapid itch relief, skin healing as well as a good safety profile. The results of our SM17 demonstrate its triple advantages in treating AD: rapid pruritic relief, potent skin healing effect as well as a good safety profile. Phase 1 clinical data from the United States and the results of a Phase 1a bridging study in healthy subjects in China of SM17 have been published simultaneously, paving its way for global multicenter development and potential international collaborations. The Company is advancing the clinical bridging study for the dosage formulation conversion of SM17 and expects to complete it by the first quarter of 2026.

In addition, anti-CGC antibodies and bispecific antibodies are also key areas of our future research and development, as well as potential business development (BD) licencing opportunities. Anti-CGC antibodies are another humanised anti-γc antibody developed independently by the Company. They can modulate immune cell proliferation, autoreactivity, and tissue infiltration, potentially offering therapeutic potential for alopecia areata, vitiligo, and other autoimmune diseases. Bispecific antibody targets receptor activator of nuclear factor kappa-B ligand (RANKL) and sclerostin, thereby achieving the therapeutic effect of osteoporosis. We are advancing preclinical preparations for these two products and expect to submit the IND applications in 2026 .

During the Reporting Period, the Company raised approximately HK$124.0 million through a share subscription and allocated the majority of the proceeds for SM17's advancement and new drug candidates' development, strengthening its clinical value-driven pipeline expansion. The success of share subscription reflects the capital market's recognition of the Company's R&D capabilities and commercialisation prospects. In August 2025, the Company completed another round of share subscriptions, raising approximately HK$369.5 million. With these two rounds of financing this year, the Company will have adequate funds to advance the R&D and clinical development of its pipeline.

In August this year, we entered into a comprehensive strategic cooperation agreement with Sun Yat-sen University Institute of Advanced Studies Hong Kong Limited ("**SYSU-IAS**"). Through this agreement, we have established a mutually beneficial framework to accelerate the development of innovative drugs and promote the translation of scientific research into clinical applications worldwide. Under the cooperation agreement, the Company will have direct access to SYSU-IAS's comprehensive laboratory facilities and valuable data resources, as well as access to primate and non-primate animal studies supply resources. Please refer to the sub-section headed "Collaboration-SYSU-IAS" under the "Management Discussion and Analysis" section below. These are key elements in promoting novel drug innovation and the Company's R&D development sustainability. Furthermore, to improve new drug R&D efficiency and shorten the development cycle, we are actively exploring the feasibility of using artificial intelligence (AI) technology for new target identification.

OUTLOOK

In the first half of 2025, China's total licence-out transactions for innovative drugs reached US$66 billion, representing an approximately 27.2% increase over the full-year total of US$51.9 billion in 2024. Over 50% of the licenced projects involved preclinical or Phase 1 clinical trials, reflecting international pharmaceutical companies' recognition of China's early-stage innovation.

Furthermore, the NMPA has shortened the approval time for clinical trials of novel drugs from 14 months to 30 days. The National Healthcare Security Administration's (NHSA) "16 Measures for Innovative Drugs" supports reimbursement coverage, further revitalising China's novel drug market. The Central Government's "New Quality Productive Forces" strategy has also provided a favourable environment for our innovative R&D. As the first 18A biopharmaceutical company based in Hong Kong, we will steadfastly uphold innovation as our core competitive advantage, driving forward both the commercialisation of our existing product pipeline and the development of new investigational therapies. We also believe that Suciraslimab and SM17 will further demonstrate their best-in-class potential in subsequent clinical trials, addressing unmet medical needs for patients with SLE and AD.

Chairman, Executive Director and Chief Executive Officer
Dr. Shui On LEUNG
29 August 2025

OVERVIEW

We are the first Hong Kong-based listed biopharmaceutical company dedicated to the research, development, manufacturing and commercialisation of therapeutics, primarily first-in-class monoclonal antibody ("**mAb**")-based biologics, for the treatment of immunological diseases. We strive to become a leading global biopharmaceutical company for the development of novel drugs to fulfil unmet medical needs through the integration of our Hong Kong-based innovative research and development ("**R&D**") team and PRC-based manufacturing capabilities. We have been dedicated to R&D since our inception, and have built a pipeline of mAb-based biologics and new chemical entities addressing a plethora of immunological diseases.

Our flagship product, SM03 (Suciraslimab), is a potential global first-in-class (FIC) anti-CD22 mAb for the treatment of rheumatoid arthritis ("**RA**") and other immunological and neuro-immunological diseases such as systemic lupus erythematosus ("**SLE**"), Sjogren's syndrome ("**SS**"), mild cognitive impairment ("**MCI**") due to Alzheimer's disease, as well as Alzheimer's disease. Recently, Suciraslimab has achieved breakthrough preclinical results from *in vivo* studies for the treatment of SLE. As a monoclonal antibody targeting CD22 — a sialic acid-binding transmembrane protein primarily expressed on B cells (with high neurological expression, including in microglia, and links to MCI, Alzheimer's disease and other autoimmune conditions) — Suciraslimab leverages its unique mechanism: modulating the autoimmune network through B cell regulation and interaction with other immune effectors like T cells, with multi-organ benefits. It addresses unmet needs in SLE treatment, such as long-term safety and organ protection, particularly showing promise in a murine model for alleviating proteinuria and potentially lupus nephritis ("**LN**"). This positions it to offer patients a safer, more effective option, and delivering possible differentiation beyond current therapies. As previously disclosed, Suciraslimab met its primary endpoint in a Phase 3 clinical study for the treatment of RA in China and its Biologics Licence Application ("**BLA**") was accepted by the National Medical Products Administration of the People's Republic of China (the "**NMPA**") in September 2023. Based on the clinical data from the Phase 3 clinical study and extension study, Suciraslimab demonstrated good long-term efficacy and safety. As announced by the Company on 14 July 2025, following communications with the Center of Drug Evaluation ("**CDE**") of NMPA and the Company's internal assessment, the Company has strategically chosen to voluntarily withdraw the BLA application for Suciraslimab in the treatment of RA. Meanwhile, the Company has decided to advance at full speed the clinical development of Suciraslimab for the treatment of SLE based on the encouraging pre-clinical results.

Our key product, SM17, is a global first-in-class (FIC), humanised mAb targeting the receptor for IL-25. The compound has the potential for treating atopic dermatitis ("**AD**"), asthma, idiopathic pulmonary fibrosis ("**IPF**") and other immunological disorders. R&D work on SM17 was carried out in both the U.S. and China. SM17 obtained the Investigational New Drug ("**IND**") application for the treatment of asthma from the U.S. Food and Drug Administration ("**FDA**") in March 2022. The clinical report for the U.S. first-in-human (FIH) Phase 1 clinical study was obtained in the first quarter of 2024, data from which demonstrated an overall favourable safety, tolerability and pharmacokinetics ("**PK**") profile for SM17. In April 2024, study results of SM17 pre-clinical work, demonstrating SM17 to be as effective as Janus Kinase 1 inhibitor ("**JAK1 inhibitor**") in treating AD in mice, were published in *Allergy*, an official journal of the European Academy of Allergy and Clinical Immunology (EAACI). In China, SM17 obtained the IND approvals for the treatment of asthma and AD from the NMPA on 11 August 2023 and 8 September 2023, respectively. Phase 1b positive topline results for SM17 for the treatment of moderate to severe AD patients were published by the Company on 7 April 2025. Topline results highlight SM17's strong potential as a novel biologic for AD, demonstrating superior pruritic relief effects and skin clearance comparable to or exceeding leading AD therapies. Notably, SM17 delivers faster and more robust itch relief than other targeted biologics, along with a favourable safety profile that avoids the safety risks associated with Janus Kinase inhibitors ("**JAK inhibitors**"). These advantages position SM17 as a promising first-in-class and best-in-class treatment for AD, offering patients both rapid symptom relief and durable skin improvement with an excellent benefit-risk profile.

Our other drug candidates, anti-CGC antibody and bispecific antibody candidates are currently in the process of chemistry, manufacturing and control processes (CMC) optimisation and toxicology studies. We are advancing preclinical preparations for these two products and expect to submit IND applications in 2026.

Our other drug candidate, SM06, is a second-generation humanised anti-CD22 antibody derived from Suciraslimab with a similar mechanism of action. Our in-house *in vitro* studies demonstrated SM06 to have potentially enhanced efficacy in enacting immunomodulatory effects and drug half-life. The compound is at the IND enabling stage, and is currently in the process of optimisation for clinical studies.

Another key product, SN1011, is a third generation covalent reversible Bruton's tyrosine kinase ("**BTK**") inhibitor. SN1011 was designed to exhibit high selectivity with prolonged but controlled drug exposure to achieve superior efficacy and good safety profile for the potentially long-term treatment of patients with chronic immunological disorders. SN1011 obtained four IND approvals from the NMPA for the treatment of SLE, pemphigus, multiple sclerosis ("**MS**") and neuromyelitis optica spectrum disorders ("**NMOSD**"). In 2021, we entered into a licence agreement with Everest Medicines Limited ("**Everest Medicines**", as licensee), to out-licence the right to develop and commercialise SN1011 globally for the treatment of renal diseases. Subsequent to the positive results in preliminary analysis announced by Everest Medicines in December 2024 of its ongoing Phase 1b/2a clinical trial of EVER001 (known as SN1011 in the Company's product pipeline) for the treatment of primary membranous nephropathy (pMN) in China, Everest Medicine further announced on 2 July 2025 of its updated positive results based on its data analysis as of 21 March 2025.

BUSINESS REVIEW

The Group is principally engaged in research and development of pharmaceutical products.

The operating performance and the progress of the Group's clinical projects during the period under review and future prospects are contained in the preceding Chairman's Statement and in this section.

The Group has no immediate plans for material investments or capital assets, other than as disclosed in the section headed "Business Overview" in the preceding Chairman's Statement and in this section.

A review of the business operation and clinical projects currently being undertaken by the Group is set out below.

PROGRESS OF CLINICAL PROJECTS

Product Pipeline

Pipeline	Indication	Territory	IND Enabling			Phase I	Phase II	Phase III	BLA
			Stage I	Stage II	Stage III				
SM03 (Suciraslimab) (anti-CD22) (First-in-Class)	Rheumatoid arthritis (RA) Non-Hodgkin's lymphoma (NHL) Systemic lupus erythematosus (SLE) Mild cognitive impairment (MCI) due to Alzheimer's Disease Sjogren's syndrome (SS)	China							
SM17 (Humanised anti-IL-25 receptor) (First-in-Class)	Asthma Atopic dermatitis (AD) Idiopathic Pulmonary fibrosis (IPF)	US China							
SN1011 (BTK Inhibitor) (Third-Generation)	Pemphigus Systemic lupus erythematosus (SLE) Neuromyelitis Optica Spectrum Disorder (NMOSD) Multiple Sclerosis (MS)	China US							
SM06 (Humanised Anti-CD22)	Systemic lupus erythematosus (SLE) Rheumatoid arthritis (RA) Neuromyelitis Optica Spectrum Disorder (NMOSD) Sjogren's syndrome (SS)	US China							
Anti-CGC antibody (First-in-Class)	Vitiligo Alopecia areate	Global							
Bispecific antibody candidate (bsAb) (First-in-Class)	Osteoporosis	Global							
SM09 (Humanised Anti-CD20)	Non-Hodgkin's lymphoma (NHL) Autoimmune Diseases	China							

IND enabling stage

IND enabling stage I – R&D

IND enabling stage II – chemistry, manufacturing and control processes (CMC)

IND enabling stage III – Preclinical

Completed study

Clinical stage

Flagship Product

SM03 (Suciraslimab)

Our self-developed SM03 (Suciraslimab) is a potential global first-in-class anti-CD22 mAb for the treatment of rheumatoid arthritis (RA) and other immunological and neuro-immunological diseases, such as systemic lupus erythematosus (SLE), Sjogren's syndrome (SS), mild cognitive impairment (MCI) due to Alzheimer's disease, as well as Alzheimer's disease. Suciraslimab adopts a novel mechanism of action, which differentiates itself from the current treatments available in the market.

In July 2025, Suciraslimab achieved breakthrough preclinical results from *in vivo* studies for the treatment of SLE. As a monoclonal antibody targeting CD22 — a sialic acid-binding transmembrane protein primarily expressed on B cells (with high neurological expression, including in microglia, and links to MCI, Alzheimer's disease and other autoimmune conditions) — Suciraslimab leverages its unique mechanism: modulating the autoimmune network through B cell regulation and interaction with other immune effectors like T cells, with multi-organ benefits. It addresses unmet needs in SLE treatment, such as long-term safety and organ protection, particularly showing promise in a murine model for alleviating proteinuria and potentially lupus nephritis (LN). This positions it to offer patients a safer, more effective option, and delivering possible differentiation beyond current therapies. The novel mechanism of Suciraslimab confers three key competitive advantages in the treatment of SLE.

Suciraslimab met its primary endpoint in a Phase 3 clinical study for the treatment of RA in China in April 2023 and its BLA for the treatment of RA was accepted by the NMPA in September 2023. The unblinded pivotal Phase 3 data demonstrated Suciraslimab's clear and significant therapeutic efficacy in RA patients. The primary endpoint (ACR20 response rate at Week 24 of the double-blind phase) achieved an approximately 50% response rate and showed statistically significant differences versus the control group. With long-term treatment, ACR20 response rates continued to improve over time and exceeded 65% at Week 52 and surpassed 70% through Week 104 of the extension period, with no new safety risks revealed. Based on the clinical data from the Phase 3 clinical study and extension study, Suciraslimab demonstrated good long-term efficacy and safety. On 14 July 2025, the Company announced that, following recent communications with the CDE of the NMPA. and the Company's internal assessment, the Company has strategically chosen to voluntarily withdraw the BLA application for Suciraslimab in the treatment of RA. Meanwhile, the Company has decided to advance at full speed the clinical development of Suciraslimab for the treatment of SLE.

B Cell Modulation Without Depletion:

Unlike traditional B cell depletion therapies (BCDTs) such as anti-CD20 agents, Suciraslimab specifically modulates autoreactive B cells without depleting normal B cells, thereby reducing infection risks and preserving immune surveillance.

