先声药业
Simcere

先聲藥業集團有限公司
Simcere Pharmaceutical Group Limited

(Incorporated in Hong Kong with limited liability)
Stock Code: 2096

INTERIM REPORT
2025

为患者而生

For patients, for life.

CONTENTS

CORPORATE INFORMATION

EXECUTIVE DIRECTORS

Mr. REN Jinsheng *(Chairman and Chief Executive Officer)*
Mr. TANG Renhong
Mr. WAN Yushan
Ms. WANG Xi

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. SONG Ruilin
Mr. WANG Jianguo
Mr. WANG Xinhua
Mr. SUNG Ka Woon

AUDIT COMMITTEE

Mr. WANG Xinhua *(Chairman)*
Mr. SONG Ruilin
Mr. WANG Jianguo

REMUNERATION AND APPRAISAL COMMITTEE

Mr. WANG Jianguo *(Chairman)*
Mr. REN Jinsheng
Mr. WAN Yushan
Mr. WANG Xinhua
Mr. SUNG Ka Woon

NOMINATION COMMITTEE

Mr. SONG Ruilin *(Chairman)*
Mr. REN Jinsheng
Ms. WANG Xi
Mr. WANG Jianguo
Mr. SUNG Ka Woon

STRATEGY COMMITTEE

Mr. REN Jinsheng *(Chairman)*
Mr. TANG Renhong
Mr. WANG Jianguo

JOINT COMPANY SECRETARIES

Mr. WAN Yushan
Ms. WONG Wai Ling

AUTHORIZED REPRESENTATIVES

Mr. WAN Yushan
Mr. TANG Renhong

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PRC

PLACE OF LISTING AND STOCK CODE

The Stock Exchange of Hong Kong Limited
2096

FINANCIAL HIGHLIGHTS

For the six months ended June 30, 2025, the Group recorded the following unaudited financial results:

- Revenue was RMB3,585 million, representing an increase of 15.1% as compared to RMB3,114 million for the same period of 2024.
- Revenue from the innovative pharmaceutical business was RMB2,776 million, accounting for 77.4% of the total revenue and representing an increase of 26.0% as compared to RMB2,203 million for the same period of 2024.
- Revenue of the Group was mainly derived from the therapeutic areas where its businesses are focused. Of which, revenue from the field of neuroscience was RMB1,249 million, accounting for 34.8% of the total revenue and representing an increase of 37.3% as compared to RMB909 million for the same period of 2024. Revenue from the field of anti-oncology was RMB874 million, accounting for 24.4% of the total revenue and representing an increase of 41.1% as compared to RMB619 million for the same period of 2024. Revenue from the field of autoimmune was RMB878 million, accounting for 24.5% of the total revenue and representing an increase of 3.3% as compared to RMB850 million for the same period of 2024. Revenue from other fields was RMB584 million, accounting for 16.3% of the total revenue and representing a decrease of 20.5% as compared to RMB736 million for the same period of 2024.
- Profit attributable to equity shareholders of the Company was RMB604 million, representing an increase of RMB147 million or 32.2% as compared to RMB457 million for the same period of 2024. Adjusted profit attributable to equity shareholders of the Company[1] was RMB651 million, representing an increase of RMB113 million or 21.1% as compared to RMB538 million for the same period of 2024.

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[1] To supplement the financial information presented in accordance with Hong Kong Financial Reporting Standards, the Group also uses adjusted profit attributable to equity shareholders of the Company as a non-Hong Kong Financial Reporting Standards measure. Such measure is unaudited in nature and is not required by, or presented in accordance with, Hong Kong Financial Reporting Standards.

The adjusted profit attributable to equity shareholders of the Company is defined by the Group as profit attributable to equity shareholders of the Company adjusted for the following items: (i) net realized and unrealized losses on financial assets at fair value through profit or loss; (ii) net realized and unrealized gain on associates at fair value through profit or loss; (iii) interest expenses arising from redemption liability; and (iv) income tax effect related to the above items.

Simcere Pharmaceutical Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") is an innovation and R&D-driven pharmaceutical company with a focus on the areas of neuroscience, anti-oncology, autoimmune and anti-infection, with forward-looking layout of disease areas that have significant clinical needs in the future, aiming to achieve the corporate mission of "born for the patients".

The Group has ten innovative drugs approved for marketing and sale in the focus areas. As of June 30, 2025, the Group had been recommended in guidelines and consensuses issued by over 100 prestigious professional associations, and had over 45 products included in the National Reimbursement Drug List (the "**NRDL**").

The Group pays high attention to the establishment of innovative pharmaceutical R&D capability, and has established R&D innovation centers in Shanghai, Nanjing, Beijing, Boston and Hong Kong, as well as a State Key Laboratory of Neurology and Oncology Drug Development. The Group's R&D system has achieved functions covering the whole process from drug discovery, pre-clinical development, clinical trial to registration, and owns leading platforms of protein engineering, PAb/TCE, ADC, AI-aided drug discovery and protein degradation. As of June 30, 2025, the Group had a R&D team of approximately 963 personnel in total with approximately 183 doctors and 532 masters.

The Group has a nationwide marketing network and leading commercialization capability, and will continuously strengthen its professional marketing capability, so as to enhance the coverage and accessibility of medicines. As of June 30, 2025, the Group's sales department, which was divided into four business units (neuroscience, anti-oncology, autoimmune & comprehensive and retail) and other support departments had a total of approximately 4,179 personnel across 31 provinces, municipalities and autonomous regions in China, with its products covering over 3,000 Class III hospitals, approximately 17,000 other hospitals and medical institutions as well as more than 200 large-scale national or regional chain pharmacies.

The Group has established manufacturing infrastructures and quality management systems in line with international standards and has continuously improved its manufacturing capabilities of pharmaceuticals. The Group has put into use six PRC GMP certified production facilities for the manufacturing of its pharmaceutical products, and has received the EU GMP certification or passed the U.S. Food and Drug Administration ("**FDA**") inspection for some of its production workshops.

Driven by its in-house R&D efforts and synergistic innovation, the Group has established strategic cooperation partnerships with many innovative companies, research institutes and clinical centers at home and abroad, exploring multiple collaborative modes in various aspects such as cooperative R&D and achievement transfer, and continuously developing products that patients urgently need and have significant market potential. The Group has established the Scientific Advisory Board (SAB) comprising over 10 world-renowned scientists in the areas of anti-oncology, neuroscience and autoimmune, etc., so as to bring their professional capabilities and industrial experiences to provide scientific advice for the Group's early drug discovery and clinical development and explore and create unprecedented treatments.

MAJOR PRODUCTS

Neuroscience Products	
先必新®	Sanbexin® (Edaravone and Dexborneol Concentrated Solution for Injection)
先必新®	Sanbexin® sublingual tablets (Edaravone and Dexborneol sublingual tablets)
科唯可®	QUVIVIQ® (daridorexant hydrochloride tablets)

Anti-oncology Products	
恩度® ENDOSTAR	Endostar® (Recombinant Human Endostatin Injection)
恩维达®	ENWEIDA® (Envafolimab Injection)
科赛拉®	COSELA® (Trilaciclib Hydrochloride for Injection)
恩立妥® 西妥昔单抗β注射液	ENLITUO® (Cetuximab Beta Injection)
恩泽舒® 注射用苏维西塔单抗	ENZESHU® (Suvemcitug Injection)

Autoimmune Products	
Iremod 艾得辛®	Iremod® (Iguratimod Tablets)
英太青®	ANTINE® (Diclofenac Sodium Sustained Release Capsules/Gel)

Anti-infection Products	
先诺欣® 先诺特韦片/利托那韦片组合包装	XIANNUOXIN® (Simnotrelvir Tablets/Ritonavir Tablets (co-packaged))

INDUSTRY REVIEW

In the first half of 2025, the pharmaceutical industry of China continued to deepen reforms, with innovation-driven becoming increasingly clear. In January, the NMPA issued the Deepening Drug Review and Approval Reform Plan (Draft for Comment), introducing a "rolling submission + staged review" mechanism; on June 16, it issued the Announcement on Optimizing Clinical Trial Reviews for Innovative Drugs (Draft for Comment), reducing the time for IND approvals from 60 days to 30 days, significantly improving review efficiency. In June, the NMPA and the National Health Commission of the PRC jointly issued the Measures to Support High-Quality Development of Innovative Drugs, which for the first time proposed a full-chain support policy, including a commercial insurance directory for innovative drugs, to provide diversified payment guarantees for innovative drugs. With policy support, China's pharmaceutical industry is booming, with innovative drugs and internationalization becoming the most prominent themes. The transition from a "pharmaceutical powerhouse" to a "pharmaceutical superpower" is accelerating, and the industry as a whole is moving toward a new stage of high-quality development.

BUSINESS REVIEW

Innovative drug products have been commercialized continuously, which bring long-term healthy growth momentum for the Group. As of the date of this report, innovative drugs that entered the commercialization stage increased to ten (Endostar®, Iremod®, Sanbexin®, ENWEIDA®, COSELA®, XIANNUOXIN®, ENLITUO®, Sanbexin® sublingual tablets, QUVIVIQ® and ENZESHU®), two innovative drugs (QUVIVIQ® and ENZESHU®) were approved for marketing, and the New Drug Application ("**NDA**") of two innovative drugs (Deunoxavir Marboxil and Rademikibart®) were accepted.

Based on the unmet clinical demands, the Group promotes the R&D pipelines of innovative drugs effectively. As of the date of this report, the Group has over 60 R&D pipelines of innovative drugs. The Group added five investigational new drug applications ("**IND(s)**")[1], completed three First-in-human ("**FIH(s)**")[2] and three Last-Patient-In ("**LPI(s)**")[3].

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1 Five INDs added namely SIM0505 (advanced solid tumors, January 2025, China), SIM0686 (advanced solid tumors, April 2025, China; July 2025, the United States), SIM0508 (in combination with Olaparib to be used in advanced solid tumors, August 2025, China), SIM0609 (advanced solid tumors, September 2025, China)

2 Three studies completed FIH, namely SIM0505 (advanced solid tumors, phase I, January 2025), SIM0686 (advanced solid tumors, phase I, May 2025), SIM0500 (relapsed/refractory multiple myeloma, phase I, June 2025, the United States)

3 A total of three studies completed LPI, namely Deunoxavir Marboxil (influenza in children, phase III, February 2025), LNK01001 (RA, phase III, March 2025) and TGRX-326 (non-small cell lung cancer, phase III)

KEY MILESTONES

During the Reporting Period and up to the date at this report, the Group made a series of advances in respect of its product candidates, business operations and business development, including the following key milestones and achievements:

January 13, 2025	The Group's self-developed drug candidate SIM0500 (GPRC5D-BCMA-CD3) has entered into an option to license agreement (the "**Agreement**") with AbbVie (AbbVie). Under terms of the Agreement, AbbVie would have the option to license SIM0500, while the Group would retain its rights in the Greater China region.
January 17, 2025	The Group has entered into a cooperation agreement with Guangzhou Fermion Technology Co., Ltd. (廣州費米子科技有限責任公司) in respect of FZ002-037, an analgesic innovative drug candidates in clinical stage targeting SSTR4, pursuant to which, the Group obtained exclusive rights to develop and commercialize the product in the Greater China region.
March 15, 2025	The NDA of Deunoxavir Marboxil, a category 1 innovative anti-influenza drug, jointly developed by the Group and Andicon Bio, was accepted by the NMPA, Deunoxavir Marboxil are for treating uncomplicated influenza A and B in adults and adolescents.
June 16, 2025	The Group has achieved strategic cooperation with NextCure, Inc. (NextCure) in relation to a new ADC drug SIM0505 (CDH6-ADC), NextCure obtains global rights (excluding the Greater China region) to SIM0505.
June 20, 2025	QUVIVIQ® (daridorexant hydrochloride tablets), an anti-hypnotic drug jointly developed by the Group and Idorsia, was approved for marketing by the NMPA. The indication of QUVIVIQ® is for the treatment of adult patients with insomnia characterized by difficulties with sleep onset and/or sleep maintenance and QUVIVIQ® has not been designated as a controlled substance.
June 30, 2025	ENZESHU® (Suvemcitug for injection), a next-generation anti-tumor angiogenesis (anti-VEGF antibody) category 1 biological new drug jointly developed by the Group and Pyxis Oncology, was approved for marketing by the NMPA. ENZESHU® is indicated for the treatment of recurrent ovarian cancer, fallopian tube cancer, or primary peritoneal cancer in combination with paclitaxel, liposomal doxorubicin, or topotecan in adults who have received no more than one systemic therapy after platinum resistance.
July 9, 2025	The NDA of the innovative drug Rademikibart, jointly developed by the Group and Connect Biopharma, was accepted by the NMPA for the treatment of atopic dermatitis.
September 3, 2025	The NDA of the anti-influenza drug Deunoxavir Marboxil Granules, jointly developed by the Group and AnDiCon Biotech, was accepted by the NMPA, for treating uncomplicated influenza A and influenza B in 2 to 11-year-old pediatric patients.

For details of each milestone above, please refer to the following sections of this report and, where appropriate, previous announcements of the Company published on the websites of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Company.

SUMMARY OF PRODUCT PIPELINES

As of the date of this report, the Group has over 60 R&D pipelines of innovative drugs. Six drug candidates are in NDA/pivotal clinical stage[1] and 12 molecules entered early clinical stage. The forms of innovative drugs under development contain monoclonal antibodies, bispecific antibodies, multi-specific antibodies, fusion proteins, antibody-drug conjugates ("**ADC**") and small molecule drugs, etc. The extensive pipeline reserves have huge clinical and commercialization potential, which are expected to help more patients.

The table below summarizes the therapeutic targets, therapeutic areas, rights and development of principal R&D pipelines of the Group as of the date of this report.