Dual Mechanism and Dual Regulation:

Suciraslimab acts through a dual mechanism involving both upstream inhibition of autoreactive B cell activation and autoantibody production, which addresses humoral immune dysregulation (humoral immune axis), while also modulating B cell interactions with other immune cells. This dual regulation of both the humoral immune axis and the broader immune network leads to systemic control of autoreactive inflammation.

Organ Protection:

Suciraslimab offers a unique advantage among competitors by reducing proteinuria and mitigating immune complex-mediated glomerular tissue damage, which is critical in LN. Furthermore, through its dual-regulation effects, Suciraslimab alleviates immune-driven pulmonary complications in SLE, such as recurrent alveolar hemorrhage or pulmonary arterial hypertension. These organ-protective effects have clinical significance and are vital for treatment prognosis in SLE.

By utilising a humanised animal (murine) model that closely recapitulates key pathological features of human systemic lupus erythematosus (SLE)–including the production of pathogenic autoantibodies, multi-organ immune complex deposition, and progressive tissue damage — Suciraslimab treatment demonstrated distinct and favourable immunomodulatory properties. Suciraslimab selectively inhibits activated B cell subsets (e.g., $CD27^{+}/CD38^{+}$) while sparing the overall B cell population, marking a significant differentiation from prevailing immunosuppression therapies induced by commercially available drugs. Notably, Suciraslimab significantly reduces serum levels of anti-double-stranded DNA (anti-dsDNA) antibodies. These findings hold clinical significance, as anti-dsDNA antibodies are highly prevalent, found in approximately 70% of SLE patients. These autoantibodies not only serve as biomarkers for disease activity but also contribute directly to organ damage by forming immune complexes in tissues such as kidneys, skin, and joints. These complexes activate the complement cascade and drive progressive organ injury, playing a particularly critical role in the pathological deterioration of LN.

Current B cell-targeted therapies in clinical use can reduce autoantibody levels but often fail to significantly improve end-organ damage — an issue particularly prominent in LN, which affects approximately 50% of SLE patients. Moreover, systemic complications such as pulmonary interstitial disease also lack effective therapies. In contrast, Suciraslimab has demonstrated breakthrough organ-protective effects in preclinical studies: it restored proteinuria to levels comparative to those in healthy animals while significantly reducing the intensity of glomerular immune complex deposition. Additionally, Suciraslimab suppressed pulmonary inflammatory infiltration and fibrosis progression, with histopathological improvements surpassing those observed with comparator drugs.

This differentiated advantage stems from Suciraslimab's novel mechanism of action: by regulating autoreactive B cell function in a non-depleting manner, it modulates autoantibody production while enhancing B cell interactions with other immune cells to regulate immune cell interaction networks, thereby suppressing downstream immune cell activation cascades. This enables coordinated protection across multiple organs. Given its clearly demonstrated *in vivo* efficacy and favourable safety profile, Suciraslimab is expected to be a superior therapeutic option for LN and multi-organ damage in SLE.

Beyond its potential therapeutic effects in SLE, Suciraslimab has also shown promise as a candidate for treating neurodegenerative diseases, particularly Alzheimer's disease. A paper titled "CD22 modulation alleviates amyloid β-induced neuroinflammation" unveiling the dual mechanism of action of Suciraslimab in simultaneously promoting amyloid-beta clearance and exerting anti-inflammatory effects was published in the *Journal of Neuroinflammation* in February 2025.

The Company has initiated planning for a Phase 2 clinical program for Suciraslimab in the treatment of SLE and is working to enable an IND application for using Suciraslimab for treating Alzheimer's disease.

Key Products

SM17

SM17 is a global, first-in-class, humanised, IgG4-κ mAb which is capable of modulating Type II allergic reaction by targeting the receptor of a critical "alarmin" molecule interleukin 25 (IL-25). SM17 could suppress T helper 2 (Th2) immune responses by binding to IL-25 receptor (also known as IL-17RB) on Type 2 Innate Lymphoid cells (ILC2s) and Th2 cells, blocking a cascade of responses induced by IL-25 and suppressing the release of the downstream Th2 cytokines such as IL-4, IL-5, IL-9 and IL-13. IL-25 is classified as "alarmin" which is overexpressed in biopsy tissues of patients with asthma, atopic dermatitis (AD) and idiopathic pulmonary fibrosis (IPF). Our *in vitro* studies clearly demonstrated that SM17 can suppress IL-25 induced type 2 immunity and the underlying mechanism supports its potential benefits in treating allergic and autoimmune diseases, such as AD, asthma and IPF.

When we evaluated SM17 in two murine asthma models induced by ovalbumin or house dust mite, blockage of IL-25 signalling pathway by SM17 offered protection against airway resistance and type 2 immune response in the lungs. SM17 also significantly reduced immune cell infiltration into the lung and serum levels of IgE. In another 1-Fluoro-2, 4-dinitrobenzene (DNFB) driven murine atopic dermatitis model, SM17 administration could attenuate epidermal thickening and improve skin condition by suppressing Th2 immune responses and immune cell infiltration into the skin layers. We expect that targeting upstream mediators of the Th2 inflammatory cascade, such as the receptor for IL-25, will have a broader effect on reducing airway resistance as well as skin inflammation.

R&D work of SM17 was carried out in both the U.S. and China. In the U.S., an IND application for asthma was submitted in February 2022 and approved by the FDA in March 2022. The first healthy subject was successfully dosed in a first-in-human Phase 1 clinical trial (NCT05332834) in the U.S. in June 2022. The Phase 1 clinical study consisting of single ascending dose and multiple ascending dose cohorts to evaluate its safety, tolerability and PK profile in healthy subjects was completed in 2023 with the Last Subject Last Visit (LSLV) completed in September 2023. The total number of healthy subjects enrolled in this Phase 1 study was 77. The clinical report was obtained in the first quarter of 2024, data from which demonstrated an overall favourable safety, tolerability and PK profile for SM17. Study results of SM17 pre-clinical work, demonstrating SM17 to be as effective as JAK1 inhibitor in treating AD in mice, were published in *Allergy*, an official journal of the European Academy of Allergy and Clinical Immunology (EAACI), on 9 April 2024. Results from pre-clinical models and Phase 1 clinical study of SM17 on healthy participants were also published in *Frontiers in Immunology*, on 9 December 2024.

In China, an IND application for asthma was submitted in May 2023 and was approved by the NMPA on 11 August 2023, while another IND application for AD was submitted in June 2023 and was approved by the NMPA on 8 September 2023. A bridging Phase 1a clinical trial to evaluate the safety, tolerability and PK profile in the Chinese population was completed in China in May 2024. Results indicated SM17 to have good tolerability and safety profile and comparable PK profile as in Caucasian population. A proof-of-concept Phase 1b clinical trial was initiated to evaluate the preliminary efficacy of SM17 in moderate to severe AD patients in China. A total of 32 moderate-to-severe AD patients were enrolled in this Phase 1b study, and positive topline results for this Phase 1b clinical trial were published by the Company on 7 April 2025. Clinical data demonstrated that a high dose of SM17 achieved promising results, showing obvious improvement from baseline in all other secondary endpoints, including skin healing effect (EASI50, 75, 90, BSA, SCORAD) and patients' quality of life (DLQI). For the high dose group, 91.7% of patients achieved pruritus relief (NRS-4), 75% achieved skin healing (EASI 75), and 41.7% achieved clear or almost clear signs of AD (IGA0/1). A low dose of SM17, albeit not as effective as the high dose group, also showed a dose-response trend in alleviating pruritus symptoms, as well as improvement in skin healing by comparing with placebo. Based on the topline results, SM17 demonstrates its competitive advantage as the first AD biologic with dual efficacy in pruritus relief and skin-healing. It delivers faster and deeper itch relief compared to anti-IL-4/13 agents and has a safer profile than JAK inhibitors, positioning SM17 as a potential first-in class and best-in-class treatment for AD. The Company is advancing the clinical bridging study for the dosage formulation conversion of SM17 and is expected to be completed by the first quarter of 2026.

The strong topline results from SM17's Phase 1b proof-of-concept study in AD give us a solid basis to move our clinical program forward. We plan to advance to later-stage development in a way that fits our strategy, financial means, and global goals.

The compound has the potential for treating AD, asthma, IPF, chronic rhinosinusitis with nasal polyps (CRSwNP), and other immunological disorders.

Please also refer to the Company's announcements dated 16 February 2022, 14 March 2022, 15 June 2022, 22 May 2023, 12 June 2023, 14 August 2023, 11 September 2023, 27 November 2023, 11 June 2024 and 7 April 2025 for further information about the latest R&D progress of SM17.

SN1011

SN1011 is a third-generation, covalent reversible BTK inhibitor designed to exhibit high selectivity with prolonged but controlled drug exposure to achieve superior efficacy and good safety profile for the potentially long-term treatment of systemic lupus erythematosus (SLE), pemphigus, multiple sclerosis (MS), neuromyelitis optica spectrum disorder (NMOSD) and other rheumatology or neuro-immunological diseases. SN1011 differentiates from existing BTK inhibitors currently available in the market, such as Ibrutinib, in terms of mechanism of action, affinity, selectivity and safety.

The Phase 1 study (first-in-human) in Australia was conducted in 2019 while Phase 1 study (first-in-human) in China was conducted and completed in 2021. The studies demonstrated a good safety and PK profile. SN1011 obtained four IND approvals from the NMPA for the treatment of SLE, pemphigus, MS and NMOSD on 27 August 2020, 23 June 2021, 19 April 2022 and 22 August 2022, respectively. Please also refer to the Company's announcements dated 14 November 2019, 29 January 2020, 29 June 2020, 1 September 2020, 15 January 2021, 24 June 2021, 23 July 2021, 7 February 2022, 20 April 2022, 9 June 2022 and 23 August 2022 for further information about the latest R&D progress of SN1011.

Other drug candidates

SM06

SM06 is a second-generation, anti-CD22 antibody that is humanised using our proprietary framework-patching technology. SM06 is a humanised version of SM03 (Suciraslimab), with a similar mechanism of action. Our in-house *in vitro* studies demonstrated SM06 to have potentially enhanced efficacy in enacting immunomodulatory effects and drug half-life. We are currently in the process of optimising the chemistry, manufacturing and control processes (CMC) for SM06.

Anti-CGC Antibody

Anti-CGC antibody is an in-house developed, first-in-class humanised anti-γc antibody. Our *in vitro* assays suggested that our antibody could suppress inflammation and autoimmunity driven B, T and NK cell activation. Animal studies demonstrated that our antibody could be a potential therapeutic agent for the treatment of vitiligo, alopecia areata and possibly other autoimmune diseases through the modulation of immune cell expansion, autoreactivity and tissue infiltration. We are currently in the process of CMC optimisation and toxicology studies for our antibody and plan to submit our IND application for the treatment of alopecia areata by 2026 at the earliest.

Bispecific Antibody Candidate (bsAb)

Bispecific antibody candidate is a novel, bispecific antibody targeting Receptor activator of the nuclear factor kappa-B ligand (RANKL) and sclerostin for bone-related indications. bsAb processes differential mechanisms of action tailored for the treatment of osteoporosis. Our in-house *in vitro* and *in vivo* studies demonstrated our candidate to have enhanced efficacy over market-approved antibodies such as Denosumab and Romosozumab. We are currently in the process of CMC optimisation and testing its toxicity in non-human primates and plan to submit our IND application by 2026.

SM09

SM09 is a framework-patched, humanised anti-CD20 antibody that targets an epitope different from that of other market-approved anti-CD20 antibodies such as rituximab, obinutuzumab and ofatumumab for the treatment of non-Hodgkin's lymphoma (NHL) and other auto-immune diseases.

COLLABORATION

We are committed to collaborating with our partners to develop the most innovative therapies to address unmet medical needs in the area of immunological diseases. Given our strong in-house research and development capabilities, we have established global collaboration relationships with reputable companies and scientific research institutions.

SYSU-IAS

Sun Yat-sen University Institute of Advanced Studies Hong Kong Limited ("**SYSU-IAS**") is a research institution established by the Sun Yat-sen University. On 12 August 2025, a comprehensive strategic cooperation agreement was entered into between the Company and SYSU-IAS for the purpose to accelerate the development of innovative drugs and promote the translation of scientific research into clinical applications worldwide. Pursuant to the agreement, SYSU-IAS and the Company shall cooperate in five main areas, including, (i) joint research efforts; (ii) joint usage of facilities, the Sun Yat-sen University Institute of Advanced Studies Hong Kong — SinoMab BioScience Limited Joint Laboratory located at Shenzhen Futian International Biomedical Industry Park, Shenzhen, China; (iii) technical support; (iv) drug development; and (v) training and knowledge exchange. Please also refer to the Company's announcements dated 12 August 2025 and 29 August 2025 for more details.

LifeArc

LifeArc is a United Kingdom-based medical research charity, whose mission is to pioneer new ways to turn great science into great patient impact. We have been entrusted by LifeArc to further develop and commercialise SM17 in all fields and worldwide. According to public information, LifeArc provides intellectual property identification, technology development, early stage drug discovery and antibody humanisation services for academia, biotechnology and pharmaceutical organisations and charities, aiming to propel promising medical researches into viable and accessible patient treatments.

Everest Medicines

Everest Medicines Limited ("**Everest Medicines**") is a listed biopharmaceutical company (stock code: 1952.HK) that integrates discovery, licencing, clinical development, commercialisation and manufacturing of potentially novel or differentiated therapies to address critical unmet medical needs in initially Asia Pacific markets, and eventually around the world. In 2021, we entered into a licence agreement with Suzhou Sinovent Pharmaceuticals Co., Ltd.* (蘇州信諾維醫藥科技股份有限公司), (now known as Evopoint Biosciences Co., Ltd.* (蘇州信諾維醫藥科技股份有限公司)), together with the Company as licensor), and Everest Medicines II (HK) Limited, a wholly owned subsidiary of Everest Medicines, as licensee, to out-licence the right to develop and commercialise SN1011 globally for the treatment of renal diseases. In July 2025, Everest Medicines announced updated positive results in preliminary analysis of its Phase 1b/2a clinical trial of EVER001 (known as SN1011 in the Company's product pipeline) for the treatment of primary membranous nephropathy based on its data analysis as of 21 March 2025.