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[1] Including products with commercial rights, namely Deunoxavir Marboxil, LNK01001 and TGRX-326

Territory	Product candidate (Target/Mechanism)	Pre-clinical	IND	Phase I	Phase II	Phase III	NDA/BLA
		Anti-Oncology					
Global	**Endostar® New indication** (Angiogenesis)	Thoracoabdominal effusions (COREMAP study)					
Global	**SIM0270** (SERD BM)	Breast cancer					
China (commercialization right)	**TGRX-326** (ALK/ROS1)	Non-small cell lung cancer					
Global	**Docetaxel polymeric micelles for injection** (Tubulin inhibitor)	Malignant ascites					
Global	**SIM0237** (PD-L1/IL15v bispecific antibody)	Non-muscle invasive bladder cancer					
Global	**SIM0501** (USP1)	Solid tumors (China and U.S.)					
China (Option to license from AbbVie for rights outside Greater China)	**SIM0500** (GPRC5D-BCMA-CD3 trispecific antibody)	Multiple myeloma (China and U.S.)					
China	**SIM0395** (PI3K/mTOR)	Glioblastoma			(GBM AGILE study)		
Global	**SIM0508** (Polθ)	Solid tumors (China and U.S.)					
China (licensed-out to NextCure outside of China)	**SIM0505** (CDH6-ADC)	Solid tumors (China and U.S.)					
Global	**SIM0686** (FGFR2b-ADC)	Solid tumors (China and U.S.)					
Global	**SIM0609** (CDH17-ADC)	Solid tumors					
China	**SIM0323** (CD80/IL2)	Solid tumors					
Global	**SIM0610** (EGFR/cMet-ADC)	Solid tumors					
Global	**SIM0613** (LRRC15-ADC)	Solid tumors					
Global	**SIM0682** (B7H3/cMet-ADC)	Solid tumors					
Global	**SIM0532** (PanRAS)	Solid tumors					
Global	**SIM0512** (WRN)	Solid tumors					
		Neuroscience					
Global	**Sanbexin® sublingual tablets** (Free radicals and inflammatory cytokines)	AIS (U.S.)					
		PSCI					
Global	**Sanbexin® injection New Indication** (Free radicals and inflammatory cytokines)	ICH					
China	**SIM0800** (AQP4)	Stroke with cerebral edema					
Global	**SIM0811**	AIS, MI, etc.					
		Autoimmune					
China	**Rademikibart** (IL-4Rα)	Atopic Dermatitis					
		Asthma					
China (licensed-out to Almirall outside of China)	**SIM0278** (IL-2-mu-Fc)	AD, LN, etc.					
Global	**SIM0708** (IL-4Rα ADC)	AD, COPD, Asthma , etc.					
Global	**SIM0711** (IRAK4 PROTAC)	AD, etc.					
Global	**SIM0709** (TL1A/IL23p19)	UC and CD					
China (commercialization right)	**LNK01001** (JAK1)	RA and AS					
		Anti-infective					
China (commercialization right)	**Deunoxavir Marboxil** (PA)	Influenza(adult/adolescent)					
		Influenza (child)					
		Post-exposure prophylaxis for influenza A and B (aged 2 years and above)					

Development status of the Group

Development status of partner(s)

INNOVATIVE DRUGS AT THE COMMERCIALIZATION STAGE

Up to the date of this report, the Group has successfully expanded its commercialized portfolio of innovative drugs into ten: Endostar®, Iremod®, Sanbexin®, ENWEIDA®, COSELA®, XIANNUOXIN®, ENLITUO®, Sanbexin® sublingual tablets, QUVIVIQ® and ENZESHU®, spanning over multiple areas, including neuroscience, anti-oncology, autoimmune and anti-infection, which have significant market potentials and synergistic effects. For the six months ended June 30, 2025, revenue from innovative pharmaceutical business was approximately RMB2,776 million, accounting for 77.4% of the total revenue.

MILESTONES AND ACHIEVEMENTS DURING THE REPORTING PERIOD

Neuroscience Products

Sanbexin® (Edaravone and Dexborneol Concentrated Solution for Injection)

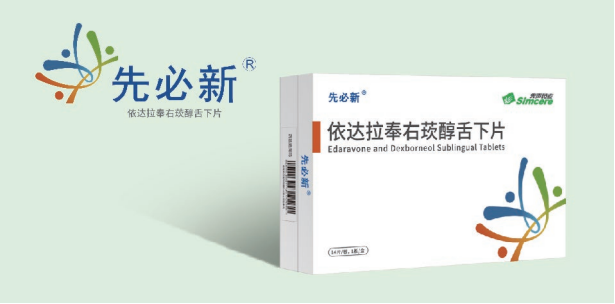
Sanbexin® is a category I innovative drug developed by the Group with proprietary intellectual property right used to treat acute ischemic stroke ("**AIS**"). Sanbexin® was approved for marketing in China in July 2020 and has been included in the NRDL since December 2020 and renewed its inclusion in the NRDL in November 2024.

For the six months ended June 30, 2025, Sanbexin® Injection, accounting for approximately 29% of the market share in stroke injection, covered approximately 0.91 million patients and over 5,900 medical institutions.

Data Release

- In April 2025, the Chinese Expert Consensus on Clinical Practice for Cerebral Cell Protection in Bchemic Stroke was published. The consensus recommends the individualized use of Edaravone and Dexborneol during the hyperacute and acute phases of acute ischemic stroke, provided that it does not interfere with the implementation of vascular recanalization therapy.

Sanbexin® sublingual tablets (Edaravone and Dexborneol sublingual tablets)



Sanbexin® sublingual tablets is a brain cytoprotective agent composed of edaravone and dexborneol, two active ingredients with synergistic anti-oxidant and anti-inflammatory effects, which can significantly reduce brain cell injury or impairment caused by AIS. Such unique sublingual tablets formulation can quickly disintegrate once in contact with the saliva under the tongue and can be absorbed into the blood through the sublingual venous plexus, which is expected to increase the flexibility of stroke treatment. Sanbexin® sublingual tablets are expected to form a sequential therapy combined with Sanbexin® injection, enabling patients to receive a complete course of treatment in and outside of the hospital.

In December 2024, Sanbexin® sublingual tablets was approved for marketing in China, aiming at improving the neuro symptoms, the daily living abilities and dysfunction caused by AIS. In August 2024, Sanbexin® sublingual tablets was granted the "Breakthrough Therapy" designation by the FDA, which was the first innovative drug in the global stroke treatment sector receiving such designation and the first innovative drug in the Chinese neuroscience sector receiving such designation.

Data Release

- In May 2025, Peking Union Medical College Hospital's multi-center, randomized, double-blind and placebo-controlled TASTE-SVD study, which focuses on acute cerebral small vessel disease, premiered at the 11th European Stroke Organisation Conference (ESOC).

QUVIVIQ® (daridorexant hydrochloride tablets)

QUVIVIQ® is a dual orexin receptor antagonist ("**DORA**"). Unlike traditional sedative-hypnotic drugs that promote sleep by sedating the brain, QUVIVIQ® works by blocking the binding of wake-promoting orexin neuropeptides (orexin A and orexin B) to their receptors. As a result, QUVIVIQ® reduces wake drive and facilitates the onset of sleep, decreases wake time after sleep onset, and extends total sleep duration, without altering sleep architecture. Clinical study results have shown that QUVIVIQ® has a favorable safety and tolerability profile, with no evidence of rebound insomnia, withdrawal symptoms, or drug abuse. In addition to improving nighttime sleep in adults with insomnia disorder, QUVIVIQ® also enhances daytime functioning. It is the only DORA insomnia medication approved by the European Medicines Agency (EMA) for improving daytime functioning. The Guidelines for the Diagnosis and Treatment of Insomnia Disorders in China (2nd Edition), published in 2025, strongly recommend QUVIVIQ® with Grade A evidence. Previously, QUVIVIQ® has been approved for marketing in 11 countries including the United States, the United Kingdom, Switzerland, Canada, as well as in the Hong Kong SAR of China.

Registration Progress

- On June 17, 2025, QUVIVIQ® was approved for marketing in China. QUVIVIQ® is for the treatment of adult patients with insomnia characterized by difficulties with sleep onset and/or sleep maintenance and QUVIVIQ® has not been designated as a controlled substance.

Data Release

- In January 2025, the Guidelines for the Diagnosis and Treatment of Insomnia Disorders in the PRC (2nd Edition), which was edited by the Chinese Sleep Research Society and published by the People's Medical Publishing House, strongly recommended Daridorexant with Grade A evidence. The guidelines recommended Daridorexant's efficacy in improving nighttime sleep and daytime functioning in adult insomnia patients, coupled with favorable safety and requiring no dosage adjustment for elderly patients.
- In June 2025, the multi-center, randomized, double-blind, parallel and placebo-controlled Daridorexant Phase III clinical trial in China, which was led by the Xuanwu Hospital, Capital Medical University and participated by 33 research centers, published preliminary results in SLEEP magazine, demonstrating Daridorexant 50mg's statistically significant improvements in both objective and subjective sleeping conditions of the Chinese insomnia patients, coupled with favorable safety.

Oncology Products

Endostar® (Recombinant Human Endostatin Injection)

Endostar® is the first anti-angiogenic targeted drug in China and the first endostatin approved for sale worldwide. Endostar® has been included in the NRDL since 2017 and is recommended as a first-line treatment for patients with advanced non-small cell lung cancer ("**NSCLC**") by a number of oncology clinical practice guidelines issued by the National Health Commission of the PRC ("**NHC**"), Chinese Medical Association (中華醫學會) and Chinese Society of Clinical Oncology ("**CSCO**"). Also, it has been included in the recommendations by various guidelines in relation to nasopharyngeal carcinoma, melanoma, esophageal carcinoma and osteosarcoma.

Data Release

- In January 2025, as stated in the China Esophagus Cancer Radiotherapy Guidelines 2024 (《中國食管癌放射治療指南(2024年版)》) jointly issued by the Chinese Society of Radiation Oncology (branch association of the Chinese Medical Association) (中華醫學會放射腫瘤治療分會), the Chinese Association for Therapeutic Radiation Oncologists (branch association of the Chinese Medical Doctor Association) (中國醫師協會放射腫瘤治療醫師分會) and the Society of Radiation Therapy of the China Anti-Cancer Association (中國抗癌協會腫瘤放射治療專業委員會), Endostar® was recommended by the consensus in the section on anti-angiogenic therapy for esophageal cancer again. The recommendation was as follows: recombinant human endostatin + oxaliplatin + radiotherapy or recombinant human endostatin + Paclitaxel + Nedaplatin (squamous cell carcinoma, first-line, Grade II recommendation, Category 2B evidence), or recombinant human endostatin + Irinotecan + cisplatin (squamous cell carcinoma, second-line, Grade II recommendation, Category 2B evidence).
- In June 2025, the 2025 American Society of Clinical Oncology (ASCO) Annual Meeting was held in Chicago. Two studies on Endostar® were selected for this meeting, with the following titles: (1) Sintilimab + Nab-PP Combined with Recombinant Human Vascular Endothelial Inhibitor for Locally Advanced/Advanced and Recurrent Metastatic Squamous Non-Small Cell Lung Cancer: Study Protocol for a Single-Arm, Multi-Centre Phase II Clinical Study; and (2) Real-world research on the effect and safety of gemcitabine combined with PD-1 inhibitors and recombinant human endostatin in refractory recurrent nasopharyngeal carcinoma.

ENWEIDA® (Envafolimab Injection)

ENWEIDA® is the world's first PD-(L)1 antibody to be administered by subcutaneous injection approved for marketing. Its unique method of injection differentiates itself from other PD-(L)1 products currently on the market, with the differentiation advantages of short administration time and good safety. In March 2020, the Group entered into a tripartite cooperation agreement in relation to ENWEIDA® with 3D (Beijing) Medicines Inc. (思路迪(北京)醫藥科技有限公司) and Jiangsu Alphamab Biopharmaceuticals Co., Ltd. (江蘇康寧傑瑞生物製藥有限公司). The above-mentioned agreement provides the Group with the exclusive right to promote ENWEIDA® for all oncology indications and the right of first refusal of external licensing or assignment in the Chinese mainland.

Data Release

- In January 2025, American Society of Clinical Oncology Gastrointestinal Cancers Symposium (ASCO GI) was held in San Francisco, California, United States. ENWEIDA® had two poster presentations selected for this conference, covering the latest applications of ENWEIDA in gastric/gastroesophageal junction adenocarcinoma and pancreatic cancer.
- In May 2025, ENWEIDA® continued to be included in two key CSCO guidelines: CSCO Clinical Application Guidelines for Gastric Cancer 2025 (《2025 CSCO胃癌臨床應用指南》) (Level I) and CSCO Clinical Application Guidelines for Colorectal Cancer 2025 (《2025 CSCO結直腸癌臨床應用指南》) (Level II).
- In June 2025, the 2025 American Society of Clinical Oncology (ASCO) Annual Meeting was held in Chicago. ENWEIDA® had 11 researches selected for this conference, covering aspects of non-small-cell lung cancer, small-cell lung cancer, pancreatic cancer, biliary tract cancer, cholangiocarcinoma, esophageal squamous cell carcinoma, osteosarcoma and soft tissue sarcoma.

COSELA® (Trilaciclib Hydrochloride for Injection)

COSELA® is an effective, selective and reversiblecycl in-dependent kinases 4 and 6 (CDK4/6) inhibitor. COSELA® is the world's first-in-class comprehensive myeloprotection innovative drug that can de-administered prior to a chemotherapy. In August 2020, the Group entered into the exclusive license agreement with G1 Therapeutics, Inc. to develop and commercialize COSELA® in the Greater China region. In February 2021, COSELA® was approved for marketing by the FDA. In July 2022, the marketing of COSELA® in China has obtained the conditional approval by the NMPA. In April 2023, the Group has obtained full rights to the sales milestones of COSELA®. In December 2023, the localization application of COSELA® has been approved by the NMPA and it can be produced by the production enterprises of the Group in Haikou, Hainan Province, which further improved its accessibility to patients with cancer in China. Currently, the product has been recommended by the related key guidelines of National Comprehensive Cancer Network Guidelines (NCCN), CSCO and other organizations. In November 2024, COSELA® was successfully included in NRDL.

Data Release

- In May 2025, COSELA® continued to be included in CSCO Diagnosis and Treatment Guidelines for Small-Cell Lung Cancer 2025 (《2025 CSCO小細胞肺癌診療指南》) (Level I).
- In June 2025, the 2025 American Society of Clinical Oncology (ASCO) Annual Meeting was held in Chicago. COSELA® had 4 researches selected for this conference, covering aspects of non-small-cell lung cancer, small-cell lung cancer, etc.