* *for identification purposes only*

PRODUCTION

We have a production base in Haikou, Hainan Province, and we are also constructing our second production base in Suzhou, Jiangsu Province.

We are also assessing the feasibility of transitioning to a light-asset model. Although our existing facilities were essential under earlier regulatory frameworks, the current trend toward outsourcing production to contract development and manufacturing organisations (CDMOs) offers cost advantages and operational flexibility. Depending on market demand and partnership opportunities, we may consider transitioning manufacturing to external providers to optimise resource allocation.

Haikou Production Base

We carry out our manufacturing activities at our Haikou production base, where we manufacture our drug candidates for pre-clinical research, clinical trials and future large-scale production. The Haikou production base occupies a total operational area of approximately 19,163 square metres with a production capacity of 1,200 litres. The plant has an operational area consisting of a clean area for processing, a controlled-not-classified (CNC) area for supporting activities, utility rooms, quality control laboratories, warehouse and administrative offices and R&D laboratories for on-going and new product development projects. Good Manufacturing Practice (GMP) inspection at our Haikou production base, a necessary requirement for BLA approval, was completed in January 2024.

Suzhou Production Base

We purchased a piece of land of 43,158 square metres in Suzhou Dushu Lake Higher Education Town, China in June 2020. The total floor area would be approximately 75,000 square metres. The new production base is designed as commercial-scale manufacturing facilities. The construction works were completed in late 2024. Completion inspection is expected to be approved in late 2025 for the grant of Real Estate Ownership Certificate.

R&D ACTIVITIES OF FLAGSHIP PRODUCT

Our flagship product SM03 (Suciraslimab) is a global first-in-class anti-CD22 mAb for the treatment of RA, and other immunological and neuro-immunological diseases such as SLE, SS, MCI due to Alzheimer's disease as well as Alzheimer's disease. As announced by the Company on 14 July 2025, following the communications with the Center for Drug Evaluation (CDE) of the NMPA, and the Company's internal assessment, the Company has strategically chosen to voluntary withdraw the BLA application for Suciraslimab in the treatment of RA.

Recently in July 2025, Suciraslimab achieved groundbreaking preclinical results from in vivo studies for the treatment of SLE, showing promise in a murine model for alleviating proteinuria and potentially LN. The novel mechanism of Suciraslimab confers three key competitive advantages by "B Cell Modulation Without Depletion", "Dual Mechanism and Dual Regulation" and "Organ Protection" in the treatment of SLE. The Company has initiated planning for a Phase 2 clinical programme for Suciraslimab in the treatment of SLE and is working to enable an IND application for using Suciraslimab for treating Alzheimer's disease.

The expenditure on the R&D activities of Suciraslimab primarily consisted of:

- third party contracting costs incurred under agreements with consultants, contract research organisations and clinical trial sites that conduct R&D activities on the Group's behalf;
- costs associated with purchases of raw materials;
- employee salaries and related benefit costs; and
- expenses associated with inspection and maintenance of facilities, depreciation and amortisation, travel expenses, insurance, utilities and other supplies.

During the Reporting Period, the Group incurred approximately RMB13.9 million on the R&D activities of Suciraslimab.

Cautionary Statement required by Rule 18A.05 and 18A.08(3) of the Listing Rules:

The Company cannot guarantee that it will be able to ultimately develop and market Suciraslimab successfully.

INTELLECTUAL PROPERTY

Core Technology of Main Drugs (Products)

For SM03 (Suciraslimab), the Group has four invention patents granted and registered in the PRC, one of which is also applicable to SM06, four invention patents which are granted and registered in the United States, all of which are also applicable to SM06, and one invention patent granted and registered in South Africa.

For SN1011, the Group has one invention patent granted and registered in the United States, one invention patent granted and registered in the European Union and one invention patent granted and vested in Australia.

For SM09, the Group has two invention patents granted and registered in the PRC, three invention patents granted and registered in the United States, and one in each of various jurisdictions, including the European Union, India, Singapore and Japan.

During the Reporting Period, the Group filed one Patent Cooperation Treaty ("**PCT**") applications for SM16, one PCT application for SM17 and one PCT application for Suciraslimab. In addition, one invention patent was granted and registered in the PRC during the Reporting Period.

As at 30 June 2025, the Group had six pending patent applications in the United States, seven pending patent applications in the PRC, six pending patent applications in the European Union, and six pending PCT patent applications.

Well-known or Famous Trademarks

The Company conducts its business under the brand name of "SinoMab" ("**中國抗體**"). As at the end of the Reporting Period, the Group had various registered trademarks in Chinese mainland and Hong Kong, with multiple trademark applications pending approval in Chinese mainland.

Patents

Item	As at 30 June 2025	As at 31 December 2024
Number of invention patents owned by the Group*	92	91

* *including patent pending applications and granted patent*

HUMAN RESOURCES

As at 30 June 2025, the Group had a total of 61 employees in China and Hong Kong. For the Reporting Period, the Group incurred approximately RMB18.7 million employee costs (including directors' remuneration but excluding any contributions to pension scheme, director fees and share-based payment). Employees are important resources for the Group's sustainable operation and steady development. The Company has formulated policies related to employees' remuneration, rights and interests and conducted various staff training. The Company has also established its share award scheme and share option scheme, details of which are set out in "Other Information — Share Incentives" in this interim report.

R&D PERSONNEL

Education level	Number at the end of the Reporting Period	Number at the beginning of the Reporting Period
Ph.D.	5	6
Master	21	24
Undergraduate or below	7	10
Total number of R&D personnel	33	40

The above number of R&D personnel does not include our employees in manufacturing, quality assurance or quality control for the clinically related operation.

FUTURE PROSPECTS

We strive to become a leading global biopharmaceutical company for the development of novel drugs to fulfil unmet medical needs through our Hong Kong-based innovative R&D team and PRC-based manufacturing capabilities. Our vision is to become a global leader in the innovation of therapeutics for immunological and other debilitating diseases.

Our portfolio of drug candidates spans multiple therapeutic areas across the immunological field which, we believe, will enable us to provide comprehensive treatment options for field-wide indications to patients. We believe our dedication, experience and achievements in the field of immunology have expedited the process, and elevated the industry standard, for the discovery and development of novel therapeutics against a variety of immunological diseases. We have accumulated significant experience in the discovery of new treatment modalities for immunological diseases, which will allow us to better capture a substantial share of the immunological disease market. We believe that our strategic specialisation and dedicated focus on immunological diseases is an effective way to differentiate ourselves from our peers. By specialising in innovative treatments of immunological diseases, we seek to solidify our leading position in the field, thereby creating a higher barrier to entry for our peers to compete with us in the development of first-in-class drug candidates.

Further, our product pipeline is backed by our established full-spectrum platform integrating in-house capabilities across the industry chain, from our strong and independent target identification, drug candidate development, pre-clinical research, clinical trials, clinical production, quality control, quality assurance, regulatory approval and commercial-scale production up to the commercialisation stage, as well as all other processes in the discovery and development of our drug candidates. We believe that this full-fledged capability is matched by only a few biopharmaceutical companies in the Greater China region. With a diverse and expanding product pipeline, we believe that we are well positioned to become an industry leader in the development of treatments for immunological diseases.

The Group will continue to focus on exploring international partnerships for our pipeline product, especially for our SM17, anti-CGC antibody and bispecific antibody candidates, further develop our existing product pipeline, discover and develop novel drugs for the treatment of immunological diseases by leveraging our R&D capabilities and strengthen our global presence through leveraging our position as a Hong Kong-based biopharmaceutical company.

Apart from continuously expanding our product pipeline and advancing our clinical development, we will also continue to actively explore strategic collaboration opportunities. We have developed a pipeline of pre-clinical, clinical and pre-registration stage first-in-class assets addressing various inflammatory and immunological diseases. To maximise the commercial values of our assets as well as to accelerate the development of our innovative drug candidates, we are open to collaboration, partnerships and licencing agreements with partners worldwide.

Clinical Development Plan

We will advance clinical trials for SM03 (Suciraslimab) for SLE and other autoimmune diseases to broaden its therapeutic uses for addressing other unmet medical needs. Regulatory pathways to extrapolate the clinical indications of neuro-immunological diseases, Alzheimer's disease, for Suciraslimab will also be sought. The initiation of an IND application for Alzheimer's disease and proof-of-concept Phase 2 clinical study for SLE in China are also in our plans.

In respect of SM17, the first-in-human Phase 1 clinical trial in the U.S. was completed in 2023. The Last Subject Last Visit (LSLV) was completed in September 2023 and the total number of healthy subjects enrolled in the Phase 1 clinical trial was 77. The clinical report was obtained in the first quarter of 2024 which demonstrated an overall favourable safety, tolerability and PK profile for SM17. Two additional IND submissions, for the treatment of asthma and AD were filed with the NMPA in the first half of 2023 and were subsequently approved by the NMPA on 11 August 2023 and 8 September 2023, respectively. A bridging Phase 1a clinical trial to evaluate the safety, tolerability and PK profile in the Chinese population was completed in China in May 2024. A total of 32 moderate-to-severe AD patients were enrolled in a Phase 1b study, and positive topline results for this Phase 1b clinical trial were published by the Company on 7 April 2025. The Phase 1b clinical trial aims to explore the preliminary efficacy of SM17 in moderate to severe AD patients, as well as to study safety, tolerability and PK profile of SM17. We also plan to submit IND applications in both the U.S. and China for the treatment of IPF with SM17. The Company is advancing the clinical bridging study for the dosage formulation conversion of SM17 and expects to complete it by the first quarter of 2026.

Pre-clinical R&D

We have built a pre-clinical R&D platform for studying pathogenesis of autoimmune diseases, as well as exploring and identifying treatments for them. Our internal R&D team will continue to discover novel mechanisms for treatments of multiple autoimmune disease areas for rheumatology, neuro-immunology, respiratory and dermatology. Our R&D team possesses the capability of generating pre-clinical pharmacology internally and is developing in-depth collaboration with well-known clinical KOLs from our on-going clinical programs. By utilising its established business and cooperation relationships with vendors and partners, the Company is in the process of generating and collecting the IND-enabling data package for our products under pre-clinical development, such as SM06, and will thereafter conduct pre-clinical studies to test their efficacies, safety and PK/pharmacodynamics, and fulfil other regulatory requirements.

Our SM06 is currently at the IND enabling stage and is in the process of optimisation for clinical trials. We will advance the first IND application process, aiming for a bio-better product development for known indications based on the good therapeutic potential of Suciraslimab, as well as further exploration into other immunological diseases.

Our anti-CGC antibody and bispecific antibody candidates are currently in the process of CMC optimisation and toxicology studies.

Novel drug targets identification

The Company has been actively exploring novel targets identification and has developed a strong team of R&D talents with a mix of resources that instil an innovative culture at all levels. Led by the Chief Executive Officer of the Company, who also undertakes the function of the Chief Scientific Officer, the research team has established five strategic in-house platforms, namely, the “B-cell Therapeutic Platform”, “Alarmins-pathway Therapeutic Platform”, “Selective-T Cell Therapeutic Platform”, “Neurological Disease Platform” and “Antibody Framework-Patching Humanisation Platform” that allow the Company to continuously identify novel drug targets and develop new antibody candidates, broadening and enriching our product pipelines for other autoimmune diseases with unmet medical needs.

Production

As previously reported, the Group purchased a piece of land of 43,158 square metres in Suzhou Dushu Lake Higher Education Town in China in June 2020. The total floor area would be approximately 75,000 square metres. This new Suzhou campus consists of commercial manufacturing facilities, a pilot plant, an R&D centre, a quality control centre, a clinical study centre and an administration building. The construction works were completed in late 2024. Completion inspection is expected to be approved in later 2025 for the grant of Real Estate Ownership Certificate.

Commercialisation and Partnerships

As of the Reporting Period, we have established a marketing team. In addition, we are actively exploring and identifying opportunities for collaboration and/or partnership, including but not limited to licencing in or licencing out, to enhance our commercialisation and business development capabilities.

MARKET OVERVIEW

Systemic Lupus Erythematosus (SLE)

SLE treatment refers to a range of medical interventions aimed at managing and alleviating the symptoms of the disease. SLE is a chronic autoimmune disorder characterised by the immune system attacking the body's own tissues and organs, resulting in widespread inflammation and tissue damage. In recent years, the incidence of SLE has been rising globally, and the SLE treatment market is experiencing unprecedented rapid expansion. According to a report by Frost & Sullivan, there are currently approximately 1.0349 million SLE patients in China, a figure projected to increase to 1.0947 million by 2030. Research Nester estimates that the global SLE treatment market exceeded USD 2.4 billion in 2024 and is forecasted to grow at a compound annual growth rate (CAGR) of more than 7.8%, reaching over USD 6.37 billion by 2037.

Atopic Dermatitis (AD)

As a long-standing chronic disease, new cases of AD are growing rapidly globally with broad market potential. Patients with AD have an increasing all-cause mortality rate and disease-specific mortality rate in diseases, such as infections, respiratory diseases, gastrointestinal diseases, and oncological diseases. Currently approved therapies for AD, including biologics, can significantly improve eczema area and severity index and patient's quality of life. However, there is still an unmet medical need for patients showing irresponsiveness to those approved therapies. According to Frost & Sullivan, there were approximately 65.7 million AD patients in China in 2019 with an expected growth to 81.7 million in 2030, of which 30% being moderate-to-severe patients. The AD medicine market in China was valued at US$600 million in 2019, and has reached US$1.5 billion in 2024, further increasing to US$4.3 billion in 2030. According to a report by Grand View Research, Inc., the global market size for AD is estimated to reach US$27.7 billion by 2030. We believe the mechanism of action of SM17 by targeting upstream of the Th2 inflammatory cytokine pathway, such as IL-25 receptor, will have broad effects on skin inflammation, implicating a great potential for SM17 to be a differentiating, safer and more effective product for the treatment of AD.

Asthma

The number of asthma patients worldwide is increasing year by year, and a large patient base is in urgent need of effective therapeutic drugs. According to Frost & Sullivan, the number of asthma patients worldwide is expected to increase to approximately 860 million in 2030, of which 78.1 million will be in China, a country with a higher growth rate than that for the global patient population. Severe, uncontrolled asthma patients are at risk of recurrent asthma exacerbations and hospitalisations, and uncontrolled severe asthma is associated with increased mortality/morbidity, diminished quality of life and increased health expenditures. Current approved therapies for severe asthma, including biologics, can reduce asthma exacerbations to a certain extent. However, there is still an unmet medical need for additional effective therapies, particularly for patients who do not respond to current treatments. We believe the mechanism of action of SM17 by targeting upstream of the Th2 inflammatory cytokine pathway, such as IL-25 receptor, will have broad effects on airway inflammation, which is expected to provide a new therapeutic channel with efficacy and safety for asthma diseases and bring relief and treatment to asthma patients.

Rheumatoid Arthritis (RA)

According to Frost & Sullivan, the global market for autoimmune disease drugs is expected to increase from US$120.5 billion in 2020 to US$163.8 billion in 2030, at a compound annual growth rate (CAGR) of 3.1%. The overall scale of existing patients with autoimmune diseases in China is huge. According to "*Rheumatoid Arthritis in China: A National Report of 2020*" issued by the National Clinical Research Center for Dermatologic and Immunologic Diseases in October 2021, there are about 5 million RA patients in China. With the continuous improvement of the diagnosis and treatment rate of autoimmune diseases in China and the continuous progress of related medical technologies, the market size of RA in China is expected to expand rapidly. According to Frost & Sullivan, the RA therapeutics market in the PRC is expected to reach RMB83.3 billion by 2030, or at a CAGR of 16.8%. The biologics market share in the RA therapeutics market in PRC is expected to increase from 43.4% in 2024 to 59.8% in 2030. We have been focusing on the R&D of mAb drugs in the field of autoimmune diseases for more than 20 years and our existing product pipeline covers all indications in the field of autoimmune diseases. We are one of a few biopharmaceutical companies in China with full-fledged capability that integrates all-industry functionalities, including R&D, production and commercialisation.

STRATEGIC IN-HOUSE PLATFORMS FOR ESTABLISHING STRONG PIPELINE

We have developed several proprietary, innovative technological and therapeutic platforms, allowing us to identify novel antibody candidates that are specific for novel targets and have the potential to achieve therapeutic effects via novel mechanisms of actions.

B-cell Therapeutic Platform

The Company was established with an initial focus on developing therapeutics that target B cells. With the accumulation of substantial data and the functions of these B cell antigens/targets and the roles of B cells played in the immune system were better understood, B cells' potential for treating autoimmune diseases has become prominent — forming our bases for "B cell therapy approach". There are possibilities of use in combination of our different products developed on our B cell therapeutic platform in the future. These antigens and targets include:

a. CD22 — our SM03 (Suciraslimab) and SM06, each an anti-CD22 antibody, were developed under our B-cell therapeutic platform.

b. CD20 — our SM09, a novel, framework-patched, humanised anti-CD20 antibody, was developed under our B-cell therapeutic platform.

c. BTK — our SN1011, a third-generation covalent reversible BTK inhibitor, was developed to maximise the therapeutic benefits of B cell therapy.

Alarmins-pathway Therapeutic Platform

The immune system is an interplay between different cell lineages and factors, but the majority of which include B cells, T cells and cytokines. Albeit our good coverage on B cell specific targets, there are other areas we need to fill in order to address other immune related ailments. While most cytokines are well studied, and products against which have been approved, there emerges a new class of factors known as alarmins that are upstream of the immune pathway and have not been well studied. These alarmins play crucial roles in autoimmune diseases involving the respiratory tract and dermatological tissues such as asthma, AD, IPF, and so on.

IL-25 is one of the three alarmins that targets a particular receptor called IL-17RB. Our SM17 is a humanised, IgG4-κ monoclonal antibody targeting the receptor for IL-25 (also known as IL-17RB), which was developed under our alarmins-pathway therapeutic platform.

Selective-T Cell Therapeutic Platform

Our pipeline covers B cells, alarmins/cytokines, and another major piece in the immunotherapy portfolio — T cells. The T-cell associated receptor is not well researched in the biopharma area as its function is promiscuous. We have developed a platform to isolate antibodies that have selective binding to T-cell associated receptors, resulting in the identification of a battery of antibodies with differentiated functionality covering a wide range of immunological diseases. Our anti-CGC antibody, humanised anti-γc antibody, was developed under our selective T-cell therapeutic platform.

A paper titled "*Discovery of a New Anti-γc Antibody in Clinical Development for the Treatment of Autoimmune Diseases*" revealing our study on hC2, a humanised anti-γc antibody, in addressing autoimmune diseases, was published in *The Journal of Immunology* in March 2025. The study demonstrates that hC2 specifically targets the γc receptor, offering global suppression on Signal Transducer and Activator of Transcription (STAT) phosphorylation and cellular activities in all studied immune cell types. Combined with the efficacies observed in *in vitro* assays and graft-versus-host disease (GvHD) animal studies, the current data support the clinical development of hC2 for the treatment of autoimmune diseases in the future.

Neurological Disease Platform

In 2019, there was a paper published in the journal *Nature* that demonstrated that anti-CD22 antibodies would have therapeutic effects on degenerative neurological disease in a murine model. We researched the possibility of using SM03 (Suciraslimab) for treating MCI due to Alzheimer's disease and Alzheimer's disease and found that CD22 is significantly expressed in microglia and other neurological cells.

The discovery that our anti-CD22 antibody can induce the internalisation of Aβ protein has led to the development of bispecific antibodies that target anti-inflammatory cell surface antigens and Aβ protein for treating Alzheimer's disease and other neurological diseases.

A paper titled "CD22 modulation alleviates amyloid β-induced neuroinflammation" revealing Suciraslimab's dual mechanism of action in combating Alzheimer's disease, was published in the *Journal of Neuroinflammation* in February 2025.

Product candidates are descendants of the SM03 (Suciraslimab)/SM06 lineage.

Antibody Framework-Patching Humanisation Platform

Most antibodies are produced in a murine background, and antibody humanisation (a genetic engineering approach) is needed to convert the murine sequence into human sequence without affecting the affinity and specificity of the original antibody (parent antibody). We employ a novel approach known as "framework-patching" to introduce "human-ness" in a functional perspective (functional humanisation). Our SM06 and SM09 antibodies were humanised using this novel, proprietary technology unique to the Company.

FINANCIAL REVIEW

Other income and gains

Our other income and gains consist primarily of bank interest income, changes in fair value on financial assets at fair value through profit or loss, government grants and foreign exchange gain. Total other income and gains were approximately RMB9.8 million for the Reporting Period, representing an increase of approximately RMB5.5 million from the six months ended 30 June 2024, mainly due to (i) an increase of foreign exchange gain of approximately RMB7.4 million; (ii) an increase in government grants amounting to approximately RMB1.0 million; offset by (iii) a decrease in bank interest income amounting to approximately RMB2.9 million.

R&D costs

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	*(unaudited)*
Laboratory consumables and experiment costs	**13,737**	26,120
Employment costs	**9,613**	18,984
Others	**9,390**	9,931
	32,740	55,035

Our R&D costs mainly include laboratory consumables and experiment costs, employment costs of R&D employees, depreciation of right-of-use assets relating to leases of research facilities and depreciation of research and testing equipment.

For the six months ended 30 June 2025 and 2024, we incurred R&D costs of approximately RMB32.7 million and RMB55.0 million, respectively. The decrease in R&D costs during the Reporting Period was mainly attributable to (i) a decrease in spending of laboratory consumables and experiment costs in R&D for the preparation of BLA and commercialisation of SM03 (Suciraslimab) of approximately RMB12.4 million and (ii) a decrease in employment costs of R&D employees of approximately RMB9.4 million mainly due to optimisation of our R&D team compared with first half of 2024 for better efficiency.

Administrative expenses

Our administrative expenses primarily consist of employee costs of administrative personnel, depreciation of right-of-use assets relating to leases of office space, depreciation and amortisation, rental and property management fees, consulting and auditing fees, legal and other professional advisory service fees, office expenses, transportation costs and others.

For the six months ended 30 June 2025 and 2024, our total administrative expenses were approximately RMB23.7 million and RMB34.2 million, respectively. The decrease was mainly attributable to (i) a decrease of approximately RMB5.7 million due to optimisation of company administrative staff cost and (ii) a reversal of non-cash share-based payments of approximately RMB3.4 million for the lapse and cancellation of share options during the Reporting Period.

Other expenses

For the six months ended 30 June 2024, there was a foreign exchange loss of approximately RMB2.9 million. During the Reporting Period, most of the Group's cash and cash equivalents were denominated in RMB. The majority of the exchange loss, which was caused by the difference of the functional currency of the Hong Kong headquarters in HKD and the presentation currency of the Group in RMB, did not represent the Company's actual loss.

Liquidity and capital resources

The Group has always adopted a prudent treasury management policy. The Group places strong emphasis on having funds readily available and accessible and is in a stable liquidity position with sufficient funds in standby banking facilities to cope with daily operations and meet its future development demands for capital.

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

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	*(unaudited)*
Net cash flows used in operating activities	**(26,906)**	(70,587)
Net cash flows generated from/(used in) investing activities	**35,230**	(76,390)
Net cash flows generated from financing activities	**38,263**	93,446
Net increase/(decrease) in cash and cash equivalents	**46,587**	(53,531)
Cash and cash equivalents at the beginning of the period	**61,900**	203,664
Effect of foreign exchange rate changes, net	**(7,453)**	3,484
Cash and cash equivalents at the end of the period	**101,034**	153,617

As at 30 June 2025, cash and cash equivalents were mainly denominated in Renminbi, Hong Kong dollars and United States dollars.

As at 30 June 2025, total funding available to use including cash and cash equivalents, pledged and restricted deposits and wealth management products is RMB125.7 million.

	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
Cash and cash equivalents	**101,034**	61,900
Pledged and restricted deposits	**13,879**	66,002
Wealth management products (included in the financial assets at fair value through profit or loss)	**10,738**	13,523
Total funding available to use	**125,651**	141,425

The net decrease in total funding available to use of approximately RMB15.7 million was mainly due to (i) the net proceeds from issue of shares of approximately RMB108.2 million; offset by (ii) the net repayment of bank borrowings of approximately RMB57.0 million; (iii) the spending on capital expenditures of approximately RMB13.1 million; and (iv) the net cash flows used in operating activities of approximately RMB26.9 million in the Reporting Period.

Bank Borrowings and gearing ratio

As at 30 June 2025, the Group's outstanding borrowings of RMB354.4 million (31 December 2024: RMB419.3 million) were denominated in RMB and at the effective interest rate ranging from 3.00% to 3.90% (31 December 2024: 3.15% to 3.90%) per annum.

As at 30 June 2025, the amount of unutilised banking facilities of the Group is approximately RMB321.7 million.

The Group monitored capital using gearing ratio. Gearing ratio is calculated using interest-bearing bank borrowings less cash and cash equivalents divided by total equity and multiplied by 100%. As at 30 June 2025, the gearing ratio was 104.1% (31 December 2024: 185.3%).

Foreign Exchange Risk

Foreign currency risk is the risk of loss resulting from changes in foreign currency exchange rates. Fluctuations in exchange rates between RMB and other currencies in which the Group conducts business may affect the Group's financial condition and results of operations.

In response to the foreign exchange risk, the Company seeks to limit its exposure to foreign currency risk by minimising its net foreign currency position to reduce the impact of the foreign exchange risk on the Company.

Share Capital

During the Reporting Period, a total of 112,810,817 new ordinary shares of the Company were issued at a subscription price of HK$1.10 per share in accordance with twenty-six subscription agreements entered into by the Company with twenty-six subscribers. Further details of the said new ordinary shares of the Company are disclosed in note 14 to the interim condensed consolidated financial statements.

Loss Per Share

The basic and diluted loss per share are RMB0.05 for the six months ended 30 June 2025 (30 June 2024: RMB0.08).

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

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	*(unaudited)*
Loss		
Loss attributable to ordinary equity holders of the parent	**(49,821)**	(90,622)

	Number of shares	
	Six months ended 30 June	
	2025	2024
	(unaudited)	*(unaudited)*
Shares		
Weighted average number of ordinary shares in issue during the period	**1,096,254,328**	1,071,475,873

Pledge of Assets

As at 30 June 2025, the Group had mortgaged its land use right and construction in progress with a carrying value of RMB338.2 million (31 December 2024: RMB334.3 million), and did not pledge any of its deposit (31 December 2024: RMB45.0 million) for the purpose of securing bank loans. In accordance with the agreement with the bank, the maximum mortgage amount of land use right and construction in progress is RMB158.4 million.

Capital Commitments

Particulars of contractual commitments of the Group as at 30 June 2025 are set out in note 15 to the interim condensed consolidated financial statements.

Contingent Liabilities

As at 30 June 2025, the Group had no contingent liabilities (31 December 2024: Nil).

DIVIDEND

No dividend was paid or declared by the Company for the Reporting Period (30 June 2024: Nil).

MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES OR ASSOCIATES

During the Reporting Period, there were no material acquisitions or disposals of subsidiaries or associates of the Company.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

During the Reporting Period and as at the date of this interim report, there were no future plans approved by the Group for any material investments or capital assets.

SIGNIFICANT INVESTMENTS HELD AND DISPOSED

The Group did not have any significant investment which accounted for more than 5% of the Group's total assets as at 30 June 2025.

MATERIAL EVENT — SUBSCRIPTIONS OF NEW SHARES UNDER GENERAL MANDATE

2025 May Share Subscriptions

On 29 May 2025, the Company completed an issue of 112,810,817 new ordinary shares at a subscription price of HK$1.10 per share to twenty-six subscribers and raised net proceeds of approximately HK$123,956,911, representing a net subscription price of approximately HK$1.10 per subscription share (the "**2025 May Share Subscriptions**").

Save as disclosed in this section headed "Material event — Subscriptions of new shares under general mandate" in this report, the Company has not conducted any equity fund raising activities during the Reporting Period. The net proceeds from the subscription of shares are being utilised in accordance with the purpose and allocation plan set out in the announcement of the Company dated 13 May 2025.