ENLITUO® (Cetuximab Beta Injection)

ENLITUO® is a recombinant anti-epidermalgrowth factor receptor ("**EGFR**") chimeric monoclonal antibody for first-line treatment of RAS/BRAF wild-type metastatic colorectal cancer ("**mCRC**") in combination with FOLFIRI. ENLITUO® is prepared using a specific expression process, effectively avoiding glycosylation modification that may lead to hypersensitivity without black box warnings in the instruction. In June 2024, ENLITUO® was approved for marketing in China by the NMPA and is the first anti-EGFR monoclonal antibody innovative drug developed in China with independent intellectual property rights which has been approved by the NMPA for first-line treatment of mCRC. The successful launch of ENLITUO® will provide high quality and affordable biological targeted remedy for Chinese mCRC patients. In November 2024, ENLITUO® was successfully included in NRDL.

Data Release

- In April 2025, the 2025 CSCO Guideline Meeting was held in Jinan City. ENLITUO® was included in the recommendations of the CSCO Guidelines for Colorectal Cancer 2025 (《2025 CSCO結直腸癌指南》) for patients of first-line treatment with wild-type RAS and BRAF that are potentially resectable: Left-sided colorectal cancer – Cetuximab B and FOLFIRI (Level I); Right-sided colon cancer - Cetuximab B and FOLFIRI (Level II).
- In May 2025, research information from the ENLITUO® phase III registration clinical studies was published in Nature's journal Signal Transduction and Targeted Therapy (impact factor 40.8). Pivotal clinical information: progression-free survival ("**PFS**") - the median PFS in the ENLITUO® combination group was 13.1 months, which was 3.5 months longer than that in the chemotherapy-only group; overall survival ("**OS**") – the median OS in the ENLITUO® combination group was 28.3 months, which was significantly better than the 23.1 months of the chemotherapy group. The study results marked a major breakthrough in the treatment of metastatic colorectal cancer in China and filled the gap in domestically produced anti-EGFR monoclonal antibodies.

ENZESHU® (Suvemcitug for Injection)

ENZESHU® is a next-generation recombinant humanized anti-vascular endothelial growth factor ("**VEGF**") monoclonal antibody developed by the Group and Pyxis Oncology, Inc., and is the first anti-angiogenic therapy for patients with platinum-resistant ovarian cancer.

By potently blocking the binding of VEGF to its receptor, ENZESHU® inhibits tumor angiogenesis, thereby achieving an anti-tumor effect. With a unique molecular design featuring a differentiated VEGF-binding epitope, ENZESHU® has demonstrated significantly greater inhibitory activity against the binding of VEGF to its receptor (VEGFR2) compared to bevacizumab, as well as stronger suppression of human vascular endothelial cell proliferation. Preclinical studies have shown that ENZESHU® exhibits enhanced biological activity and superior tumor-inhibitory effects relative to bevacizumab at the same dosage across multiple tumor models. The randomized double-blind placebo controlled registrational Phase III clinical trial of ENZESHU® (the SCORES study) demonstrated significant benefits in the primary efficacy endpoint of PFS assessed by the Blinded Independent Review Committee (BIRC) as well as investigator-assessed PFS. For the key secondary endpoint, OS was prolonged in the treatment group compared to the control group.

Registration Progress

- On June 30, 2025, ENZESHU® was approved for marketing in China. It is indicated for the treatment of recurrent ovarian cancer, fallopian tube cancer, or primary peritoneal cancer in combination with paclitaxel, liposomal doxorubicin, or topotecan in adults who have received no more than one systemic therapy after platinum resistance.

Autoimmune Products

Iremod® (Iguratimod Tablets)

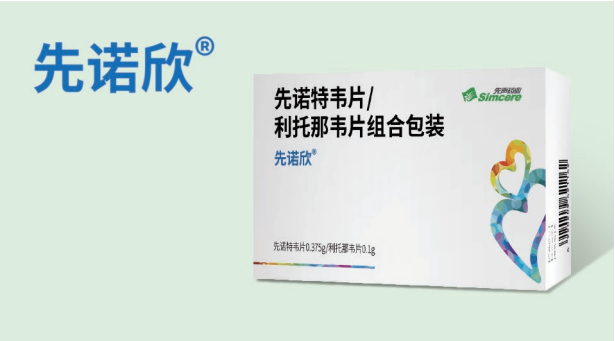
Iremod® is the first Iguratimod pharmaceutical product approved for marketing in the world. Iremod® has been included in the NRDL since 2017. The indication is the active rheumatoid arthritis. Iremod® is recommended as the primary therapy drug for the treatment of active rheumatoid arthritis by a number of clinical practice guidelines and pathways issued by the NHC, Chinese Medical Association, Asia Pacific League of Associations for Rheumatology and Labor and Welfare of Japan. Since its launch in 2012, Iremod® has benefited over 1 million patients in China, which further consolidated its leading market position in the traditional DMARDs sector.

Data Release

- In May 2025, the Regional Traditional Chinese Medicine (Rheumatology) Diagnosis and Treatment Center of the National Administration of Traditional Chinese Medicine and the National Regional Diagnosis and Treatment Center Specialist Alliance of Integrated Traditional Chinese and Western Medicine Rheumatology jointly released the Expert Consensus on the Diagnosis and Treatment of Rheumatoid Arthritis with Integrated Traditional Chinese and Western Medicine (2025 Edition) (《類風濕關節炎中西醫結合診療專家共識(2025版)》). The consensus states: if monotherapy with csDMARDs (including Iremod®) shows no clinical improvement after three months or fails to achieve treatment goals by six months, it is recommended to combine with other csDMARDs. Alternatively, csDMARDs may be combined with bDMARDs or tsDMARDs (strength of recommendation: A, evidence level: 1a), or it may be combined with Tripterygium compound preparations (strength of recommendation: A, evidence level: 1a) or nux vomica compound preparations or aconite compound preparations (strength of recommendation: B, evidence level: 3).
- In June 2025, the 2025 European League Against Rheumatism (EULAR) Annual Meeting was held in Barcelona, Spain. Iremod® had one study selected for this conference, titled Efficacy and Safety of Tofacitinib Combined with Iguratimod in Patients with Rheumatoid Arthritis with Inadequate Response to csDMARDS.

Anti-infection Products

XIANNUOXIN® (Simnotrelvir Tablets/Ritonavir Tablets (co-packaged))



XIANNUOXIN® is the first domestic 3CL small molecule anti-SARS-CoV-2 innovative drug with independent intellectual rights in China. On November 17, 2021, the Group entered into a technology transfer contract with Shanghai Institute of Materia Medica and Wuhan Institute of Virology, Chinese Academy of Sciences, pursuant to which, the Group obtained the development, production and commercialization rights on an exclusive basis of Simnotrelvir worldwide. In July 2024, XIANNUOXIN® has been reviewed and approved by the NMPA for conversions from conditional approval to regular approval, which became the first oral anti-SARS-CoV-2 innovative drug which has obtained regular approval in China.

Data Release

- In April 2025, a study in Antimicrobial agents and chemotherapy evaluated the efficacy of Simnotrelvir against various Omicron variants, reaffirming its potent in vitro inhibitory activity against virus replication, and also effectively suppressing some of the Nirmatrelvir variants. Clinical trials have demonstrated that the combination of Simnotrelvir and Ritonavir has significantly shortened the relief of SARS-CoV-2 patients, and that patients have not developed refractory mutation.
- In July 2025, a real-world study confirmed that while Simnotrelvir/Ritonavir was comparable to Nirmatrelvir/Ritonavir in reducing the cumulative risks such as 28-day compound disease progression, all-cause mortality and respiratory support in hospitalized patients with SARS-CoV-2 infections, Simnotrelvir/Ritonavir was more advantageous in improving clinical outcomes in hospitalized patients with SARS-CoV-2.

DRUG CANDIDATES AT THE NDA TRIAL STAGE

Anti-infection Products

Deunoxavir Marboxil (PA)[1]

Deunoxavir Marboxil is an inhibitor for influenza polymerase acidic (PA) protein. Preclinical studies have shown that Deunoxavir Marboxil demonstrates several benefits, including the absence of central nervous system side effects, no effect of food intake on oral drug absorption and higher safety dose. The entire oral dose of Deunoxavir Marboxil is merely "one tablet" and is capable of stopping influenza virus replication in 24 hours, having a prospect of bringing great convenience to a large number of patients, including child patients.

Milestone of Clinical Progress

- In January 2025, the children's granules of Deunoxavir Marboxil phase III clinical study has completed the LPI.
- In February 2025, the children's granules of Deunoxavir Marboxil has obtained the IND Approval issued by the NMPA, which is intended for commencing the clinical trial for post-exposure prevention of influenza type A and B among population aged 2 years old and above.

Registration Progress

- In March 2025, the NDA of Deunoxavir Marboxil Tablets has been accepted by the NMPA, which can be used to treat uncomplicated influenza A and B in adults and adolescents.
- In September 2025, the NDA of Deunoxavir Marboxil Granules has been accepted by the NMPA, which can be used to treat uncomplicated influenza A and influenza B in 2 to 11-year-old pediatric patients.

Autoimmune Products

Rademikibart (IL-4R α)

Rademikibart is a fully human monoclonal antibody targeting IL-4R α, a common subunit of IL-4 receptor and IL-13 receptor. By binding with IL-4R α, Rademikibart can block the functions of IL-4 and IL-13 effectively, thereby blocking the Th2 inflammatory pathway, thus achieving the goal of treating Th2 related inflammatory diseases such as atopic dermatitis and asthma.

Registration Progress

- In July 2025, the NDA of Rademikibart has been accepted by the NMPA, which can be used to treat of atopic dermatitis in adults and adolescents.

Milestone of Clinical Progress

- The phase III clinical study of Rademikibart in asthma is underway.

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[1] A product with commercial right

DRUG CANDIDATES AT PHASE III TRIAL STAGE

Anti-oncology Products

SIM0270 (SERD)

SIM0270 is a second-generation oral SERD with blood-brain barrier penetration characteristics independently developed by the Group. SIM0270 was significantly more effective than fulvestrant a marketed intramuscular SERD product, in an in vivo model, comparable to the leading compound in the clinical trial phase, and reflected a brain-blood ratio significantly better than competitive compounds and showed a much better tumor inhibition effect than fulvestrant in the orthotropic model of breast cancer brain. It is expected to be used for the treatment of breast cancer with brain metastases.

Milestone of Clinical Progress

- SIM0270 in combination with everolimus compared the treatment selected by investigators, which is intended for ER+/HER2-locally advanced or metastatic breast cancer after treatment with a CDK4/6 inhibitor, where subjects in the clinical trial were randomized, open and under recruitment for phase III investigation.

TGRX-326 (ALK/ROS1)[1]

TGRX-326 is the latest generation of novel type 1 drug for the treatment of NSCLC driven by ALK/ROS1 positive fusion gene cooperated by the Group and Shenzhen TargetRx, Inc. (深圳市塔吉瑞生物醫藥有限公司), pursuant to which, the Group obtained the exclusive commercialization rights of the product in Chinese Mainland. TGRX-326 has high blood-brain barrier permeability, and is effective for the treatment of NSCLC with brain metastasis.

Milestone of Clinical Progress

- The phase III clinical study of TGRX-326 has completed the LPI.

[1] A product with commercial right

Autoimmune Products

LNK01001 (JAK1)[1]

LNK01001 is a highly selective JAK1 inhibitor which has completed 3 phase II clinical studies for patients with rheumatoid arthritis (RA), ankylosing spondylitis (AS) and atopic dermatitis (AD), all of which have successfully met their corresponding primary and secondary endpoints. No related adverse effects of approved JAK1 inhibitors, such as major adverse cardiovascular events, blood clots, serious infection or formation of malignant tumors, were observed. In March 2022, the Group entered into a cooperation agreement with Lynk Pharmaceuticals Co., Ltd. (凌科藥業(杭州)有限公司) ("**Lynk Pharmaceuticals**"), pursuant to which, the Group obtained the exclusive commercialization interest of LNK01001 for rheumatoid arthritis and ankylosing spondylitis indications in China and be responsible for promotion after regulatory approval.

Milestone of Clinical Progress

- In March 2025, the phase III clinical study of the RA indication of LNK01001 has completed LPI.

[1] A product with commercial right

DRUG CANDIDATES AT PHASE I TRIAL STAGE (SELECTED)

Anti-oncology Products

SIM0237 (PD-L1/IL15v bispecific antibody)

SIM0237 is an anti-PD-L1 monoclonal antibody fused with IL-15/IL15R α sushi protein and developed in-house by utilizing the Group's protein engineering platform. It can block the PD1/PD-L1 immunosuppressive pathway via binding to PD-L1 and activate the immune system through its IL-15 part, thus playing a synergistic role of relieving immunosuppression and boosting the immune system to exhibit antitumor effect. Preclinical studies showed that SIM0237 is more effective than PD-L1 or IL-15 mono treatment in mouse tumor models, suggesting a high potential for clinical development.

Milestone of Clinical Progress

- Phase I clinical trial of SIM0237 mono treatment bladder installation for non-muscle invasive bladder cancer ("**NMIBC**") is under active recruitment, which has positive initial clinical effect data and good safety.
- The Centre for Drug Evaluation ("**CDE**") has approved the research of the usage of SIM0237 in combination with BCG in NMIBC, and has completed the FPI.

SIM0501 (USP1 small molecule inhibitor)

SIM0501 is an oral, non-covalent and highly selective small molecule inhibitor of Ubiquitin Specific Peptidase 1 ("**USP1**") independently developed by the Group with global intellectual property rights. In preclinical in vitro and in vivo pharmacology studies, SIM0501 has shown significant anti-proliferation activity against HRD tumors as a monotherapy or in combination with PARPi, which demonstrates high potential for clinical development.

Milestone of Clinical Progress

- SIM0501 tablets mono treatment is under the progress of phase I clinical study of advanced malignant solid tumors.

SIM0500 (humanized GPRC5D-BCMA-CD3 trispecific antibody)

SIM0500 is a humanized trispecific antibody that targets GPRC5D, BCMA, and CD3, developed independently by the Group using T-cell engager poly-specific antibody technology platform. This molecule features a low affinity/high target-activating CD3 engaging arm and binding sites for the two tumor antigens: G-Protein-coupled receptor class 5 member D (GPRC5D) and B-cell maturation antigen (BCMA). SIM0500 has shown strong T cell cytotoxicity against multiple myeloma (MM) cells by leveraging a combination of various antitumor effects.

Milestone of Clinical Progress

- In June 2025, the phase I clinical trial of SIM0500 completed the FIH in the United States.

Milestone of Strategic Cooperation

- In January 2025, the Group has entered into an option to license agreement (the "**Agreement**") with AbbVie. Under terms of the Agreement, AbbVie would have the option to license SIM0500, an IND candidate. Under the terms of the Agreement, the Group will receive an upfront payment from AbbVie, and is eligible to receive option fees and milestone payments of up to US$1.055 billion, as well as tiered royalties on net sales outside of the Greater China territory. AbbVie is eligible to receive tiered royalties on net sales in the Greater China territory.

SIM0395 (Paxalisib)

SIM0395 is a BBB-penetrant inhibitor of the PI3K/mTOR pathway. A phase II clinical study showed that Paxalisib has shown highly encouraging signals of clinical efficacy among glioblastoma patients with unmethylated MGMT promoter status. Paxalisib was awarded the GBM orphan drug certification by FDA in 2018 and the fast track certification by FDA, the rare childhood disease and orphan drug certification of diffuse intrinsic pontine glioma (DIPG) in 2020. In March 2021, the Group entered into an exclusive licensing agreement with Kazia to introduce the development and commercialization rights of SIM0395 for all indications in the Greater China region.

SIM0508 (Pol θ small molecule inhibitor)

Pol θ is a DNA polymerase, whose mediation of MMEJ repair pathway is one of the important approaches for repairing DNA double strand breaks.

Milestone of Clinical Progress

- SIM0508 tablets mono treatment is under the progress of phase I clinical research of advanced malignant solid tumors.
- In August 2025, the IND application of SIM0508, which was in combination with Olaparib to be used in locally advanced or metastatic solid tumors patients, was approved by the NMPA.

SIM0505 (CDH6-ADC)

CDH6, a Class II classical cadherin, is highly expressed in a variety of tumors but with very limited expression in normal tissues. SIM0505 is a CDH6-targeting ADC molecule developed by the Group, which consists of CDH6 monoclonal antibody specifically binding to tumor cells and the Group's proprietary camptothecin derivative toxin, conjugated by a linker. By combining the tumor-specific targeting antibody with the high-efficiency killing effect of toxin molecules, SIM0505 can specifically target tumor cells and reduce the toxic side effects compared to traditional chemotherapies. Such ADC is intended for the treatment of malignant tumors such as ovarian and renal cancer.

Milestone of Clinical Progress

- In February 2025, the phase I clinical trial of SIM0505 completed the FIH at the Fudan University Shanghai Cancer Center (復旦大學附屬腫瘤醫院).

Milestone of Strategic Cooperation

- In June 2025, a subsidiary of the Company, Hainan Simcere Zaiming Pharmaceutical Co., Ltd. (海南先聲再明醫藥股份有限公司) ("**Simcere Zaiming**"), entered into a license agreement (the "**License Agreement**") with NextCure, Inc. ("**NextCure**"). Pursuant to the License Agreement, (i) NextCure obtains global rights (excluding the Greater China region) to SIM0505; (ii) NextCure is eligible to access Simcere Zaiming's proprietary TOPO isomerase I inhibitor ("**TOPOi**") payload for a NextCure novel target ADC in preclinical development; and (iii) Simcere Zaiming will have Greater China rights to the novel target ADC.

SIM0686 (FGFR2b-ADC)

SIM0686 is an ADC drug targeting FGFR2b. Fibroblast growth factor receptor (FGFR) is a transmembrane tyrosine kinase receptor of fibroblast growth factor (FGF). At present, there are four known subtypes, namely FGFR1, FGFR2, FGFR3 and FGFR4. Such ADC is intended to be developed for the treatment of advanced malignant tumors like gastric cancer and lung cancer.

Milestone of Clinical Progress

- In April 2025, the IND application for SIM0686 was approved by the NMPA, which was intended for commencing the clinical trial for advanced solid tumors.
- In May 2025, the FIH for the aforementioned clinical trial was completed at Nanjing Tianyinshan Hospital (南京天印山醫院).
- In July 2025, the IND for SIM0686 was approved by the FDA.

SIM0609 (CDH17-ADC)

SIM0609 is a new antibody-drug conjugate targeting CDH17. It comprises a humanized monoclonal antibody conjugated via the Group's proprietary new water-soluble cleavable linker to a new Topoisomerase I (TOP-I) inhibitor independently developed by the Group. CDH17 is highly expressed in various cancers, including gastric cancer, colorectal cancer, pancreatic cancer, and ovarian cancer, demonstrating potential as a therapeutic target for advanced solid tumors, particularly gastrointestinal tumors.

Milestone of Clinical Progress

- In September 2025, the IND application of SIM0609 has been approved by the NMPA.

Autoimmune Products

SIM0278 (IL2muFc)

SIM0278 is an Fc fusion protein (IL2muFc) with an IL2 mutein of Regulatory T cells ("**Treg**"), developed based on the Group's protein engineering technology platform. By introducing the mutation, the affinity of SIM0278 to effector T cells is reduced, while the high affinity of Treg cells is retained and then the selectivity of Treg cells is improved. In September 2022, the Group entered into a licensing agreement with Almirall S.A. ("**Almirall**"), which is an international biopharmaceutical company. Pursuant to the agreement, the Group grants Almirall an exclusive rights and interests in the development and commercialization of SIM0278 outside Greater China, and retains all rights and interests in the Greater China region.

Neuroscience Products

SIM0800 (AQP4)

SIM0800 is an Aquaporin-4 (AQP4) inhibitor developed based on the Aquaporin water channel theory which has been awarded the Nobel Prize. It is intended for the treatment of acute severe ischemic stroke complicated by cerebral oedema, as a first-in-class small molecule drug with a novel mechanism of action for brain oedema therapy. The Group entered into a license agreement with Aeromics, Inc. in October 2019, pursuant to which, the Group obtained a proprietary and sublicensable license for its self-funded research, development, production and commercialization of SIM0800 in the Greater China region.

INTELLECTUAL PROPERTY RIGHTS

The Group attaches great importance to the protection of intellectual property rights. For the six months ended June 30, 2025, the Group had 149 new patent applications (including domestic and overseas unpublished patent applications), being 148 invention patents and an appearance design patent. As of June 30, 2025, the Group has accumulatively obtained 317 invention patents, 99 utility model patents and 32 appearance design patents.

FINANCIAL REVIEW

Revenue

For the six months ended June 30, 2025, the Group recorded revenue of approximately RMB3,585 million, representing an increase of approximately 15.1% as compared to RMB3,114 million for the same period of 2024.

Revenue of the Group was mainly derived from the therapeutic areas where its businesses are focused. Of which, revenue from the field of neuroscience was RMB1,249 million, accounting for 34.8% of the total revenue and representing an increase of 37.3% as compared to RMB909 million for the same period of 2024. Revenue from the field of anti-oncology was RMB874 million, accounting for 24.4% of the total revenue and representing an increase of 41.1% as compared to RMB619 million for the same period of 2024. Revenue from the field of autoimmune was RMB878 million, accounting for 24.5% of the total revenue and representing an increase of 3.3% as compared to RMB850 million for the same period of 2024. Revenue from other fields was RMB584 million, accounting for 16.3% of the total revenue and representing a decrease of 20.5% as compared to RMB736 million for the same period of 2024.

THE EXPENDITURE ON RESEARCH AND DEVELOPMENT ACTIVITIES

The expenditure on research and development activities of the Group includes research and development costs and the addition of intangible assets with in-licensed rights.

- For the six months ended June 30, 2025, the total expenditure on research and development activities of the Group amounted to RMB1,028 million, representing an increase of 68.0% as compared to RMB612 million for the same period of 2024. The expenditure on research and development activities accounted for 28.7% of the revenue, representing an increase of 9 percentage points as compared to 19.7% for the same period of 2024.
- For the six months ended June 30, 2025, the research and development costs amounted to RMB632 million, representing an increase of 11.7% as compared to RMB566 million for the same period in 2024. The research and development costs accounted for 17.6% of the revenue, representing a decrease of 0.6 percentage point as compared to 18.2% for the same period of 2024.
- For the six months ended June 30, 2025, the addition of intangible assets with in-licensed rights amounted to RMB396 million, representing a significant increase as compared to RMB46 million for the same period in 2024. The addition of intangible assets with in-licensed rights accounted for 11.0% of the revenue, representing an increase of 9.5 percentage points as compared to 1.5% for the same period in 2024.

PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The Group recorded a profit attributable to equity shareholders of the Company of RMB604 million for the six months ended June 30, 2025, representing an increase of 32.2% as compared to RMB457 million for the same period in 2024.

NON-HKFRS MEASURE – ADJUSTED PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

To supplement the financial information presented in accordance with HKFRS, the Group also uses adjusted profit attributable to equity shareholders of the Company as a non-HKFRS measure. Such measure is unaudited in nature and is not required by, or presented in accordance with, HKFRS. The Group defines adjusted profit attributable to equity shareholders of the Company as profit attributable to equity shareholders of the Company after adjusting the following items: (i) net realized and unrealized losses on financial assets at fair value through profit or loss; (ii) net realized and unrealized gain on associates at fair value through profit or loss; (iii) interest expenses arising from redemption liability; and (iv) income tax effect related to the above items. The Group is of the view that the Group's management and investors may benefit from referring to such measure in assessing the financial performance of the Group's core businesses by eliminating the impacts of certain non-recurring, non-cash and/or non-operating items. However, the presentation of adjusted profit attributable to equity shareholders of the Company may not be comparable to similarly titled measures presented by other companies as it does not have a standardized meaning. The application of the non-HKFRS measure has limitations as an analytical tool, and the Shareholders and investors should not consider it in isolation from, or as substitute for analysis of, the results of operations or financial condition of the Group as reported under HKFRS.

For the six months ended June 30, 2025, the adjusted profit attributable to equity shareholders of the Company amounted to RMB651 million, representing an increase of 21.1% as compared to RMB538 million for the same period of last year.

The following table presents the Group's adjusted profit attributable to equity shareholders of the Company and the most directly comparable financial measure calculated and presented in accordance with HKFRSs, which is profit attributable to equity shareholders of the Company:

	Six months ended June 30	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Profit attributable to equity shareholders of the Company	**603,607**	456,600
Add/(less):		
Net realized and unrealized losses on financial assets at fair value through profit or loss[1]	**21,388**	84,175
Net realized and unrealized gain on associates at fair value through profit or loss	**(4,893)**	–
Interest expenses arising from redemption liability[2]	**34,865**	5,103
Effect of corresponding income tax	**(3,745)**	(8,208)
Adjusted profit attributable to equity shareholders of the Company	**651,222**	537,670

Notes:

(1) Net realized and unrealized losses on financial assets at fair value through profit or loss arises from the remeasurement of the Group's investments in certain private companies and investment funds, listed equity securities, structured deposits and wealth management products at fair value.

(2) Interest expenses arising from redemption liability represent the change in the carrying amount of the financial liability issued in connection with the capital contributions in Simcere Zaiming (as defined below).

LIQUIDITY AND FINANCIAL RESOURCES

The Group maintained a sound financial position. For the six months ended June 30, 2025, the net cash generated from operating activities was RMB867 million, while the net cash generated from operating activities for the same period of last year was RMB863 million. As of June 30, 2025, the Group had cash and cash equivalents of RMB2,671 million (as of December 31, 2024: RMB1,943 million), time deposits of RMB519 million (as of December 31, 2024: RMB498 million). As of June 30, 2025, the Group had a balance of bank loans of RMB1,059 million (as of December 31, 2024: RMB1,059 million), of which RMB1,051 million (as of December 31, 2024: RMB1,051 million) would mature within one year. As of June 30, 2025, RMB1,059 million of the Group's bank loan balances bore interest at fixed rates, and the effective interest rate range for these loans was 0.95% to 1.15% per annum.

As of June 30, 2025, the current ratio (calculated by total current assets divided by total current liabilities) of the Group was 173.3% (as of December 31, 2024: 200.4%), while the gearing ratio (calculated by total liabilities divided by total assets) was 42.6% (as of December 31, 2024: 38.6%). The decrease in current ratio was mainly due to: (1) in January, 2025, the Company entered into an option to license SIM0500, an investigational new drug candidate, with AbbVie Inc. and received an upfront payment of RMB358 million, (2) in June, 2025, the Group entered into an amendment agreement with Idorsia and made upfront payment and a regulatory milestone payment of RMB359 million, and (3) in June, 2025, the Company's milestone payment for the approval for marketing of ENZESHU® of RMB20 million were accrued, and these contract payments were all accounted as liabilities. The increase in gearing ratio was mainly due to the receipt of an investment amount of RMB1,070 million by Simcere Zaiming, a subsidiary of the Company, from third party investors which was accounted for as financial liabilities, as well as the effect of the aforesaid contract payments were all accounted as liabilities.

Currently, the Group follows a set of funding and treasury policies to manage its capital resources and prevent risks involved. The Group expects to fund the working capital and other capital requirements from a combination of various sources, including but not limited to external financing at reasonable market rates. In order to better control and minimize the cost of funds, the treasury management activities of the Group are managed on a centralized basis.

The assets and liabilities of the Group were denominated in RMB, USD, GBP and HKD. During the Reporting Period, the Group did not employ financial derivatives or enter into foreign derivative contracts to hedge against foreign exchange risk. However, the Group manages the foreign exchange risks by closely monitoring the net exposure of foreign exchange risk to minimize the impact of foreign exchange fluctuations.