Details of the planned applications of the net proceeds from the 2025 May Share Subscriptions and the actual usage up to 30 June 2025 are disclosed under paragraph headed "2025 May Share Subscriptions" in the "Other Information" section to this Interim Report.

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Independent review report
To the Board of Directors of SinoMab BioScience Limited
(Incorporated in Hong Kong with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 28 to 47, which comprises the condensed consolidated statement of financial position of SinoMab BioScience Limited (the "**Company**") and its subsidiaries (the "**Group**") as at 30 June 2025 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim Financial Reporting* ("**HKAS 34**") as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Ernst & Young
Certified Public Accountants
Hong Kong
29 August 2025

Interim Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2025

	Notes	Six months ended 30 June 2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
REVENUE	4	–	2,026
Cost of sales		–	(1,483)
Gross profit		–	543
Other income and gains		9,802	4,319
Research and development costs		(32,740)	(55,035)
Administrative expenses		(23,734)	(34,205)
Finance costs		(2,990)	(3,287)
Other expenses	5	(159)	(2,957)
LOSS BEFORE TAX	6	(49,821)	(90,622)
Income tax expense	7	–	–
LOSS FOR THE PERIOD		(49,821)	(90,622)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)	9	(0.05)	(0.08)

Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	*(unaudited)*
LOSS FOR THE PERIOD	**(49,821)**	(90,622)
OTHER COMPREHENSIVE (LOSS)/INCOME		
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation to the presentation currency	**(7,577)**	3,664
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**(57,398)**	(86,958)

Interim Condensed Consolidated Statement of Financial Position

30 June 2025

	Notes	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
NON-CURRENT ASSETS			
Property, plant and equipment	*10*	**482,506**	484,108
Right-of-use assets		**59,099**	66,614
Intangible assets		**520**	935
Deposits		**1,071**	801
Other non-current assets		**15,614**	15,305
Total non-current assets		**558,810**	567,763
CURRENT ASSETS			
Prepayments, deposits and other receivables		**6,307**	12,457
Financial assets at fair value through profit or loss	*11*	**42,063**	44,978
Pledged and restricted deposits	*12*	**13,879**	66,002
Cash and cash equivalents	*12*	**101,034**	61,900
Total current assets		**163,283**	185,337
CURRENT LIABILITIES			
Other payables and accruals		**70,691**	77,918
Lease liabilities		**12,641**	12,941
Interest-bearing bank borrowings	*13*	**105,156**	112,639
Total current liabilities		**188,488**	203,498

Interim Condensed Consolidated Statement of Financial Position (continued)

30 June 2025

	Notes	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
NET CURRENT LIABILITIES		**(25,205)**	(18,161)
TOTAL ASSETS LESS CURRENT LIABILITIES		**533,605**	549,602
NON-CURRENT LIABILITIES			
Lease liabilities		**41,107**	50,044
Interest-bearing bank borrowings	*13*	**249,209**	306,647
Total non-current liabilities		**290,316**	356,691
Net assets		**243,289**	192,911
EQUITY			
Equity attributable to owners of the parent			
Share capital	*14*	**1,898,332**	1,790,094
Reserves		**(1,655,043)**	(1,597,183)
Total equity		**243,289**	192,911

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Note	Share capital RMB'000	Shares held under share award scheme* RMB'000	Share-based payment reserve* RMB'000	Capital reserve* RMB'000	Exchange fluctuation reserve* RMB'000	Accumulated losses* RMB'000	Total equity RMB'000
At 1 January 2025 (audited)		1,790,094	(52,616)	121,146	8,637	1,021	(1,675,371)	192,911
Loss for the period		–	–	–	–	–	(49,821)	(49,821)
Other comprehensive loss for the period:								
Exchange differences on translation to the presentation currency		–	–	–	–	(7,577)	–	(7,577)
Total comprehensive loss for the period		–	–	–	–	(7,577)	(49,821)	(57,398)
Issue of shares	14	108,238	–	–	–	–	–	108,238
Equity-settled share-based payment expenses		–	–	(462)	–	–	–	(462)
At 30 June 2025 (unaudited)		1,898,332	(52,616)	120,684	8,637	(6,556)	(1,725,192)	243,289

Interim Condensed Consolidated Statement of Changes in Equity (continued)

For the six months ended 30 June 2025

	Note	Share capital RMB'000	Shares held under share award scheme RMB'000	Share-based payment reserve RMB'000	Capital reserve RMB'000	Exchange fluctuation reserve RMB'000	Accumulated losses RMB'000	Total equity RMB'000
At 1 January 2024 (audited)		1,725,211	(52,616)	114,310	8,637	(9,729)	(1,490,230)	295,583
Loss for the period		–	–	–	–	–	(90,622)	(90,622)
Other comprehensive income for the period:								
Exchange differences on translation to the presentation currency		–	–	–	–	3,664	–	3,664
Total comprehensive loss for the period		–	–	–	–	3,664	(90,622)	(86,958)
Issue of shares	*14*	64,883	–	–	–	–	–	64,883
Equity-settled share-based payment expenses		–	–	3,422	–	–	–	3,422
At 30 June 2024 (unaudited)		1,790,094	(52,616)	117,732	8,637	(6,065)	(1,580,852)	276,930

* These reserve accounts comprise the consolidated reserves of RMB1,655,043,000 (31 December 2024: RMB1,597,183,000) in the interim condensed consolidated statements of financial position as at 30 June 2025.

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
NET CASH FLOWS USED IN OPERATING ACTIVITIES	**(26,906)**	(70,587)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of items of property, plant and equipment	**(12,685)**	(28,099)
Prepayments for purchases of property, plant and equipment	**(309)**	–
Purchases of intangible assets	**(65)**	(30)
Decrease/(Increase) in pledged deposits	**44,993**	(38,473)
Purchase of financial assets at fair value through profit or loss	**(22,549)**	(92,000)
Redemption of financial assets at fair value through profit or loss	**25,386**	82,212
Proceeds from disposal of items of property, plant and equipment	**459**	–
Net cash flows generated from/(used in) investing activities	**35,230**	(76,390)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from issue of shares	**108,238**	56,560
New bank loans	**27,130**	89,545
Repayment of bank loans	**(84,100)**	(45,550)
Principal portion of lease payments	**(10,362)**	(4,301)
Interest paid	**(2,643)**	(2,808)
Net cash flows generated from financing activities	**38,263**	93,446
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**46,587**	(53,531)
Cash and cash equivalents at the beginning of the period	**61,900**	203,664
Effect of foreign exchange rate changes, net	**(7,453)**	3,484
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**101,034**	153,617
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	**60,300**	105,426
Non-pledged time deposits with original maturity of less than three months when acquired	**40,734**	48,191
Cash and cash equivalents as stated in the interim condensed consolidated statement of financial position	**101,034**	153,617
Cash and cash equivalents as stated in the interim condensed consolidated statement of cash flows	**101,034**	153,617

1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with 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.

The financial information relating to the year ended 31 December 2024 that is included in the interim condensed consolidated statement of financial position as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to those statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance. The Company's auditor has reported on the financial statements for the year ended 31 December 2024, included a reference to material uncertainty related to going concern to which the auditor drew attention by way of emphasis without qualifying its reports, and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance.

Going concern basis

The Group had current assets of RMB163,283,000 and current liabilities of RMB188,488,000 as at 30 June 2025 and incurred a net loss of RMB49,821,000 during the six months ended 30 June 2025.

The financial statements of the Group are prepared based on the basic accounting assumption of going concern. Having taken into account the expected cash flows from the unused banking facilities and shares subscription in July 2025, further details of which are given in note 19 to the financial statements, it will enable the Group to fulfil its maturing debts and has adequate working capital in the foreseeable future to meet the needs of its daily operations.

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 did not have any impact on the interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

Management monitors the operating results of the Group as a whole for the purpose of making decisions about resource allocation and performance assessment.

Geographical information

(a) Revenue from an external customer

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	*(unaudited)*
Mainland China	**–**	2,026

The revenue information above is based on the location of the customer.

(b) Non-current assets

	30 June	31 December
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	*(audited)*
Mainland China	**546,780**	555,989
Hong Kong	**10,959**	10,973
Total non-current assets	**557,739**	566,962

The non-current asset information above is based on the locations of the assets and excludes financial instruments.

4. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	*(unaudited)*
Revenue from contract with a customer	**–**	2,026

Disaggregated revenue information

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	*(unaudited)*
Type of goods		
Sales of capsules	**–**	2,026
Geographical market		
Mainland China	**–**	2,026
Timing of revenue recognition		
Goods transferred at a point in time	**–**	2,026

Notes:

(i) On 19 December 2022, the Company entered into a capsule sales agreement to sell the capsule which is the Bruton's tyrosine kinase ("**BTK**") inhibitor. In April 2024, the Company supplied capsules and recognised the corresponding revenue and costs separately.

(ii) The performance obligation is satisfied upon delivery of the capsule products.

5. OTHER EXPENSES

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	*(unaudited)*
Foreign exchange loss	**–**	2,890
Others	**159**	67
Total other expenses	**159**	2,957

6. LOSS BEFORE TAX

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

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	*(unaudited)*
Fair value gain on financial assets at fair value through profit or loss	**(20)**	(264)
Foreign exchange (gain)/loss	**(7,428)**	2,890

7. INCOME TAX

No Hong Kong profits tax has been made as the Company did not generate any assessable profit during the period (six months ended 30 June 2024: Nil).

Under the Enterprise Income Tax Law of the People's Republic of China (the "**EIT Law**") and Implementation Regulation of the EIT Law, the estimated tax rate of the Group's subsidiaries in Mainland China is 25% during the periods presented in the interim condensed consolidated financial statements. No Enterprise Income Tax under EIT Law was provided for as there was no estimated assessable profit of the Group's subsidiaries in Mainland China during the periods presented in the interim condensed consolidated financial statements.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

Deferred taxation had not been recognised on the unused tax losses and deductible temporary differences due to the unpredictability of future profit streams.

8. DIVIDENDS

No dividend was paid or declared by the Company during the six months ended 30 June 2025 and 2024.

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

The calculation of the basic loss per share amounts is based on the loss for the period attributable to ordinary equity holders of the parent of RMB49,821,000 (six months ended 30 June 2024: RMB90,622,000), and the weighted average number of ordinary shares of 1,096,254,328 (six months ended 30 June 2024: 1,071,475,873) outstanding during the period, as adjusted to exclude the shares held under the share award scheme of the Company.

No adjustment has been made to the basic loss per share amounts presented for the six months ended 30 June 2025 and 2024 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic loss per share amounts presented.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the addition of property, plant and equipment is RMB6,066,000 at cost (30 June 2024: RMB30,423,000).

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Note	**30 June 2025** ***RMB'000*** ***(unaudited)***	31 December 2024 *RMB'000* *(audited)*
Unlisted equity investment, at fair value		**31,325**	31,455
Wealth management products	*(i)*	**10,738**	13,523
Total financial assets at fair value through profit or loss		**42,063**	44,978

Note:

(i) The wealth management products were mandatorily classified as financial asset at fair value through profit or loss as its contractual cash flows are not solely payments of principal and interest. The Group has estimated the fair value of the wealth management products based on fair value provided by the financial institutions.

12. CASH AND CASH EQUIVALENTS

	Notes	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
Cash and bank balances		**60,300**	40,924
Time deposits		**40,734**	20,976
Cash and cash equivalents		**101,034**	61,900
Pledged for bank loans	13(b)	**–**	44,993
Restricted for special purpose	(i)	**13,879**	21,009
Pledged and restricted deposits		**13,879**	66,002
Denominated in:			
RMB		**53,666**	55,183
HKD		**39,161**	1,472
USD		**22,086**	71,117
AUD		**–**	130
Cash and cash equivalents and pledged and restricted deposits		**114,913**	127,902

Note:

(i) As at 30 June 2025, bank balances restricted for special purpose amount, in aggregate, to RMB13,879,000 (31 December 2024: RMB21,009,000) which was designated for the use of a construction project by a subsidiary of the Group in accordance with the relevant facility agreements. The Group management monitors closely the use of the fund to meet its ongoing construction expenditure.

13. INTEREST-BEARING BANK BORROWINGS

	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
Non-current		
Unsecured bank borrowings	**105,925**	138,363
Secured bank borrowing	**143,284**	168,284
Total — non-current	**249,209**	306,647
Current		
Unsecured bank borrowings	**64,940**	41,624
Secured bank borrowings	**40,216**	71,015
Total — current	**105,156**	112,639
Total	**354,365**	419,286
Bank borrowings repayable analysed into:		
Within one year	**105,156**	112,639
In the second year	**103,370**	114,558
In the third to fifth years, inclusive	**145,839**	192,089
Total	**354,365**	419,286

Notes:

(a) The Group's overdraft facilities amounted to RMB697,555,000 (31 December 2024: RMB768,713,000), of which RMB375,839,000 (31 December 2024: RMB446,797,000) had been utilised as at the end of the reporting period.

(b) Certain of the Group's bank borrowings are secured by:

(i) mortgages over the Group's land use right and construction in progress, which had a net carrying value at the end of the reporting period of approximately RMB338,160,000 (31 December 2024: RMB334,261,000).

(ii) The Group does not pledge any of its deposits as at 30 June 2025 (31 December 2024: RMB44,993,000).

(c) All borrowings are denominated in RMB.

(d) The effective interest rates of the bank borrowings as at 30 June 2025 ranged from 3.00% to 3.90% (31 December 2024: 3.15% to 3.90%) per annum.

14. SHARE CAPITAL

	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
Issued and fully paid:		
1,204,565,936 (2024: 1,091,755,119) ordinary shares	**1,898,332**	1,790,094

Note:

On 13 May 2025, the Company entered into twenty-six subscription agreements with twenty-six subscribers for the issuance of an aggregate of 112,810,817 new ordinary shares at a subscription price of HKD1.10 per share. The Company completed an issue of 112,810,817 new ordinary shares for twenty-six subscription agreements on 29 May 2025. The net proceeds amounting to approximately RMB108,238,000 were settled.