PLEDGE OF GROUP'S ASSETS

As of June 30, 2025, the Group pledged bills receivable of approximately RMB41 million for issuance of bank acceptance bills and pledged bank deposits of approximately RMB22 million for issuance of letter of guarantee. As of June 30, 2025, leasehold land with net book value of approximately RMB109 million was pledged as security for banking facilities, which were not utilized as of June 30, 2025. Save as disclosed above, as of June 30, 2025, none of the Group's assets were pledged.

CONTINGENT LIABILITIES

As of June 30, 2025, the Group did not have material contingent liabilities.

MATERIAL LITIGATION

One of the Group's subsidiaries was involved in an economic dispute with a customer. In May 2025, an arbitration award confirmed that the Group was required to make a compensation to the customer and bear the related litigation costs amounting to RMB20.93 million. As a result, the Group recorded a litigation loss of RMB20.93 million during the Reporting Period.

Save as disclosed above, during the Reporting Period and as of the date of this report, no member of the Group has been involved in any other material litigation, arbitration or claims. So far as is known to the Directors, no member of the Group has any other pending or threatened material litigation, arbitration or claims.

SIGNIFICANT INVESTMENTS HELD

As of June 30, 2025, the Group did not hold any significant investments.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in "Use of Proceeds from the Listing" in this report, as of June 30, 2025, the Group did not have any other future plans for material investments and capital assets.

MATERIAL ACQUISITIONS AND DISPOSALS

For the six months ended June 30, 2025, the Group had no material acquisition or disposal of subsidiaries, associates and joint ventures.

EMPLOYEES AND REMUNERATION POLICY

As of June 30, 2025, the Group had a total of 6,815 full-time employees. The Group attached great importance to the recruitment, training and retention of outstanding employees, maintaining a high standard in selecting and recruiting talents worldwide, and offered competitive compensation packages. The remuneration of employees mainly included basic salary, performance-based bonus and long-term incentives. Remuneration of the Directors and senior management who worked full time for the Company shall be determined by the remuneration and appraisal committee of the Company under the Board with reference to the principal duties, the results of performance assessment as well as the remuneration level in the market of the relevant managerial positions. During the six months ended June 30, 2025, staff costs of the Group (including emoluments of the Directors, social insurance and other benefits) amounted to RMB1,101 million. The Group established Simcere Institute, which provides employees with training on a regular basis, including orientation programs and technical training for new employees, professional and management training for middle and senior management and health and safety training across all staff. In addition, the Group has also adopted a restricted share unit ("**RSU**") scheme on May 20, 2021 (the "**2021 RSU Scheme**"), with an aim to (1) incentivise the existing and incoming directors, senior management and employees for their contribution to the Group; and (2) attract, motivate and retain skilled and experienced personnel to strive for the future development and expansion of the Group by providing them with the opportunity to own equity interests in the Company.

During the Reporting Period, the Board resolved on March 25, 2025 to grant an aggregate of 1,777,000 RSUs, representing 1,777,000 underlying Shares, to an aggregate of 45 eligible participants (all of whom are employees of the Group) under the 2021 RSU Scheme at nil consideration. For details of such grant, please refer to the announcement of Company dated March 25, 2025.

PROSPECTS

In the current financial year and future, the Group will uphold the corporate mission of "born for the patients" actively, enhance market distribution and deepen the cooperation with medical institutions at all levels while exploring diversified sales channels, so as to increase the market share and accessibility of its launched products and lay a solid foundation for sustainable development. In addition, the Group will also provide more quality treatment options for patients and contribute more to the health and wellbeing of the community by way of enhancing R&D processes, enhancing the cooperation in production and research, improving R&D efficiency continuously, strengthening the gradient of pipelines, commencing overseas clinical trials proactively as well as promoting the overseas licensing of pipelines under research.

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

As of June 30, 2025, the interest or short position of the Directors or chief executives of the Company in the shares of the Company (the "**Shares**"), underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**")) which were (i) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they were taken or deemed to have under such provisions of the SFO), or (ii) required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or (iii) required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") to be notified to the Company and the Stock Exchange, were as follows:

Long Position in Shares

Name of Director/ chief executive	Nature of interest	Number of Shares/ underlying Shares interested	Approximate percentage of shareholding interest[1]
Mr. REN Jinsheng[2]	Interest in controlled corporations	244,586,948	
	Interest of concert parties	1,543,241,720	
	Interest of spouse	285,600	
	Sub-total	1,788,114,268	72.26%
Mr. TANG Renhong	Beneficial owner	1,550,000	0.06%
Mr. WAN Yushan[3]	Beneficial owner	1,228,333	
	Beneficiary of a trust (other than a discretionary interest)	554,734	
	Sub-total	1,783,067	0.07%
Ms. WANG Xi[4]	Beneficial owner	229,600	
	Beneficiary of a trust (other than a discretionary interest)	56,000	
	Interest of spouse	1,787,828,668	
	Sub-total	1,788,114,268	72.26%

Notes:

(1) The calculation is based on the total number of 2,474,697,618 issued Shares as of June 30, 2025.

(2) Mr. REN Jinsheng, together with Simcere Investments Group Limited ("**SIG**"), P&H Holdings Group Ltd. ("**P&H Holdings**"), Right Wealth Holdings Limited ("**Right Wealth**"), Mr. REN Yong, Ms. LI Shimeng, Mr. REN Weidong, Ms. REN Zhen and Ms. PENG Suqin (collectively, the "**Ultimate Controlling Shareholders**"), collectively hold 1,787,828,668 Shares, including (i) 592,810,031 Shares and 950,431,689 Shares directly held by Artking Global Limited ("**Artking**") and Simcere Pharmaceutical Holding Limited ("**SPHL**"), respectively, both of which are companies controlled by the Ultimate Controlling Shareholders; and (ii) 116,259,578 Shares and 128,327,370 Shares directly or indirectly held by SIG and Fortune Fountain Investment Limited ("**FFI**"), respectively, both of which are companies controlled by Mr. REN Jinsheng. By virtue of the SFO, as the Ultimate Controlling Shareholders are deemed to be persons acting in concert under the Codes on Takeovers and Mergers and Share Buybacks (the "**Takeovers Code**"), each of them is deemed to be interested in the Shares held by each other. Mr. REN Jinsheng is also deemed to be interested in (i) 229,600 Shares held by his spouse, Ms. WANG Xi; and (ii) 56,000 Shares underlying the RSUs granted to Ms. WANG Xi. As of June 30, 2025, such 56,000 RSUs remain unvested, and such vesting is subject to vesting conditions.

(3) Mr. WAN Yushan (i) directly holds 1,228,333 Shares; (ii) is interested in 554,734 RSUs granted to him under the 2021 RSU Scheme which entitled him to receive the aggregate of 554,734 Shares subject to vesting. As of June 30, 2025, such 554,734 RSUs remain unvested, and such vesting is subject to vesting conditions.

(4) Ms. WANG Xi (i) directly holds 229,600 Shares; (ii) is interested in 56,000 RSUs granted to her under the 2021 RSU Scheme which entitled her to receive an aggregated of 56,000 Shares subject to vesting. As of June 30, 2025, such 56,000 RSUs remain unvested, and such vesting is subject to vesting conditions; and (iii) is deemed to be interested in an aggregate of 1,787,828,668 Shares directly and indirectly held by her spouse, Mr. REN Jinsheng, together with other Ultimate Controlling Shareholders who are deemed to be persons acting in concert under the Takeovers Code.

Save as disclosed above, as of June 30, 2025, so far as is known to the Directors, none of the Directors or the chief executives of the Company had or were deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company under Divisions 7 and 8 of Part XV of the SFO or recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or 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 of June 30, 2025, the interests or short positions of persons (other than the Directors and chief executive of the Company) in the Shares or underlying Shares (within the meaning of Part XV of the SFO) which were required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO or recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

Long Position in Shares

Name of Shareholder	Nature of interest	Number of Shares or underlying Shares interested	Approximate percentage of shareholding interest[1]
Mr. REN Yong[2][3]	Interest in controlled corporations/ Interest of concert parties/ Founder of a discretionary trust	1,787,828,668	72.24%
Ms. LI Shimeng[2][3]	Interest in controlled corporations/ Interest of concert parties/ Interest of spouse	1,787,828,668	72.24%
P&H Holdings[2][3]	Interest in controlled corporations/ Interest of concert parties	1,787,828,668	72.24%
Mr. REN Weidong[2][4]	Interest in controlled corporations/ Interest of concert parties	1,787,828,668	72.24%
Right Wealth[2][4]	Interest in controlled corporations/ Interest of concert parties	1,787,828,668	72.24%
Ms. REN Zhen[2][5]	Interest in controlled corporations/ Interest of concert parties	1,787,828,668	72.24%

Long Position in Shares

Name of Shareholder	Nature of interest	Number of Shares or underlying Shares interested	Approximate percentage of shareholding interest[1]
Ms. PENG Suqin[2][6]	Interest in controlled corporations/ Interest of concert parties	1,787,828,668	72.24%
Artking[2][7]	Beneficial owner	592,810,031	
	Interest in controlled corporations	950,431,689	
	Interest of concert parties	244,586,948	
	Sub-total	1,787,828,668	72.24%
Simcere Holding Limited ("**Simcere Holding**")[2][8]	Interest in controlled corporations	950,431,689	
	Interest of concert parties	837,396,979	
	Sub-total	1,787,828,668	72.24%
Excel Investments Group Limited ("**Excel Investments**")[2][9]	Interest in controlled corporations	950,431,689	
	Interest of concert parties	837,396,979	
	Sub-total	1,787,828,668	72.24%
SPHL[2][10]	Beneficial owner	950,431,689	
	Interest of concert parties	837,396,979	
	Sub-total	1,787,828,668	72.24%
SIG[2][11]	Beneficial owner	116,259,578	
	Interest in controlled corporation	128,327,370	
	Interest of concert parties	1,543,241,720	
	Sub-total	1,787,828,668	72.24%
FFI[2][12]	Beneficial owner	120,961,370	
	Interest of concert parties	1,666,867,298	
	Sub-total	1,787,828,668	72.24%

Notes:

(1) The calculation is based on the total number of 2,474,697,618 issued Shares as of June 30, 2025.

(2) The Ultimate Controlling Shareholders collectively hold 1,787,828,668 Shares, including (i) 592,810,031 Shares and 950,431,689 Shares directly held by Artking and SPHL, respectively, both of which are companies controlled by the Ultimate Controlling Shareholders; and (ii) 116,259,578 Shares and 128,327,370 Shares directly or indirectly held by SIG and FFI, respectively, both of which are companies controlled by Mr. REN Jinsheng. As the Ultimate Controlling Shareholders are deemed to be persons acting in concert under the Takeovers Code, each of them is deemed to be interested in the Shares held by each other by virtue of the SFO.

(3) Mr. REN Yong is the settlor of the P&H Family Trust, which holds the entire equity interest in P&H Holdings. Mr. REN Yong, Ms. LI Shimeng and P&H Holdings are deemed to be interested in the Shares collectively held by the Ultimate Controlling Shareholders.

(4) Mr. REN Weidong is the brother of Mr. REN Jinsheng and holds the entire equity interest in Right Wealth. Mr. REN Weidong and Right Wealth are the Ultimate Controlling Shareholders and are deemed to be interested in the Shares collectively held by the Ultimate Controlling Shareholders.

(5) Ms. REN Zhen is the sister of Mr. REN Jinsheng. She is one of the Ultimate Controlling Shareholders and is deemed to be interested in the Shares collectively held by the Ultimate Controlling Shareholders.

(6) Ms. PENG Suqin is the mother of Mr. REN Yong. She is one of the Ultimate Controlling Shareholders and is deemed to be interested in the Shares collectively held by the Ultimate Controlling Shareholders.

(7) Artking directly holds 592,810,031 Shares and is deemed to be interested in 1,195,018,637 Shares, including (i) 950,431,689 Shares directly held by SPHL, a controlled corporation of Artking; and (ii) an aggregate of 244,586,948 Shares directly or indirectly held by SIG and FFI, both of which are companies controlled by Mr. REN Jinsheng and are deemed to be acting in concert with Artking under the Takeovers Code.

(8) Simcere Holding is deemed to be interested in 1,787,828,668 Shares, including (i) 950,431,689 Shares directly held by SPHL, a controlled corporation of Simcere Holding; and (ii) an aggregate of 837,396,979 Shares, which comprises of (a) 592,810,031 Shares directly held by Artking, a company controlled by the Ultimate Controlling Shareholders; and (b) an aggregate of 244,586,948 Shares directly or indirectly held by SIG and FFI, both of which are companies controlled by Mr. REN Jinsheng. Artking, SIG and FFI are deemed to be acting in concert with Simcere Holding under the Takeovers Code. Mr. REN Jinsheng is the director of Simcere Holding.

(9) Excel Investments is deemed to be interested in 1,787,828,668 Shares, including (i) 950,431,689 Shares directly held by SPHL, a controlled corporation of Excel Investments; and (ii) an aggregate of 837,396,979 Shares, which comprises of (a) 592,810,031 Shares directly held by Artking, a company controlled by the Ultimate Controlling Shareholders; and (b) an aggregate of 244,586,948 Shares directly or indirectly held by SIG and FFI, both of which are companies controlled by Mr. REN Jinsheng. Artking, SIG and FFI are deemed to be acting in concert with Excel Investments under the Takeovers Code. Mr. REN Jinsheng is the director of Excel Investments.

(10) SPHL directly holds 950,431,689 Shares and is deemed to be interested in an aggregate of 837,396,979 Shares, including (i) 592,810,031 Shares directly held by Artking, a company controlled by the Ultimate Controlling Shareholders; and (ii) an aggregate of 244,586,948 Shares directly or indirectly held by SIG and FFI, both of which are companies controlled by Mr. REN Jinsheng. Artking, SIG and FFI are deemed to be acting in concert with SPHL under the Takeovers Code. Mr. REN Jinsheng is the director of SPHL.

(11) SIG directly holds 116,259,578 Shares and is deemed to be interested in 1,671,569,090 Shares, including (i) 120,961,370 Shares and 7,366,000 Shares directly held by FFI and Nanjing BioSciKin Technology Development Co., Ltd (南京百家匯科技發展有限公司), both of which are controlled corporations of SIG and ultimately controlled by Mr. REN Jinsheng; and (ii) an aggregate of 1,543,241,720 Shares directly held by Artking and SPHL, both of which are deemed to be acting in concert with SIG under the Takeovers Code. Mr. REN Jinsheng is the director of SIG.

(12) FFI directly holds 120,961,370 Shares and is deemed to be interested in an aggregate of 1,666,867,298 Shares directly or indirectly held by SPHL, Artking and SIG, all of which are deemed to be acting in concert with FFI under the Takeovers Code. Mr. REN Jinsheng is the director of FFI.

Save as disclosed above, as of June 30, 2025, so far as is known to the Directors, there was no other person (other than the Directors or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

2021 RSU SCHEME

The Company has approved and adopted the 2021 restricted share unit scheme (the "**2021 RSU Scheme**") on May 20, 2021, the purposes of which are to (i) incentivize the existing and incoming directors, senior management and employees for their contribution to the Group; and (ii) attract, motivate and retain skilled and experienced personnel to strive for the future development and expansion of the Group by providing them with the opportunity to own equity interests in the Company. The 2021 RSU Scheme shall be valid and effective for a period of ten years commencing from the date of adoption.

In light of the amended Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") taking into effect from January 1, 2023, the Company amended the 2021 RSU Scheme and adopted the scheme mandate limit (as defined in the Listing Rules) of the 2021 RSU Scheme, which were approved at the annual general meeting of the Company held on June 15, 2023. For details of the amendments to the 2021 RSU Scheme, please refer to the announcements and circular of the Company dated March 31, 2023, May 25, 2023 and June 15, 2023, respectively.

During the Reporting Period, the Board resolved on March 25, 2025 to grant an aggregate of 1,777,000 RSUs, representing 1,777,000 underlying Shares, to an aggregate of 45 eligible participants, all of whom are employees of the Group, under the 2021 RSU Scheme at nil consideration. For details of such grant, please refer to the announcement of the Company dated March 25, 2025.

The number of RSUs available for grant under the 2021 RSU Scheme was 258,133,361 as of January 1, 2025 and 257,260,811 as of June 30, 2025. The number of Shares underlying the RSUs that granted under the 2021 RSU Scheme during the Reporting Period divided by the weighted average number of Shares in issue during the Reporting Period is 0.07%. Details of the outstanding RSUs granted under the 2021 RSU Scheme and the movements during the Reporting Period are set out below:

Name or category of grantee	Date of grant	Number of Shares underlying the RSUs outstanding as of the date of grant[Note 1]	Number of Shares underlying the RSUs outstanding as of January 1, 2025	Number of RSUs granted during the Reporting Period	Closing price of the Shares immediately before the date on which the awards were granted	Weighted average closing price of the Shares immediately before the vesting date[Note 2]	Fair value of awards at the date of grant and the accounting standard and policy adopted[Note 3]	Vested during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period	Number of Shares underlying the RSUs outstanding as of June 30, 2025	Vesting dates (subject to vesting conditions [Note 4])	Approximate percentage of total number of Shares in issue as of June 30, 2025
Executive Directors													
Mr. WAN Yushan	November 9, 2022	850,000	283,334	-	HK$11.34	-	HK$11.62	-	-	-	283,334	Note 5	0.0114%
	August 22, 2024	271,400	271,400	-	HK$5.35	-	HK$5.24	-	-	-	271,400	Note 6	0.0110%
Ms. WANG Xi	March 21, 2024	82,000	82,000	-	HK$5.30	HK$8.10	HK$5.49	65,600	16,400	-	-	Note 7	0.0000%
	August 22, 2024	56,000	56,000	-	HK$5.35	-	HK$5.24	-	-	-	56,000	Note 6	0.0023%
Other grantees													
Employees	May 11, 2022	6,810,000	909,000	-	HK$7.85	Note 2	HK$8.27	530,000	288,000	91,000	-	Note 8	0.0000%
	September 28, 2022	14,489,000	2,975,000	-	HK$7.01	Note 2	HK$6.72	-	169,000	1,225,000	1,581,000	Note 9	0.0639%
	November 9, 2022	1,169,000	235,667	-	HK$11.34	Note 2	HK$11.62	-	-	-	235,667	Note 10	0.0095%
	June 28, 2023	4,378,000	1,542,000	-	HK$7.43	Note 2	HK$7.25	220,500	340,500	716,000	265,000	Note 11	0.0107%
	March 21, 2024	3,746,000	3,282,500	-	HK$5.30	Note 2	HK$5.49	1,005,750	341,750	-	1,935,000	Note 12	0.0782%
	August 22, 2024	2,640,700	2,605,300	-	HK$5.35	Note 2	HK$5.24	-	195,800	-	2,409,500	Note 13	0.0974%
	March 25, 2025	1,777,000	-	1,777,000	HK$7.83	Note 2	HK$7.52	-	10,000	-	1,767,000	Note 14	0.0714%
Total	**-**	**36,269,100**	**12,242,201**	**1,777,000**	**-**	**-**	**-**	**1,821,850**	**1,361,450**	**2,032,000**	**8,803,901**	**-**	**0.3558%[Note 15]**

Notes:

1. The RSUs were granted to the grantees at nil consideration and were or will be transferred to the grantees upon vesting at nil consideration.

2. As the RSUs held by each of the Directors were vested only once during the Reporting Period according to their respective vesting schedules, the weighted average closing price of the Shares immediately before the vesting date for each of the Directors equal to the closing price of Shares immediately before the vesting date. The weighted average closing price of the Shares immediately before the vesting date for employees as a category of grantees is HK$8.70.

3. For details of the accounting standard and policy adopted in relation to and the basis of the measurement of fair value of RSUs, please see Note 20(b) to the unaudited interim financial statement in this report.

4. The vesting of the RSUs shall be subject to the assessment of the annual performance of the Grantees, and such assessment is based on the evaluation of:

   (i) the Grantee's individual performance; and

   (ii) the business performance of the Group, with reference to various factors, including but not limited to the Group's overall performance targets and its actual results, as well as its financial position.

   Upon each vesting date, the portion of RSUs that vests shall be determined based on the assessment of the Grantee's annual performance, and the unvested portion shall lapse.

5. One third of the RSUs shall vest on November 9, 2023, 2024 and 2025, respectively.

6. The RSUs granted shall vest on August 22, 2025.

7. The RSUs granted shall vest on April 30, 2025.

8. In relation to 1,500,000 RSUs granted, one third of the RSUs shall vest on January 17, 2023, 2024 and 2025, respectively. In relation to 5,310,000 RSUs granted, one third of the RSUs shall vest on May 11, 2023, 2024 and 2025, respectively.

9. In relation to 13,881,000 RSUs granted, one third of the RSUs shall vest on September 28, 2023, 2024 and 2025, respectively. In relation to 528,000 RSUs granted, one third of the RSUs shall vest on May 11, 2023, 2024 and 2025, respectively. In relation to 80,000 RSUs granted, one half of the RSUs shall vest on May 11, 2023 and 2024, respectively.

10. In relation to 1,015,000 RSUs granted, one third of the RSUs shall vest on November 9, 2023, 2024 and 2025, respectively. In relation to 154,000 RSUs granted, all of them shall vest on November 9, 2023.

11. In relation to 4,302,000 RSUs granted, one third of the RSUs shall vest on June 28, 2024, 2025 and 2026, respectively. In relation to 76,000 RSUs granted, all of them shall vest on June 28, 2024.

12. In relation to 359,000 RSUs granted, all of the RSUs shall vest on March 21, 2025. In relation to 126,000 RSUs granted, half of the RSUs shall vest on March 21, 2025 and 2026, respectively. In relation to 3,261,000 RSUs granted, one third of the RSUs shall vest on March 21, 2025, 2026 and 2027, respectively.

13. In relation to 2,406,700 RSUs granted, all of the RSUs shall vest on August 22, 2025. In relation to 234,000 RSUs granted, one third of the RSUs shall vest on August 22, 2025, 2026 and 2027, respectively.

14. In relation to 400,000 RSUs granted, all of the RSUs shall be vested on March 25, 2026. In relation to 1,377,000 RSUs granted, one third of the RSUs shall be vested on March 25, 2026, 2027 and 2028, respectively.

15. The aggregate percentage of number of Shares underlying the RSUs outstanding as of June 30, 2025 divided by total number of Shares in issue as of June 30, 2025 may not add up to the total percentage of 0.3558% due to rounding.

MATERIAL EVENTS AFTER THE REPORTING PERIOD

On September 2, 2025, the Company, SPHL (the "**Vendor**") and Morgan Stanley Asia Limited (the "**Placing Agent**") entered into a placing and subscription agreement (the "**Placing and Subscription Agreement**"), pursuant to which (i) the Vendor has conditionally agreed to appoint Morgan Stanley Asia Limited as the Placing Agent and the Placing Agent has conditionally agreed to act as agent of the Vendor for the purpose of procuring not less than six purchasers for, or failing which to purchase itself, 121,000,000 Shares (the "**Sale Shares**") at a price of HK$12.95 per Share (the "**Placing**"); and (ii) the Company has conditionally agreed to issue to the Vendor and the Vendor has conditionally agreed to subscribe for 121,000,000 Shares (the "**Subscription Shares**") at a price of HK$12.95 per Share (the "**Subscription**").

The Directors consider that the Placing and the Subscription represent an opportunity to raise capital for the Company while broadening its Shareholder and capital base. The Directors are of the view that the Placing and the Subscription would strengthen the financial position of the Group and provide working capital to the Group. Accordingly, the Directors consider that the terms of the Placing and Subscription Agreement are normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

The completion of the Placing and the Subscription took place on September 4, 2025 and September 10, 2025, respectively. The Sale Shares were placed to not less than six placees who, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, together with their respective ultimate beneficial owners, are (i) third parties independent of the Company and its connected persons; and (ii) third parties independent of, and not acting in concert with, the Vendor, its associates and persons acting in concert with the Vendor. None of the placees of the Sale Shares has become a substantial shareholder of the Company upon completion of the Placing.

The closing price of the Company as stated in the daily quotation sheet issued by the Stock Exchange on September 1, 2025, being the last full trading day prior to the date of the Placing and Subscription Agreement was HK$14.08 per Share, and the placing price and the subscription price were both HK$12.95 per Share. The Subscription Shares have no nominal value. The Company received total net proceeds from the Subscription of approximately HK$1,553.5 million. The net price for the Subscription (after deducting all relevant costs and expenses) was HK$12.84 per Subscription Share.

The Company intends to apply the net proceeds from the Subscription as follows:

(i) approximately 90% or HK$1,398.1 million for the R&D-related expenditures, including: (a) advancing clinical research in China and the United States on new drugs in the R&D stage to accelerate pipeline progress; and (b) supporting new indication expansions for approved innovative drugs to further enhance product value and market coverage; and

(ii) approximately 10% or HK$155.3 million for working capital and other general corporate purposes to maintain the daily operations and long-term development needs of the Group.

For the purpose of this section's disclosure, as of September 22, 2025 (prior to the printing of this interim report), the Company had not utilized any of such net proceeds. For details of the Placing and the Subscription, please refer to the announcements of the Company dated September 2, 2025 and September 10, 2025.

Save as disclosed above, the Reporting Period and up to the date of this report, there were no material events affecting the Company or any of its subsidiaries.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to maintaining and promoting stringent corporate governance. The principles of the Group's corporate governance are to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, so as to ensure that its business and operation are conducted in accordance with applicable laws and regulations, enhance the transparency of the Board and strengthen the accountability to all Shareholders. The Group's corporate governance practices are based on the principles and code provisions prescribed in the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

Save as disclosed below, the Group has complied with the code provisions contained in Part 2 of the CG Code during the Reporting Period.

Under code provision C.2.1 of Part 2 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. During the Reporting Period and as of June 30, 2025, the roles of chairman of the Board (the "**Chairman**") and chief executive officer of the Company (the "**Chief Executive Officer**") were not separated and Mr. REN Jinsheng ("**Mr. REN**") currently performs these two roles. Mr. REN is the founder of the Group, the Chairman and the Chief Executive Officer. He has been primarily responsible for overall corporate business strategies and business operation of the Group and making significant business and operational decisions for the Group. The Directors jointly consider that vesting the roles of both the Chairman and the Chief Executive Officer in Mr. REN is beneficial to the business prospects of the Group by ensuring consistent leadership to the Group as well as prompt and effective decision making and implementation. In addition, the Directors jointly believe that this structure will not impair the balance of power and authority between the Board and the management of the Company, given that: (i) any decision to be made by the Board requires approval by at least a majority of the Directors; (ii) Mr. REN and other Directors are aware of and undertake to fulfill their fiduciary duties as the Directors, which require, among other things, that he acts for the benefit and in the best interests of the Company and will make decisions for the Company accordingly; (iii) the balance of power and authority is ensured by the operations of the Board, which consists of four executive Directors (including Mr. REN) and four independent non-executive Directors, and has a fairly strong independence element; and (iv) the overall strategic and other key business, financial, and operational policies of the Company are made collectively after thorough discussion at both Board and senior management levels.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the Group's code of conduct regarding the Directors' securities transactions. Having made specific enquiries of all the Directors, all the Directors confirmed that they have strictly complied with the Model Code during the Reporting Period.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL INFORMATION

The Group established an audit committee (the "**Audit Committee**") with written terms of reference in compliance with the CG Code. The main duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of our Group, oversee the audit process, review and oversee the existing and potential risks of the Group and perform other duties and responsibilities as assigned by the Board.

As of the date of this report, the Audit Committee consists of three members, all of whom are independent non-executive Directors, namely Mr. WANG Xinhua, Mr. SONG Ruilin and Mr. WANG Jianguo. The chairperson of the Audit Committee is Mr. WANG Xinhua, who possesses the appropriate professional qualifications and accounting and related financial management expertise.

The Audit Committee has reviewed the financial reporting processes, risk management and internal control systems of the Group and the unaudited condensed consolidated interim financial statements and the interim report of the Group for the six months ended June 30, 2025, and is of the opinion that these statements have complied with the applicable accounting standards, the Listing Rules and legal requirements, and that adequate disclosure has been made.