An aggregate of 112,810,817 shares, represents (i) approximately 10.33% of the issued share capital of the Company immediately before the completion of the share subscription; and (ii) approximately 9.37% of the issued share capital of the Company as enlarged by the issue of the subscription shares.

15. COMMITMENTS

The Group had the following contractual commitments at the end of the reporting period:

	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
Buildings, plant and machinery	**50,709**	50,625

16. RELATED PARTY TRANSACTIONS

(a) Outstanding balances with related party:

	Note	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
Other payables and accruals:			
Haikou Pharmaceutical Factory Co., Ltd.		**382**	56
Prepayments:			
Haikou Pharmaceutical Factory Co., Ltd.		**–**	382
Lease liabilities:			
Haikou Pharmaceutical Factory Co., Ltd.	*(i)*	**47,348**	54,676

Note:

(i) The Company is in a lease agreement with Haikou Pharmaceutical to lease equipment and a manufacturing building for a term of 10 years commencing from 1 January 2016 to 31 December 2025, with annual rental of RMB9,400,000 since 2022. The Company is in a lease agreement with Haikou Pharmaceutical to lease a property building for a term of 20 years commencing from 1 April 2021 to 31 March 2041, with annual rental of RMB3,393,000. The total lease payment paid to Haikou Pharmaceutical amounted to RMB8,452,000 (30 June 2024: RMB 3,393,000) under the leases during the period.

The transactions under these two lease agreements constituted one-off connected transactions as defined under Chapter 14A of the Listing Rules to the Company and have complied relevant requirements under Chapter 14A.

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

	Six months ended 30 June 2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Salaries, allowances and benefits in kind	**3,282**	5,801
(Reversal of) equity-settled share-based payment expenses	**(728)**	2,402
Pension scheme contributions	**28**	40
Total compensation paid to key management personnel	**2,582**	8,243

17. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

As at 30 June 2025

Financial assets

	Financial assets at fair value through profit or loss *RMB'000 (unaudited)*	Financial assets at amortised cost *RMB'000 (unaudited)*	Total *RMB'000 (unaudited)*
Cash and cash equivalents	–	101,034	101,034
Financial assets at fair value through profit or loss	42,063	–	42,063
Pledged and restricted deposits	–	13,879	13,879
Financial assets included in prepayments, deposits and other receivables	–	713	713
Total	42,063	115,626	157,689

Financial liabilities

	Financial liabilities at amortised cost *RMB'000 (unaudited)*
Financial liabilities included in other payables and accruals	68,240
Interest-bearing bank borrowings	354,365
Total	422,605

17. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

As at 31 December 2024

Financial assets

	Financial asset at fair value through profit or loss *RMB'000 (audited)*	Financial assets at amortised cost *RMB'000 (audited)*	Total *RMB'000 (audited)*
Cash and cash equivalents	–	61,900	61,900
Financial asset at fair value through profit or loss	44,978	–	44,978
Pledged and restricted deposits	–	66,002	66,002
Financial assets included in prepayments, deposits and other receivables	–	728	728
Total	44,978	128,630	173,608

Financial liabilities

	Financial liabilities at amortised cost *RMB'000 (audited)*
Financial liabilities included in other payables and accruals	72,808
Interest-bearing bank borrowings	419,286
Total	492,094

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

All the carrying amounts of the Group's financial instruments approximate to their fair values.

The Group's finance department headed by chief financial officer is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee 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. The following methods and assumptions were used to estimate the fair values:

The fair value of the non-current portion of financial assets included in prepayments, deposits and other receivables have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

The Group invests in various wealth management products issued by a bank in Mainland China and an enterprise in Hong Kong. The Group has estimated the fair value of these wealth management products based on fair values provided by financial institutions.

As at 30 June 2025, the Group had an unlisted equity investment, which was reclassified as financial asset at fair value through profit or loss. The Group estimated the fair value of the unlisted investment based on recent transaction price of series A funding. The carrying amount of the financial asset at fair value through profit or loss is the same as its fair value.

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

	Fair value measurement using			
	Quoted prices in active markets (Level 1) *RMB'000 (unaudited)*	Significant observable inputs (Level 2) *RMB'000 (unaudited)*	Significant unobservable inputs (Level 3) *RMB'000 (unaudited)*	Total *RMB'000 (unaudited)*
Financial assets at fair value through profit or loss	–	42,063	–	42,063

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1) *RMB'000 (audited)*	Significant observable inputs (Level 2) *RMB'000 (audited)*	Significant unobservable inputs (Level 3) *RMB'000 (audited)*	Total *RMB'000 (audited)*
Financial asset at fair value through profit or loss	–	44,978	–	44,978

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

19. EVENTS AFTER THE REPORTING PERIOD

On 22 July 2025, the Company entered into twenty-three subscription agreements with twenty-three subscribers for the issuance of an aggregate of 182,072,400 new ordinary shares at a subscription price of HKD2.03 per share. The Company completed an issue of 157,107,000 new ordinary shares on 15 August 2025 and 24,965,400 new ordinary shares on 29 August 2025 and the net proceeds received amounting to approximately HKD369,461,972 were settled. Upon the completion of the subscriptions, the number of shares represents 13.13% of the number of the issued shares of the Company as enlarged by completion of the subscriptions.

On 24 July 2025, the Company granted a total of 46,585,862 share options to twenty employees of the Company and two service providers of the Company (collectively the "**Grantees**") to subscribe for an aggregate of 46,585,862 new shares of the Company under its share option scheme adopted at the extraordinary general meeting held on 26 October 2022 and was subsequently amended at the annual general meeting held on 14 June 2024 (the "**2022 Share Option Scheme**"), subject to the acceptance of the Grantees.

20. APPROVAL OF THE FINANCIAL STATEMENTS

The unaudited interim condensed consolidated financial statements were approved and authorised for issue by the board of directors on 29 August 2025.

USE OF PROCEEDS FROM NEW SHARE SUBSCRIPTIONS UNDER GENERAL MANDATE

2025 May Share Subscriptions

On 13 May 2025, the Company entered into twenty-six subscription agreements with twenty-six subscribers for the issuance of an aggregate of 112,810,817 new ordinary shares at a subscription price of HK$1.10 per share (the "**2025 May Subscriptions**"). The completion of the 2025 May Subscriptions took place in May 2025 and raised net proceeds of approximately HK$123,956,911, representing a net subscription price of approximately HK$1.10 per subscription share. The subscription price of HK$1.10 per share represents (i) a discount of approximately 11.29% to the closing price per Share of HK$1.240 as quoted on the Stock Exchange on 13 May 2025, being the date of the subscription agreements; and (ii) a discount of approximately 19.94% to the average closing price per Share of HK$1.374 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the subscription agreements. Each of the subscribers and its ultimate beneficial owner(s), are independent third parties of the Company. All subscribers are individuals (including employees of the Company) with extensive investment experience in capital market and/or professional investors and/or professionals/scientists in biopharmaceutical industry procured by the Company. The 2025 May Subscriptions were conditional upon the approval of the listing of, and permission to deal in, all the new shares being granted by the Listing Committee of the Stock Exchange, such approval was given by the Stock Exchange in May 2025.

The Directors consider that the 2025 May Subscriptions represent a good opportunity for the Company to raise capital to meet the Company's funding needs and strengthen the shareholding base of the Company.

References are made to the Company's announcements dated 13 May 2025 and 29 May 2025. The following table sets out the planned applications of the net proceeds and the actual usage up to 30 June 2025:

Use of proceeds	Planned application *(HK$ million)*	Actual utilisation up to 30 June 2025 *(HK$million)*	Unutilised net proceeds as at 30 June 2025 *(HK$million)*	Expected timeline for full utilisation of the unutilised net proceeds *(Note 1)*
(i) For R&D and clinical programmes and potential global cooperations of SM17, especially for the subcutaneous bridging study and Phase 2 clinical study of atopic dermatitis in China, for the trial expense, related production cost and related employment cost	55.781	8.375	47.406	By the end of 2026
(ii) For pre-clinical research, clinical trials, related production, preparation for registration filings and related employment cost of new drug candidates not currently in our pipeline to diversify our product portfolio, as well as for IND enabling of new drug candidates, especially for pre-clinical studies, production cost and related employment cost. Specifically to fund the development of SM18, one of the Company's drug candidates. The Company is currently in the process of CMC optimisation and toxicology studies for SM18 ("**IND Enabling Stage**")	24.791	–	24.791	By the end of 2026
(iii) For the Group's working capital, the expansion of internal capabilities and other general corporate purposes. Specifically, for near-term operational cash flow needs for the year 2025	43.385	10.726	32.659 *(Note 2)*	By the end of 2025
Total	123.957	19.101	104.856	

Notes:

1. The expected timeline for utilisation of the unutilised net proceeds is based on the best estimation made by the Group and is subject to change based on the future development and events which may be outside the Group's control.

2. The unutilised proceeds of approximately HK$32.659 million as at 30 June 2025 are earmarked for near-term operational cash flow needs for the year 2025. The utilised funds have been deployed across the Group's ongoing operational cycles in accordance with our treasury management policies, reflecting the dynamic nature of the Group's cash flow requirements, which are inherently tied to operational cycles and mainly include (i) staff remuneration; (ii) overhead expenses including legal, audit and rental costs; and (iii) the significantly increased patent-related expenses including related legal costs.

Such utilisation of the net proceeds was in accordance with the planned applications as set out in the above. The unutilised portion of the net proceeds will be applied in a manner consistent with the above planned applications.

2023 Share Subscriptions

On 14 December 2023, the Company entered into fifteen subscription agreements with fifteen subscribers for the issuance of an aggregate of 56,834,719 new ordinary shares at a subscription price of HK$1.29 per share (the "**2023 Subscriptions**"). The completion of the 2023 Subscriptions took place in January 2024 and raised net proceeds of approximately HK$73,181,794, representing a net subscription price of approximately HK$1.29 per subscription share. The Company completed an issue of 48,322,093 new ordinary shares for thirteen subscription agreements and 8,512,626 new ordinary shares for two subscription agreements on 12 January 2024 and 31 January 2024, respectively. The subscription price of HK$1.29 per share represents (i) a discount of approximately 18.35% to the closing price per Share of HK$1.58 as quoted on the Stock Exchange on 14 December 2023, being the date of the subscription agreements; (ii) a discount of approximately 16.77% to the average closing price per Share of HK$1.55 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the subscription agreements; and (iii) a discount of approximately 9.15% to the average closing price per Share of HK$1.42 as quoted on the Stock Exchange for the last ten consecutive trading days immediately preceding the date of the subscription agreements. Each of the subscribers and its ultimate beneficial owner(s), are independent third parties of the Company. All subscribers are individuals (including employees of the Company), corporations and/or professional investors procured by the Company. The 2023 Subscriptions were conditional upon the approval of the listing of, and permission to deal in, all the new shares being granted by the Listing Committee of the Stock Exchange, such approval was given by the Stock Exchange in December 2023.

The Directors consider that the 2023 Subscriptions represent a good opportunity for the Company to raise capital to meet the Company's funding needs and strengthen the shareholding base of the Company. References are made to the Company's announcements dated 14 December 2023, 12 January 2024 and 31 January 2024, and 31 March 2025. Details of the planned applications of the net proceeds from the 2023 Subscriptions were disclosed in the Company's announcements dated 14 December 2023, 12 January 2024, 31 January 2024 and subsequently revised and disclosed in the Company's announcement dated 31 March 2025. The following table sets out the planned applications of the net proceeds and the actual usage up to 30 June 2025:

Use of proceeds	Planned application (Note 1) *(HK$ million)*	Utilised amount of net proceeds during the Reporting Period *(HK$ million)*	Actual utilisation up to 30 June 2025 *(HK$ million)*	Unutilised net proceeds as at 30 June 2025 *(HK$ million)*	Expected timeline for full utilisation of the unutilised net proceeds (Note 2)
For marketing and commercialisation, including establishment of a sales and marketing team, post commercialisation medical activities and marketing and academic promotion activities for Suciraslimab	25.6	18.5	20.5	5.1	By the end of 2025
For commercial production and post-launch site transfer for Suciraslimab	14.6	–	–	14.6	By the end of 2025
For BLA commercialisation application and extension study for Suciraslimab	11.0	9.9	11.0	–	N/A
For clinical studies for SM17 for the treatment of atopic dermatitis	22.0	15.1	22.0	–	N/A
Total	73.2	43.5	53.5	19.7	

Notes:

1. Planned applications as revised and disclosed in the Company's announcement dated 31 March 2025.

2. The expected timeline for utilisation of the unutilised net proceeds is based on the best estimation made by the Group and is subject to change based on the future development and events which may be outside the Group's control.

Such utilisation of the net proceeds was in accordance with the planned applications as set out in the above. The unutilised portion of the net proceeds will be applied in a manner consistent with the above planned applications.

2022 Share Subscriptions

On 16 November 2022, the Company completed an issue of 28,680,000 new ordinary shares at a subscription price of HK$1.78 per share to two subscribers and raised net proceeds of approximately HK$50,890,400, representing a net subscription price of approximately HK$1.77 per subscription share (the "**2022 Subscriptions**"). The subscription price of HK$1.78 per share represents (i) the closing price per Share of HK$1.78 as quoted on the Stock Exchange on 2 November 2022, being the date of the subscription agreements; and (ii) a discount of approximately 0.56% to the average closing price per Share of HK$1.79 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the subscription agreements. Each of the investors, namely Ms. Shun Kuen CHAN and Mr. Shanchun WANG subscribed 14,340,000 new ordinary shares. The 2022 Subscriptions were conditional upon the approval of the listing of, and permission to deal in, all the new shares being granted by the Listing Committee of the Stock Exchange, such approval was given by the Stock Exchange in November 2022.

The Directors consider that the 2022 Subscriptions represent a good opportunity for the Company to raise capital to meet the Company's funding needs and strengthen the shareholding base of the Company. References are made to the Company's announcements dated 2 November 2022, 7 November 2022, 16 November 2022 and 20 March 2023.

Other Information

Details of the planned applications of the net proceeds from the 2022 Subscriptions were disclosed in the Company's announcement dated 7 November 2022 and subsequently revised and disclosed in the Company's announcement dated 20 March 2023. As at 30 June 2025, the net proceeds from 2022 Subscriptions has been fully utilised as intended. The following table sets forth the status of the use of the net proceeds as of 30 June 2025.