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

The Directors have been granted a general mandate by the shareholders of the Company (the "**Shareholders**") at the annual general meeting of the Company held on June 14, 2024 (the "**2023 AGM**") to repurchase up to 260,976,161 shares of the Company (the "**Shares**") on the Stock Exchange, representing 10% of the total number of issued Shares as of the date of the 2023 AGM (the "**Repurchase Mandate**"). During the Reporting Period, the Company repurchased a total of 11,623,000 Shares (the "**Repurchased Shares**") on the Stock Exchange pursuant to the Repurchase Mandate at a total consideration (excluding expenses) of HK$80,369,080 (the "**Share Repurchase**"), which was funded by internal resources of the Company. All the Repurchased Shares were cancelled on June 6, 2025. As of the date of this report, no Repurchased Shares were outstanding. Details of the Shares repurchased by the Company during the Reporting Period are as follows:

Month of Share Repurchase	Total number of Shares repurchased	The highest purchase price per Share (HK$)	The lowest purchase price per Share (HK$)	Total consideration (excluding expense) (HK$)
January 2025	8,336,000	6.93	6.3383	55,107,010
April 2025	3,287,000	7.9692	7.30	25,262,070
Total	**11,623,000**			**80,369,080**

The Share Repurchase was governed by section 257 of the Hong Kong Companies Ordinance. The total amount paid on the Repurchased Shares of HK$80,369,080 (equivalent to RMB74,302,000) was paid wholly out of retained profits of the Company.

The Board believes that the Share Repurchase demonstrates the Company's confidence in its own business outlook and prospects and would, ultimately, benefit the Company and create value for the Shareholders. In addition, the Board believes that the current financial resources of the Company enable it to implement the Share Repurchase while maintaining a solid financial position.

Save as disclosed above, during the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (if any)). The Company did not hold any treasury shares during the Reporting Period and as of June 30, 2025.

INTERIM DIVIDEND

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

USE OF PROCEEDS FROM THE LISTING

The net proceeds from the initial public offering of the shares of the Company in October 2020 and allotment and issuance of shares of the Company pursuant to the partial exercise of the over-allotment option in November 2020 (the "**Net Proceeds**"), amounted to HK$3,513.09 million in aggregate. The proposed use of the Net Proceeds was disclosed in the prospectus of the Company dated October 13, 2020 (the "**Prospectus**").

The following table sets out the utilization of the Net Proceeds as of the June 30, 2025 and the expected timeline for utilization:

Purpose	Percentage of the total amount	Amount of Net Proceeds received (HK$ in million)	Amount of Net Proceeds utilized during the six months ended June 30, 2025 (HK$ in million)	Accumulative amount of Net Proceeds utilized as of June 30, 2025 (HK$ in million)	Amount of Net Proceeds unutilized as of June 30, 2025 (HK$ in million)	Expected timeline for utilization
Continuous research and development of the Group's selected product candidates in its strategically focused therapeutic areas	60%	2,107.85	174.30	1,893.48	214.37	The actual Net Proceeds are expected to be fully utilized by 2027.
Reinforcement of the Group's sales and marketing capabilities	10%	351.31	–	351.31	–	The actual Net Proceeds have been fully utilized.
Investment in companies in the pharmaceutical or biotechnology sector	10%	351.31	–	351.31	–	The actual Net Proceeds have been fully utilized.
Repayment of certain of the Group's outstanding bank loans	10%	351.31	–	351.31	–	The actual Net Proceeds have been fully utilized.
Working capital and other general corporate purposes	10%	351.31	–	351.31	–	The actual Net Proceeds have been fully utilized.
Total	**100%**	**3,513.09**	**174.30**	**3,298.72**	**214.37**	

On December 23, 2024, the Board has resolved that: (i) part of the unutilized Net Proceeds amounted to HK$228.90 million which originally proposed to be used in selected oncology product candidates that were then in clinical stages or pending clinical trials (including Bevacizumab Biosimilar, PEG-ENDO (Pegylated recombinant human endostatin for injection) and SIM-201), (ii) part of the unutilized Net Proceeds amounted to approximately HK$180.02 million which originally proposed to be used in selected innovative oncology product candidates that were then pending IND approvals or in preclinical stages (including SIM323, subcutaneous PD-L1 single domain antibody combination therapy 1 and subcutaneous PD-L1 single domain antibody combination therapy 2), (iii) part of the unutilized Net Proceeds amounted to approximately HK$31.74 million which originally proposed to be used in other selected innovative central nervous system product candidates that were then preparing for the IND application or in pre-clinical stages, and (iv) part of the unutilized Net Proceeds amounted to approximately HK$0.79 million which originally proposed to be used in selected autoimmune disease product candidates SIM-335, to be reallocated to the continuous R&D of selected autoimmune disease product candidates and oncology disease product candidates that are currently under development (including Rademikibart (IL-4R α), SIM0500 (humanized GPRC5D-BCMA-CD3 trispecific antibody), SIM0270 (oral SERD inhibitor), SIM0237 (PD-L1/IL15v bispecific antibody) and SIM0505 (CDH6ADC)). For details of the change in use of proceeds, please refer to the announcements of the Company dated April 15, 2021, August 31, 2022 and December 23, 2024 (the "**Announcements**"). As of June 30, 2025, the accumulative amount of Net Proceeds utilized was HK$3,298.72 million and the Net Proceeds unutilized was HK$214.37 million. The Company intends to apply the unutilized Net Proceeds as of June 30, 2025 in the manner and proportion set out in the Prospectus and the Announcements.

INDEPENDENT AUDITOR'S REVIEW REPORT

Review report to the board of directors of
Simcere Pharmaceutical Group Limited
(Incorporated in Hong Kong with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 47 to 80, which comprises the consolidated statement of financial position of Simcere Pharmaceutical Group Limited (the "**Company**") as of June 30, 2025 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity and condensed consolidated cash flow statement 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 an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard ("**HKAS**") 34 *Interim financial reporting* as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). The directors are responsible for the preparation and presentation of the interim financial report in accordance with HKAS 34.

Our responsibility is to express a conclusion, based on our review, on this interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity* as issued by the HKICPA. A review of interim financial report consists of making enquiries, 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 report as at June 30, 2025 is not prepared, in all material respects, in accordance with HKAS 34 *Interim financial reporting*.

KPMG
Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

August 21, 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended June 30, 2025 — unaudited

(Expressed in Renminbi)

	Note	Six months ended June 30, 2025 RMB'000	2024 RMB'000
Revenue	4	**3,584,912**	3,113,524
Cost of sales		**(691,062)**	(651,592)
Gross profit		**2,893,850**	2,461,932
Other income	5(a)	**68,595**	71,476
Other net loss	5(b)	**(29,814)**	(90,519)
Research and development costs		**(632,421)**	(566,129)
Selling and distribution expenses		**(1,350,545)**	(1,155,619)
Administrative and other operating expenses		**(264,192)**	(230,806)
(Provision for)/reversals of impairment loss on trade and other receivables		**(827)**	1,825
Profit from operations		**684,646**	492,160
Finance income	6(a)	**26,548**	25,411
Finance costs	6(a)	**(13,671)**	(18,366)
Interest expenses arising from redemption liability	6(a)	**(34,865)**	(5,103)
Net finance (costs)/income		**(21,988)**	1,942
Share of (losses)/profits of associates		**(1,908)**	18
Share of profits of joint ventures		**1,735**	573
Profit before taxation	6	**662,485**	494,693
Income tax	7	**(58,878)**	(38,093)
Profit for the period		**603,607**	456,600
Attributable to:			
Equity shareholders of the Company		**603,607**	456,600
Non-controlling interest		**–**	–
Profit for the period		**603,607**	456,600
Earnings per share	8		
Basic (RMB)		**0.25**	0.18
Diluted (RMB)		**0.25**	0.18

The notes on pages 55 to 80 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in Note 20(a).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended June 30, 2025 — unaudited

(Expressed in Renminbi)

	Six months ended June 30,	
	2025 RMB'000	2024 RMB'000
Profit for the period	603,607	456,600
Other comprehensive income for the period (after tax adjustments)		
Items that will not be reclassified to profit or loss:		
Financial assets at fair value through other comprehensive income (FVOCI) – net movement in fair value reserves (non-recycling), net of tax	7,574	(1,055)
Exchange difference on translation of company level financial statements	(20,005)	(1,116)
Items that will be reclassified to profit or loss:		
Exchange difference on translation of financial statements of overseas subsidiaries	(1,445)	2,229
Other comprehensive income for the period	(13,876)	58
Total comprehensive income for the period	589,731	456,658
Attributable to:		
Equity shareholders of the Company	589,731	456,658
Non-controlling interest	–	–
Total comprehensive income for the period	589,731	456,658

The notes on pages 55 to 80 form part of this interim financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At June 30, 2025 — unaudited

(Expressed in Renminbi)

	Note	June 30, 2025 RMB'000	December 31, 2024 RMB'000
Non-current assets			
Property, plant and equipment	9	**2,265,580**	2,269,544
Intangible assets	9	**1,389,319**	1,025,438
Goodwill		**142,474**	142,474
Interest in associates		**59,575**	50,870
Interest in joint ventures		**104,154**	102,342
Prepayments, deposits and other receivables	14	**181,730**	178,191
Financial assets at fair value through other comprehensive income ("**FVOCI**")	10	**288,899**	279,989
Financial assets at fair value through profit or loss ("**FVPL**")	11	**925,014**	961,502
Loan to a third party		**100,096**	100,105
Time deposits	15(c)	**513,455**	498,140
Deferred tax assets		**519,585**	435,589
		6,489,881	6,044,184
Current assets			
Inventories	12	**571,387**	593,649
Contract assets		**7,684**	4,611
Trade and bills receivables	13	**2,630,649**	2,699,825
Prepayments, deposits and other receivables	14	**184,482**	178,525
Pledged deposits	15(b)	**21,763**	24,050
Restricted deposits	15(b)	**22,885**	22,014
Time deposits	15(c)	**5,717**	–
Cash and cash equivalents	15(a)	**2,670,518**	1,943,069
		6,115,085	5,465,743
Current liabilities			
Bank loans	16	**1,050,817**	1,051,139
Lease liabilities		**79,153**	67,559
Trade and bills payables	17	**187,908**	275,725
Other payables and accruals	18	**2,099,828**	1,156,198
Taxation payable		**88,956**	154,358
Provisions		**22,000**	22,000
		3,528,662	2,726,979
Net current assets		**2,586,423**	2,738,764
Total assets less current liabilities		**9,076,304**	8,782,948

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At June 30, 2025 — unaudited

(Expressed in Renminbi)

	Note	June 30, 2025 RMB'000	December 31, 2024 RMB'000
Non-current liabilities			
Bank loans	16	**7,889**	8,254
Lease liabilities		**91,691**	82,417
Deferred income		**366,279**	377,686
Deferred tax liabilities		**67,578**	72,704
Other financial liability	19	**1,143,637**	1,008,772
Other non-current liability		**165,000**	165,000
		1,842,074	1,714,833
NET ASSETS		**7,234,230**	7,068,115
CAPITAL AND RESERVES			
Share capital	20	**3,184,369**	3,173,805
Reserves	20	**4,049,861**	3,894,310
Total equity attributable to equity shareholders of the Company		**7,234,230**	7,068,115
Non-controlling interest		**–**	–
TOTAL EQUITY		**7,234,230**	7,068,115

Approved and authorized for issue by the board of directors on August 21, 2025.

Ren Jinsheng

Wan Yushan

Directors

The notes on pages 55 to 80 form part of this interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended June 30, 2025 — unaudited

(Expressed in Renminbi)

		Attributable to equity shareholders of the Company								
	Note	Share capital RMB'000	Other reserve RMB'000	PRC statutory reserve RMB'000	Exchange reserve RMB'000	Fair value reserve (non-recycling) RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interest RMB'000	Total equity RMB'000
Balance at January 1, 2024		3,173,805	97,370	965,008	102,087	12,149	2,872,317	7,222,736	–	7,222,736
Changes in equity for the six months ended June 30, 2024:										
Profit for the period		–	–	–	–	–	456,600	456,600	–	456,600
Other comprehensive income		–	–	–	1,113	(1,055)	–	58	–	58
Total comprehensive income		–	–	–	1,113	(1,055)	456,600	456,658	–	456,658
Equity settled share-based transactions	20(b)	–	32,543	–	–	–	–	32,543	–	32,543
Purchase of own shares		–	–	–	–	–	(401,740)	(401,740)	–	(401,740)
Appropriation of dividends	20(a)	–	–	–	–	–	(401,484)	(401,484)	–	(401,484)
Balance at June 30, 2024		3,173,805	129,913	965,008	103,200	11,094	2,525,693	6,908,713	–	6,908,713

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended June 30, 2025 — unaudited

(Expressed in Renminbi)

		Attributable to equity shareholders of the Company								
	Note	Share capital RMB'000	Other reserve RMB'000	PRC statutory reserve RMB'000	Exchange reserve RMB'000	Fair value reserve (non-recycling) RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interest RMB'000	Total equity RMB'000
Balance at June 30, 2024 and July 1, 2024, as restated		3,173,805	129,913	965,008	103,200	11,094	2,525,693	6,908,713	-	6,908,713
Changes in equity for the six months ended December 31, 2024:										
Profit for the period		-	-	-	-	-	276,565	276,565	-	276,565
Other comprehensive income		-	-	-	13,574	90,241	-	103,815	-	103,815
Total comprehensive income		-	-	-	13,574	90,241	276,565	380,380	-	380,380
Appropriation of reserve		-	-	241,101	-	-	(241,101)	-	-	-
Equity settled share-based transactions	20(b)	-	65,267	-	-	-	-	65,267	-	65,267
Purchase of own shares		-	-	-	-	-	(286,245)	(286,245)	-	(286,245)
Balance at December 31, 2024		3,173,805	195,180	1,206,109	116,774	101,335	2,274,912	7,068,115	-	7,068,115

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended June 30, 2025 — unaudited

(Expressed in Renminbi)