Use of proceeds	Planned application *(HK$ million)*	Details of usage	Utilised amount of net proceeds during the Reporting Period *(HK$ million)*	Actual utilisation up to 30 June 2025 *(HK$ million)*	Unutilised net proceeds as at 30 June 2025 *(HK$ million)*	Expected timeline for full utilisation of the unutilised net proceeds
(i) For the R&D and commercialisation of our drug candidate	39.6	For the R&D and commercialisation of our core product, SM03, to fund clinical trials for SM03 including (i) ongoing and planned clinical trials in the PRC; and (ii) New Drug Application registration filings and the commercial launch of SM03.	6.3	39.6	–	N/A
(ii) Further advance the Company's R&D programmes, expand its R&D team, build its commercialisation team, develop its proprietary technology and enhance its full-spectrum platform	0.2	For R&D programmes of SN1011, especially for the Phase 2 clinical study for neuromyelitis optica spectrum disorder (NMOSD) in China, for the trial expense and related production cost.	–	0.2	–	N/A
	4.0	To fund the expansion of R&D team.	1.7	4.0	–	N/A
	2.0	To build the Company's commercialisation team, develop its proprietary technology and enhance the Company's full-spectrum platform.	–	2.0	–	N/A
(iii) For general working capital purpose	5.1	For the general working capital of the Group, including but not limited to staff employment cost and rental and property management fees.	0.6	5.1	–	N/A
Total	50.9		8.6	50.9	–	

Note:

1. SM03 refers to SM03 (Suciraslimab), the flagship product of the Company.

USE OF PROCEEDS FROM GLOBAL OFFERING

On 12 November 2019, Shares were listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (the "**Listing**") and the Company raised net proceeds of HK$1,272.8 million ("**Net Proceeds**").

Reference is made to the Company's prospectus dated 31 October 2019 (the "**Prospectus**") and subsequent changes in use of proceeds as disclosed in the announcements dated 22 July 2020, 14 August 2020, 21 March 2022, 20 March 2023, 25 March 2024, 19 August 2024 and 31 March 2025. As at 30 June 2025, the Net Proceeds have been fully utilised as intended.

The following table sets forth the status of the Company's use of Net Proceeds as of 30 June 2025:

Use of proceeds	Revised allocation (Note 1) *(HK$ million)*	Utilised amount of Net Proceeds during the Reporting Period *(HK$ million)*	Actual utilisation up to 30 June 2025 *(HK$ million)*	Unutilised Net Proceeds as at 30 June 2025 *(HK$ million)*	Expected timeline for full utilisation of the unutilised Net Proceeds
For the R&D and commercialisation of our drug candidates					
For the R&D and commercialisation of our core product, SM03, to fund clinical trials for SM03 including (i) ongoing and planned clinical trials in the PRC; (ii) additional clinical trials to be initiated in the PRC for additional indications; (iii) clinical trials in Australia and the United States; and (iv) New Drug Application registration filings and the commercial launch of SM03	250.9	–	250.9	–	N/A
To fund pre-clinical research, clinical trials, production, preparation for registration filings and potential commercial launches of the other drug candidates in our pipeline	299.4	4.7	299.4	–	N/A
To further advance our R&D programmes, expand our R&D team, build our commercialisation team, develop our proprietary technology and enhance our full-spectrum platform	52.4	–	52.4	–	N/A
For the discovery and development of new drug candidates not currently in our pipeline to diversify our product portfolio	99.9	2.9	99.9	–	N/A
For the construction of our Suzhou production base primarily for the commercial-scale production of our core product SM03					
For the purchase of laboratory equipment, primarily for the R&D of SM03 and potentially for the R&D of other products in our pipeline	75.8	–	75.8	–	N/A
For the purchase of manufacturing equipment, primarily for the production of SM03	49.7	15.6	49.7	–	N/A
For the construction of the Suzhou production base					
For the construction of additional R&D facilities and purchase of laboratory equipment to aid the ongoing R&D of SM03 for the treatment of rheumatoid arthritis, systemic lupus erythematosus, non-Hodgkin's lymphoma and other potential indications, R&D of SM03 at commercialisation to enhance craftsmanship for large-scale production, as well as the development of other products in our pipeline	87.6	–	87.6	–	N/A
For the construction of an upstream production facility and downstream purification facility	23.2	–	23.2	–	N/A
For the purchase of land from the Suzhou Dushu Lake Higher Education Town and other expenses related to the expansion of our Suzhou production base	107.9	–	107.9	–	N/A
For our working capital, expanding internal capabilities and other general corporate purposes	187.2	20.4	187.2	–	N/A
Collaboration with D2M Group	38.8	–	38.8	–	N/A
Total	1,272.8	43.6	1,272.8	–	

Notes:

(1) Planned applications as revised and disclosed in the Company's announcements dated 22 July 2020, 14 August 2020, 21 March 2022, 20 March 2023, 25 March 2024 and 19 August 2024 and 31 March 2025.

(2) SM03 refers to SM03 (Suciraslimab), the flagship product of the Company.

SHARE INCENTIVES

During the Reporting Period, the Company maintained two share incentive schemes, Share Award Scheme and Share Option Scheme (amended on 14 June 2024). The number of shares that may be issued in respect of options and awards granted under all schemes of the Company during the Reporting Period divided by the weighted average number of shares of the relevant class in issue for the Reporting Period is 0.

The number of options and awards available for grant under the scheme mandate (including options and awards under the service provider sublimit) of all share schemes of the Company at the beginning of and at the end of the Reporting Period is 99,113,111 share options (including 10,917,551 share options under service provider sublimit).

Share Award Scheme

A share award scheme, as amended from time to time, (the "**Share Award Scheme**") was adopted by the Company on 4 February 2021 (the "**Adoption Date**"). The purposes of the Share Award Scheme are to incentivise our directors, senior management, employees and consultants for their contribution to our Group and to attract, motivate and retain skilled and experienced personnel to strive for the future development and expansion of our Group by providing them with the opportunity to own equity interests in our Company and to promote the success of our Company's business.

Under the Share Award Scheme, the Board or an authorised person may select any eligible person and grant an award (the "**Award**") to the selected participants ("**Selected Participants**"). Any individual, being an employee or director of any member of the Group who the Board or an authorised person (as the case may be) considers, in its sole discretion, to have contributed or will contribute to the Group, are eligible person under the Share Award Scheme ("**Eligible Person**"). However, no individual who is resident in a place where the grant, acceptance or vesting of an Award pursuant to the Share Award Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or an authorised person, compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the Share Award Scheme and such individual shall therefore be excluded from the term Eligible Person. Computershare Hong Kong Trustees Limited (the "**Trustee**") has been appointed by the Company as the trustee for the Share Award Scheme. To satisfy an Award, the Company shall transfer to the trust the necessary funds and instruct the Trustee to acquire Shares through on-market transactions at the prevailing market price or through manual trades.

The Share Award Scheme will remain in force for a period of 10 years commencing on its Adoption Date until 3 February 2031, unless otherwise terminated under the terms of the Share Award Scheme. The remaining life of the Share Award Scheme is 5 years 4 months.

The maximum number of Award Shares throughout the duration of the Share Award Scheme is 50,312,020 Shares, being 5% of the issued Shares of the Company as at the Adoption Date. The maximum number of Shares which may be awarded to a Selected Participant under the Share Award Scheme is 20,124,808 Shares, being 2% of the issued Shares of the Company as at the Adoption Date. Details of the Share Award Scheme are set out in the announcement of the Company dated 4 February 2021. The vesting schedule will be set out in the grant letter for each grant.

During the Reporting Period, there were no movements with regard to the Share Award Scheme, no Awards were exercised, cancelled, lapsed or granted by the Company pursuant to the Share Award Scheme. There were 11,075,500 Awards at the beginning and at the end of the Reporting Period available for grant under the Share Award Scheme. No Share was purchased by the Trustee from the market during the Reporting Period. As at the date of this report, the Company has 1,386,638,336 issued Shares and there are 11,075,500 Awards under the Share Award Scheme, being 0.80% of the issued Shares of the Company, available for grant.

Details of movement of Awards under the Share Award Scheme during the Reporting Period were as follows:

			Number of Awards							
Categories of Selected Participants	Date of Grant	Closing price per Share immediately before the date of Grant (HK$)	Unvested as at 1 January 2025	Granted during the Reporting Period	Vested during the Reporting Period	Lapsed/ Cancelled during the Reporting Period	Unvested as at 30 June 2025	Purchase price/Award (HK$)	Vested Dates/ Vesting Periods	Exercise Periods
Employees	16/11/2023	1.12	4,880,000	–	–	–	4,880,000	1.12	17/11/2025–17/11/2028 *(Note a)*	17/11/2025–16/11/2033

Notes:

a. The vesting of the share awards was subject to performance evaluation and contribution to the Group and the payment of HK$1.12 for each share award to the Company. The purchase price of HK$1.12 is the closing price of the Shares on the date of grant, and being the highest of the said closing price and the average closing price of the Shares for the five consecutive trading days prior to the date of grant.

b. As at the end of the Reporting Period, the Company had 1,204,565,936 issued Shares.

Share Option Scheme *(amended on 14 June 2024)*

A share option scheme was adopted by the Shareholders on 26 October 2022 (the "**Adoption Date**") ("**2022 Share Option Scheme**"). Pursuant to the 2022 Share Option Scheme, the Board may grant options to eligible participants to subscribe for ordinary shares in the Company subject to the terms and conditions stipulated therein.

The purpose of the 2022 Share Option Scheme is to provide the participants with the opportunity to acquire proprietary interests in the Company, to provide incentives to the participants, and to recognise their contributions made and to be made to the growth and development of the Group and for such other purposes as the Board may approve from time to time.

Any employee (whether full-time or part-time), director, service provider of any member of the Group, is participant ("**Participant**") under the 2022 Share Option Scheme, provided that the Board may have absolute discretion to determine whether or not one falls within this category.

In order to give the Company flexibility to grant share options to the Participants under the 2022 Share Option Scheme as incentives and rewards for their contributions to the Group, the Company amended the 2022 Share Option Scheme so as to increase the scheme mandate limit and service provider sublimit (the "**Amendments**"). For the purpose of providing more flexibility for the Company to motivate the Participants for their future contributions to the Group and/or to reward them for their past contributions, and to maintain on-going relationship with them, the Company also refreshed the scheme mandate limit and service provider sublimit (the "**Refreshment**"). Both the Amendments and Refreshment were approved by the shareholders of the Company at the annual general meeting of the Company held on 14 June 2024 (the "**2024 AGM**").

Pursuant to the amended 2022 Share Option Scheme (the "**Amended 2022 Share Option Scheme**"), the maximum number of Shares which may be issued upon exercise of all share options to be granted under the Amended 2022 Share Option Scheme and any other share schemes of the Company shall not in aggregate exceed 109,175,511, representing 10% of the total number of Shares in issue on the 2024 AGM date. Options previously granted under the 2022 Share Option Scheme and any other share schemes of the company shall not be counted for the purpose of calculating the Scheme Mandate Limit (the "**Refreshed Scheme Mandate Limit**"). Within the Refreshed Scheme Mandate Limit, the total number of Shares which may be issued upon exercise of all options to be granted to Service Providers shall not exceed 10,917,551, representing 1% of the total number of Shares in issue on the 2024 AGM date (the "**Refreshed Service Provider Sublimit**"). The grantee shall pay HK$1.00 by way of consideration for the grant within the period stipulated in the offer letter. There were 99,113,111 share options (including 10,917,551 share options under Service Provider Sublimit) available for grant at the beginning and at the end of the Reporting Period. Subsequent to the Reporting Period, on 24 July 2025, the Company granted 46,585,862 share options to 20 employees of the Company and two service providers of the Company, details of which were disclosed in the Company's announcement dated 24 July 2025. As at the date of this report, the Company has 1,386,638,336 issued Shares and the total number of shares available for issue under the Amended 2022 Share Option Scheme is 121,536,711, representing 8.76% of the issued shares of the Company. The total number of shares issued and to be issued upon exercise of the share options granted to each participant in any 12-month period shall not exceed 1% of the total number of shares in issue.

The options may be exercised during such period as determined by the Board and such period shall be specified in the offer letter to the grantee, which may be varied by the Board in accordance with the terms of the Amended 2022 Share Option Scheme, provided that it shall not under any circumstances exceed ten years from the date of grant of the relevant option. The vesting period of options granted under the Amended 2022 Share Option Scheme shall be determined by the Board subject to a minimum period set out in the rules of the Amended 2022 Share Option Scheme.

The Board may delegate all or part of the administration to the chief executive officer, a committee or any other authorised agent(s) as deemed appropriate at the sole discretion of the Board.

The exercise price of the options shall not less than the higher of (i) the closing price of the Company's shares as stated in the Hong Kong Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; and (ii) the average of the closing prices of the Company's shares as stated in the Hong Kong Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant. The Amended 2022 Share Option Scheme remains in force until 25 October 2032 unless otherwise terminated under the terms of the Amended 2022 Share Option Scheme.

During the Reporting Period, there were no grants of share options under the 2022 Share Option Scheme. Details of movement of options under the 2022 Share Options Scheme during the Reporting Period were as follows:

			Number of share options							
Categories of Selected Participants	Date of Grant	Closing price per Share immediately before the date of Grant (HK$)	Outstanding as at 1 January 2025	Granted during the Reporting Period	Vested during the Reporting Period	Exercised/ Lapsed/ Cancelled during the Reporting Period	Outstanding as at 30 June 2025	Exercise Price per Share (HK$)	Vesting Date/ Vesting Periods	Exercise Period
Employees	03/11/2022	1.78	15,093,600	–	–	–	15,093,600	1.79	04/11/2023	04/11/2023–02/11/2032
Employee *(Note a)*	03/11/2022	1.78	10,062,400	–	–	10,062,400 *(Notes a & e)*	–	1.79	04/11/2023	04/11/2023–02/11/2032
Employee *(Note a)*	06/11/2023	1.10	10,062,400	–	–	10,062,400 *(Notes a & e)*	–	1.102	07/11/2024	07/11/2024–06/11/2034
Employees	16/11/2023	1.12	10,290,000	–	–	2,710,000 *(Note b)*	7,580,000	1.120	17/11/2025–17/11/2028 *(Note d)*	17/11/2025–16/11/2033
Director *(Note d)*	11/11/2024	1.22	10,062,400	–	–	10,062,400 *(Note e)*	–	1.256	12/11/2025	12/11/2025–11/11/2035

Notes:

a. Each of 10,062,400 share options were granted to Mr. Shanchun WANG who was a senior management at the date of the grant during the year ended 31 December 2022 and 2023. Mr. Wang was appointed as an executive Director of the Company with effect from 7 February 2024 and resigned as an executive Director of the Company with effect from 9 June 2025.

b. 2,710,000 share options were lapsed during the Reporting Period.

c. The vesting of the share options was subject to performance evaluation and contribution to the Group.

d. 10,062,400 share options were granted to Mr. Shanchun WANG who was an executive Director and President (China) of the Company at the date of the grant.

e. Each of 10,062,400 share options were cancelled during the Reporting Period.

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

As at 30 June 2025, the interests or short positions of the Directors and chief executive of the Company in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were entered in the register pursuant to section 352 of the SFO, or as otherwise notified to the Company and Stock Exchange pursuant to the Model Code were as follows:

Name of Director/ chief executive	Capacity/nature of interest[1]	Number of Shares	Approximate percentage of shareholding[2]
Dr. Shui On LEUNG[3]	Interest in a controlled corporation	129,729,200	10.77%

(1) All interests stated are long positions.

(2) As at 30 June 2025, the Company had 1,204,565,936 issued Shares.

(3) As at 30 June 2025, these Shares were held by Skytech Technology, which is wholly owned by Dr. Leung.

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

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

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

Name of shareholder	Capacity/nature of interest[1]	Number of Shares	Approximate percentage of shareholding[2]
Dr. Wenyi LIU[4]	Interest in a controlled corporation and interest of spouse	161,719,230	13.43%
Mr. Jing QIANG[5]	Beneficial interest, interest in a controlled corporation and interest of spouse	161,719,230	13.43%
Hainan Haiyao Co., Ltd. (海南海藥股份有限公司)[9]	Beneficial interest	158,882,115	13.19%
Apricot Capital (上海杏澤投資管理有限公司)[6][7][8]	Interest in a controlled corporation	151,720,430	12.60%
Shanghai Yueyi Investment Centre (Limited Partnership)* (上海月溢投資中心(有限合夥))[6][8]	Interest in a controlled corporation	151,720,430	12.60%
Skytech Technology[3]	Beneficial interest	129,729,200	10.77%
Ms. Sijia XU[10]	Beneficial interest	89,802,105	7.46%
Apricot Oversea Holdings Limited[6]	Beneficial interest	72,178,716	5.99%
West Biolake Holdings Limited[7]	Beneficial interest	32,056,904	2.66%
China Citic Bank Co., Ltd., Haikou Branch[9]	Person having a security interest in Shares	158,882,115	13.19%

Notes:

(1) All interests stated are long positions.

(2) As at 30 June 2025, the Company had 1,204,565,936 issued Shares.

(3) Skytech Technology is a company wholly owned by Dr. Shui On LEUNG.

(4) As at 30 June 2025, 151,720,430 Shares were held by Apricot Capital (上海杏澤投資管理有限公司) and Shanghai Yueyi Investment Center (Limited Partnership) (上海月溢投資中心(有限合夥)) ("**Yueyi Investment**"), through Apricot Oversea Holdings Limited and West Biolake Holdings Limited, which are ultimately controlled by Dr. Wenyi LIU, a former non-executive Director whose resignation was effective 26 September 2024. Dr. Liu is deemed to be interested in these Shares for the purposes of the SFO. The interest in the other 9,998,800 Shares were held by Mr. Jing QIANG through his wholly owned Company, Grogene Technology Limited (格擎生物科技有限公司). Dr. Liu is the spouse of Mr. Qiang who is deemed to have an interest in the 9,998,800 Shares for the purposes of the SFO.

(5) As at 30 June 2025, 9,998,800 Shares were held by Mr. Jing QIANG through his wholly owned company, Grogene Technology Limited (格擎生物科技有限公司). The interest in the other 151,720,430 Shares were held by Apricot Capital (上海杏澤投資管理有限公司) and Yueyi Investment, through Apricot Oversea Holdings Limited and West Biolake Holdings Limited, which are ultimately controlled by Dr. Wenyi LIU, a former non-executive Director. Mr. Qiang is the spouse of Dr. Liu who is deemed to be interested in these Shares for the purposes of the SFO.

(6) Apricot Oversea Holdings Limited is the overseas holding platform of Xingze Xinghe and Shanghai Jianyi Xinghe Startup Investment Center (Limited Partnership)* (上海健益興禾創業投資中心(有限合夥) ("**Jianyi Xinghe**"). Apricot Capital (上海杏澤投資管理有限公司) is the general partner of Jianyi Xinghe. Apricot Capital and Yueyi Investment are the co-general partners of Xingze Xinghe. For the purpose of the SFO, Apricot Capital and Yueyi Investment are deemed to have an interest in the Shares held by Apricot Oversea Holdings Limited.

(7) West Biolake Holdings Limited is the overseas holding platform of Xingze Xingzhan. Apricot Capital is the general partner of Xingze Xingzhan. For the purpose of the SFO, Apricot Capital is deemed to have an interest in the Shares held by West Biolake Holdings Limited.

(8) Save as Apricot Capital's deemed interest in West Biolake Holdings Limited and Apricot Oversea Holdings Limited pursuant to the SFO, Apricot Capital is the general partner of Xingze Xingzhan.

(9) Pursuant to a share charge where Hainan Haiyao Co., Ltd. (海南海藥股份有限公司) ("**Hainan Haiyao**") charged 158,882,115 Shares to China Citic Bank Co., Ltd., Haikou Branch ("**China Citic Bank**"), China Citic Bank had a security interest in 158,882,115 Shares which were beneficially owned by Hainan Haiyao.

(10) Pursuant to a share charge where Ms. Sijia XU charged 51,000,000 Shares to Hainan Rural Commercial Bank Co., Ltd. Haikou Sub-branch* (海南農村商業銀行股份有限公司海口支行), Hainan Rural Commercial Bank Co., Ltd. Haikou Sub-branch had a security interest in 51,000,000 Shares which were beneficially owned by Ms. Xu.

Save as disclosed above, as at 30 June 2025, the Directors were not aware of any other person or corporation having an interest or short position in the Shares and underlying Shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

* *For identification purposes only*

CHANGE IN INFORMATION OF DIRECTORS

There was no change in information of Directors, which is required to be disclosed pursuant to Rule 13.51B of the Listing Rules, since the publication of the annual report of the Company for the financial year ended 31 December 2024.

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B of the Listing Rules.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct regarding Directors' securities transactions.

Having made specific enquiries with each of the Directors, all the Directors confirmed that they had complied with such code of conduct throughout the Reporting Period.

SECURITIES TRANSACTIONS BY RELEVANT EMPLOYEES

The Company has adopted the Model Code as its written guidelines (the "**Employee Written Guidelines**") in respect of securities dealings by relevant employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance of the Employee Written Guidelines by the relevant employees was noted by the Company throughout the Reporting Period.

EVENTS AFTER REPORTING PERIOD

2025 July Share Subscriptions

On 22 July 2025, the Company entered into twenty-three subscription agreements with twenty-three subscribers for the issuance of an aggregate of 182,072,400 new ordinary shares at a subscription price of HK$2.03 per share ("**2025 July Subscriptions**"). The Company completed an issue of 157,107,000 new shares on 15 August 2025 and 24,965,400 new shares on 29 August 2025, representing (i) approximately 15.12% of the issued shares of the Company immediately before the 2025 July Subscriptions; and (ii) approximately 13.13% of the issued shares of the Company as enlarged by the allotment and issuance of the subscription shares immediately upon the 2025 July Subscriptions. The net proceeds from the 2025 July Subscriptions amounted to approximately HK$369,461,972.

Details of the planned applications of the net proceeds from the 2025 July Subscriptions together with the unutilised net proceeds from 2025 May Subscriptions were disclosed in the Company's announcements dated 22 July 2025 and 15 August 2025.

Grant of Share Options

On 24 July 2025, the Company granted a total of 46,585,862 share options to twenty employees of the Company and two service providers of the Company (collectively the "**Grantees**") to subscribe for an aggregate of 46,585,862 new shares of the Company under the Company's 2022 Share Option Scheme, subject to the acceptance of the Grantees. Please refer to the announcement of the Company dated 24 July 2025 for further details.

Save as disclosed in this report, there are no other significant events after the Reporting Period.

CORPORATE GOVERNANCE

The Board is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential to providing a framework for the Group to safeguard the interests of Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability. The Company has applied the principles and code provisions as set out in Part 2 of the CG Code.

The Company has complied with all applicable code provisions as set out in the CG Code during the Reporting Period, except for code provision C.2.1 as explained below.

Chairman and Chief Executive Officer

Code provision C.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

Dr. Shui On LEUNG is currently both the Chairman and the Chief Executive Officer of the Company.

The Board believes that Dr. Leung is the Director best suited, among all Directors, to identify strategic opportunities and focus in view of his extensive understanding of the Company's business as a founder and the chief executive officer. The Board further believes that the combined role of chairman and chief executive officer will not impair the balance of power and authority between the Board and the management of our Company, given that: (i) decisions to be made by the Board require approval by at least a majority of the Directors; (ii) Dr. Leung and the other Directors are aware of and have undertaken to fulfil their fiduciary duties as Directors, which require, amongst other things, that they act for the benefit and in the best interests of the Company as a whole and will make decisions for the Company accordingly; (iii) the balance of power and authority is protected by the operations of the Board, which consists of an executive Director, four non-executive Directors and five independent non-executive Directors, and has a fairly strong independence element; and (iv) the overall strategies and other key business, financial, and operational policies of the Company are made collectively after thorough discussions at both the Board and senior management levels. Therefore, the Board considers that it is in the best interests of the Group for Dr. Leung to take up both roles for business development and effective management, and the deviation from the code provision C.2.1 of the CG Code is appropriate in such circumstances.

COMPLIANCE WITH RULE 3.27A OF THE LISTING RULES

Following the passing away of Mr. Dylan Carlo TINKER on 29 May 2025, the Nomination Committee comprised two members, one of which is an executive Director, and the Nomination Committee did not comprise a majority of independent non-executive Directors as required by Rule 3.27A of the Listing Rules.

Upon the appointments of Ms. Chi Sau Giselle LEE and Mr. Nan SHEN, both as independent non-executive Directors and members of the Nomination Committee on 30 June 2025, the Company has re-complied with Rule 3.27A of the Listing Rules.

NO MATERIAL CHANGES

Save as disclosed in this interim report, during the Reporting Period, there were no other material changes in respect of the Company that needed to be disclosed under paragraph 46 of Appendix D2 to the Listing Rules.

REVIEW OF RESULTS

The Audit Committee currently comprises five independent non-executive Directors being Mr. Ping Cho Terence HON (Chairman), Mr. George William Hunter CAUTHERLEY, Dr. Chi Ming LEE, Ms. Chi Sau Giselle LEE and Mr. Nan SHEN. The Audit Committee has reviewed this interim report.

The Audit Committee has reviewed, alongside the Company's management and external auditor, the accounting principles and policies adopted by the Group, auditing and internal control and financial reporting matters including the review of the unaudited condensed consolidated financial statements for the Reporting Period. The independent review report of the external auditor is set out on page 27 of this interim report.

Definitions

"Audit Committee"	the audit committee of the Company
"Board"	the board of Directors
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"Company" or "our Company"	SinoMab BioScience Limited (中國抗體製藥有限公司), a company incorporated in Hong Kong on 27 April 2001 with limited liability
"Director(s)"	the director(s) of the Company
"FDA"	the United States Food and Drug Administration
"GMP"	Good Manufacturing Practice
"Group" or "our Group"	the Company and its subsidiaries
"HKFRSs"	the Hong Kong Financial Reporting Standards
"HK$" or "HKD" or "Hong Kong Dollars"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"NMPA"	National Medical Products Administration of the PRC
"Nomination Committee"	the nomination committee of the Company
"PRC" or "China"	the People's Republic of China
"Prospectus"	the prospectus of the Company dated 31 October 2019
"R&D"	research and development
"Remuneration Committee"	the remuneration committee of the Company
"Reporting Period"	six months ended 30 June 2025

Definitions

"RMB" or "Renminbi"	the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
"Share(s)"	ordinary share(s) in the share capital of the Company
"Shareholder(s)"	holder(s) of the Shares
"Skytech Technology"	Skytech Technology Limited, a limited company incorporated in the British Virgin Islands on 2 January 2001 and wholly-owned by Dr. Shui On LEUNG
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subsidiaries"	the Company's subsidiaries and "subsidiaries" has the meaning ascribed to it under section 2 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance Chapter 32 of the Laws of Hong Kong) (as amended from time to time)
"Suzhou Sinovent Pharmaceuticals Co., Ltd. (蘇州信諾維醫藥科技股份有限公司)"	now known as Evopoint Biosciences Co., Ltd. (蘇州信諾維醫藥科技股份有限公司), a connected person of the Company
"U.S.", "U.S.A." or "United States"	the United States of America, its territories, its possessions and all area subject to its jurisdiction
"we", "our" or "us"	the Company or the Group as the context requires
"Xingze Xinghe"	Shanghai Xingze Xinghe Startup Investment Centre (Limited Partnership)* (上海杏澤興禾創業投資中心(有限合夥)), formerly known as Shanghai Xingze Xinghe Investment Management Centre (Limited Partnership)* (上海杏澤興禾投資管理中心 (有限合夥)), a limited partnership established in the PRC on 8 January 2016
"Xingze Xingzhan"	Shanghai Xingze Xingzhan Enterprise Management Centre (Limited Partnership)* (上海杏澤興瞻企業管理中心(有限合夥)), a limited partnership established in the PRC on 16 October 2018
"%"	per cent

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