	Note	Attributable to equity shareholders of the Company								
		Share capital RMB'000	Other reserve RMB'000	PRC statutory reserve RMB'000	Exchange reserve RMB'000	Fair value reserve (non-recycling) RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interest RMB'000	Total equity RMB'000
Balance at January 1, 2025		3,173,805	195,180	1,206,109	116,774	101,335	2,274,912	7,068,115	-	7,068,115
Changes in equity for the six months ended June 30, 2025:										
Profit for the period		-	-	-	-	-	603,607	603,607	-	603,607
Other comprehensive income		-	-	-	(21,450)	7,574		(13,876)	-	(13,876)
Total comprehensive income		-	-	-	(21,450)	7,574	603,607	589,731	-	589,731
Equity settled share-based transactions	20(b)	-	41,432	-	-	-	-	41,432	-	41,432
Vesting of restricted shares	20(b)	10,564	(10,564)	-	-	-	-	-	-	-
Purchase of own shares	20(c)	-	-	-	-	-	(74,302)	(74,302)	-	(74,302)
Appropriation of dividends	20(a)	-	-	-	-	-	(390,746)	(390,746)	-	(390,746)
Balance at June 30, 2025		3,184,369	226,048	1,206,109	95,324	108,909	2,413,471	7,234,230	-	7,234,230

The notes on pages 55 to 80 form part of this interim financial report.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended June 30, 2025 — unaudited

(Expressed in Renminbi)

	Note	Six months ended June 30, 2025 RMB'000	2024 RMB'000
Operating activities			
Cash generated from operations		1,081,134	906,396
Tax paid		(214,603)	(43,737)
Net cash generated from operating activities		866,531	862,659
Investing activities			
Payment for acquisition of financial assets at fair value through profit or loss		(14,351)	(36,526)
Proceeds from disposal of financial assets measured at fair value through profit or loss		2,667	36,547
Proceeds from redemption of time deposits		400,000	10,000
Payment for placement of time deposits		(410,000)	(300,000)
Payment for acquisition of intangible assets		(16,985)	(89,223)
Other cash flows used in investing activities		(71,677)	(22,762)
Net cash used in investing activities		(110,346)	(401,964)
Financing activities			
Proceeds from new bank loans		1,050,130	996,016
Repayment of bank loans		(1,050,781)	(1,214,057)
Payment for purchase of own shares		(74,302)	(401,740)
Proceeds from other financial liability		100,000	970,000
Other cash flows used in financing activities		(52,003)	(63,686)
Net cash (used in)/generated from financing activities		(26,956)	286,533
Net increase in cash and cash equivalents		729,229	747,228
Cash and cash equivalents at 1 January	15(a)	1,943,069	2,007,162
Effect of foreign exchange rate changes		(1,780)	592
Cash and cash equivalents at 30 June	15(a)	2,670,518	2,754,982

The notes on pages 55 to 80 form part of this interim financial report.

1 GENERAL INFORMATION

Simcere Pharmaceutical Group Limited (the "**Company**") was incorporated in Hong Kong on November 30, 2015 as a limited liability company with its registered office at Room 703, 7/F, Block 20E, Hong Kong Science Park Phase 3, Pak Shek Kok, New Territories, Hong Kong. The Company's shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited on October 27, 2020. The Company is an investment holding company. The Company and its subsidiaries (together, "**the Group**") are principally engaged in the research and development, manufacturing and sales of pharmaceutical products as well as rendering promotion service of pharmaceutical products that are not manufactured by the Group.

2 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard ("**HKAS**") 34, Interim financial reporting, issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). It was authorized for issue on August 21, 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in Note 3.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRSs Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG's independent review report to the Board of Directors is included on page 46.

2 BASIS OF PREPARATION - *continued*

The financial information relating to the financial year ended December 31, 2024 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended December 31, 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Companies Ordinance.

3 CHANGES IN ACCOUNTING POLICIES

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

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

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

Disaggregation of revenue

Disaggregation of revenue by business lines is as follows:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Sales of pharmaceutical products	**3,257,304**	2,955,614
Income from promotion business	**184,152**	130,398
– Promotion service income	**103,660**	130,398
– Collaborative arrangements	**80,492**	–
License income	**121,987**	–
Research service income	**21,469**	27,512
	3,584,912	3,113,524

The Group's revenue from contracts with customers were recognized at point in time with the amount of RMB3,563,443,000 (six months ended June 30, 2024: RMB3,086,012,000) and were recognized over time with the amount of RMB21,469,000 (six months ended June 30, 2024: RMB27,512,000).

(b) Segment reporting

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

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

HKFRS 8, *Operating Segments*, requires identification and disclosure of information about an entity's geographical areas, regardless of the entity's organization (i.e. even if the entity has a single reportable segment). The Group operates within one geographical location because primarily all of its revenue was generated in the PRC and primarily all of its non-current operating assets and capital expenditure were located/incurred in the PRC. Accordingly, no geographical information is presented.

5 OTHER INCOME AND OTHER NET LOSS

(a) Other income

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Government grants	**61,791**	64,360
Rental income	**1,184**	435
Property management income	**318**	628
Consulting and technology service income	**4,108**	3,459
Others	**1,194**	2,594
	68,595	71,476

(b) Other net loss

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Net foreign exchange gain/(loss)	**7,872**	(4,869)
Net (loss)/gain on disposal of property, plant and equipment	**(259)**	108
Net realized and unrealized losses on financial assets at fair value through profit or loss	**(21,388)**	(84,175)
Net realized and unrealized gain on interest in associate at fair value through profit or loss	**4,893**	–
Reversal of provision for litigations	**–**	902
Loss on litigations	**(20,932)**	–
Net loss on disposal of intangible assets	**–**	(2,485)
	(29,814)	(90,519)

6 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Net finance costs/(income)

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Interest income from bank deposits	**(24,825)**	(23,700)
Interest income from loan to a third party	**(1,723)**	(1,711)
Finance income	**(26,548)**	(25,411)
Interest expenses on bank loans	**11,012**	15,242
Interest expenses on lease liabilities	**2,659**	3,124
Finance costs	**13,671**	18,366
Interest expenses arising from redemption liability (Note 19)	**34,865**	5,103
Net finance costs/(income)	**21,988**	(1,942)

(b) Other items

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Depreciation charge		
– owned property, plant and equipment	**105,219**	108,424
– right-of-use assets	**38,556**	39,459
Amortization of intangible assets	**32,149**	13,365
Provision for write-down of inventories	**39,067**	29,969

7 INCOME TAX

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

	Six months ended June 30,	
	2025 RMB'000	2024 RMB'000
Current tax		
PRC Corporate Income Tax		
Provision for the period	136,305	160,507
Over – provision in respect of prior years	(8,766)	(5,262)
	127,539	155,245
Overseas Corporate Income Tax		
Provision for the period	298	75
Deferred tax		
Origination and reversal of temporary differences	(68,959)	(117,227)
	58,878	38,093

The provision for PRC income tax is based on the respective corporate income tax rates applicable to the subsidiaries located in the PRC as determined in accordance with the relevant income tax rules and regulations of the PRC.

Taxation for overseas subsidiaries is similarly calculated using the estimated annual effective rates of taxation that are expected to be applicable in the relevant countries.

(b) Pillar Two income tax

The Company is part of a multinational enterprise group which is subject to the Global Anti-Base Erosion Model Rules ("**Pillar Two model rules**") published by the Organisation for Economic Cooperation and Development.

From January 1, 2024, the Group's earnings in United Kingdom and Finland is subject to the domestic minimum top-up tax that was introduced by United Kingdom and Finland with effect from 1 January 2024. The Group didn't recognise any current tax expense related to Pillar Two income taxes.

From January 1, 2025, the Group is also liable to Pillar Two income taxes under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 for its earnings in the Hong Kong SAR and certain other jurisdictions where a domestic minimum top-up tax has not been implemented, including the Chinese Mainland.

The Group has applied the temporary mandatory exception from deferred tax accounting for the top-up tax and accounted for the tax as current tax when incurred.

(Expressed in Renminbi unless otherwise indicated)

8 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB603,607,000 (six months ended June 30, 2024: RMB456,600,000) and the weighted average of 2,443,816,068 ordinary shares (six months ended June 30, 2024: 2,552,167,209 ordinary shares) in issue during the interim period.

Weighted average number of ordinary shares

	Six months ended June 30,	
	2025	2024
Issued ordinary shares at January 1	**2,486,320,618**	2,616,722,618
Effect of purchase of own shares (Note 20(c))	**(9,110,071)**	(30,418,363)
Effect of unvested shares under 2021 RSU Scheme (Note 20(b))	**(33,394,479)**	(34,137,046)
Weighted average number of ordinary shares at June 30	**2,443,816,068**	2,552,167,209

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB603,607,000 (six months ended June 30, 2024: RMB456,600,000) and the weighted average of 2,447,249,758 ordinary shares (six months ended June 30, 2024: 2,552,167,209 shares).

Weighted average number of ordinary shares (diluted)

	Six months ended June 30,	
	2025	2024
Weighted average number of ordinary shares at June 30	**2,443,816,068**	2,552,167,209
Effect of contingently issuable shares under 2021 RSU scheme (Note 20(b))	**3,433,690**	–
Weighted average number of ordinary shares (diluted) at June 30	**2,447,249,758**	2,552,167,209

9 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(a) Right-of-use assets

During the six months ended June 30, 2025, additions to right-of-use assets were RMB60,952,000 (six months ended June 30, 2024: RMB57,575,000). Apart from that, items of right-of-use assets with a net book value of RMB1,735,000 (six months ended June 30, 2024: RMB5,144,000) were disposed of during the six months ended June 30, 2025, resulting in a loss on disposal of RMB282,000 (six months ended June 30, 2024: RMB304,000).

As at June 30, 2025, leasehold land with net book value of RMB109,490,000 (2024: RMB110,641,000) was pledged as security for banking facilities, which were not used.

(b) Acquisitions and disposals of owned assets

During the six months ended June 30, 2025, the Group acquired items of property, plant and equipment at a cost of RMB80,988,000 (six months ended June 30, 2024: RMB173,130,000).

Apart from that, items of property, plant and equipment with a net book value of RMB394,000 (six months ended June 30, 2024: RMB1,048,000) were disposed of during the six months ended June 30, 2025, resulting in a gain on disposal of RMB23,000 (six months ended June 30, 2024: RMB196,000).

During the six months ended June 30, 2025, additions to intangible assets were RMB396,030,000 (six months ended June 30, 2024: RMB253,563,000) arising from in-licensed rights. Apart from that, items of intangible asset with a net book value of nil (six months ended June 30, 2024: RMB2,485,000) were disposed of during the six months ended June 30, 2025, resulting in a loss on disposal of nil (six months ended June 30, 2024: RMB2,485,000).

10 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	June 30, 2025 RMB'000	December 31, 2024 RMB'000
Equity securities designated at FVOCI (non-recycling)		
– Listed equity securities	13,767	4,857
– Unlisted equity security	275,132	275,132
	288,899	279,989

The listed equity securities at FVOCI (non-recycling), represent investment in listed equity securities issued by listed companies incorporated in the United States. The unlisted equity security at FVOCI (non-recycling), represents investment in unlisted equity interest in a private entity incorporated in the PRC. These investments are engaged in research and development of innovative pharmaceutical products.

The Group designated these investments at FVOCI (non-recycling), as the investments are held for strategic purposes. No dividends were received on these investments during the six months ended June 30, 2025 and 2024.

The analysis on the fair value measurement of the above financial assets is disclosed in Note 23.

11 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2025 RMB'000	December 31, 2024 RMB'000
Financial assets at FVPL		
– Listed equity securities	97,978	65,718
– Unlisted equity investments	334,275	386,567
– Unlisted units in investment funds	492,761	509,217
	925,014	961,502

The Group's balances of financial assets at FVPL represent listed equity securities issued by listed company incorporated in Australia, the Cayman Islands and the United States, the unlisted equity investments in private entities incorporated in the PRC, the United States and the Cayman Islands and unlisted units in investment funds incorporated in the PRC, the United States, and the Netherlands. These investments are primarily engaged or further invested in the healthcare and pharmaceutical sectors.

The analysis on the fair value measurement of the Group's above financial assets is disclosed in Note 23.

12 INVENTORIES

	June 30, 2025 RMB'000	December 31, 2024 RMB'000
Raw materials	345,653	312,483
Semi-finished goods	59,984	48,447
Finished goods	165,750	232,719
	571,387	593,649

During the six months ended June 30, 2025, the Group recognized a write-down of RMB39,067,000 (six months ended June 30, 2024: RMB29,969,000) against those inventories with net realizable value lower than carrying value. The write-down is included in cost of sales in the consolidated statement of profit or loss.

13 TRADE AND BILLS RECEIVABLES

	June 30, 2025 RMB'000	December 31, 2024 RMB'000
Trade receivables	2,357,801	2,354,916
Bills receivable	290,025	361,272
	2,647,826	2,716,188
Less: loss allowance	(17,177)	(16,363)
	2,630,649	2,699,825

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

As at June 30, 2025, bills receivable of RMB40,566,000 were pledged for issuance of bills payable (2024: RMB44,070,000).

13 TRADE AND BILLS RECEIVABLES - *continued*

Aging analysis

As of the end of the reporting period, the aging analysis of trade and bills receivables, based on the invoice date and net of loss allowance, is as follows:

	June 30, 2025 RMB'000	December 31, 2024 RMB'000
Within 3 months	2,241,827	2,315,332
Over 3 months but within 6 months	316,810	340,237
Over 6 months but within 9 months	70,820	41,365
Over 9 months but within 12 months	1,192	2,891
	2,630,649	2,699,825

Trade receivables are due within 30 - 90 days from the date of billing.

14 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	June 30, 2025 RMB'000	December 31, 2024 RMB'000
Current		
Prepayments for raw materials and expenses	87,342	90,321
Value added tax recoverable	98,925	82,572
Other deposits and receivables	20,741	28,145
	207,008	201,038
Less: loss allowance	(22,526)	(22,513)
	184,482	178,525
Non-current		
Prepayments for property, plant and equipment	15,920	13,125
Other deposits and receivables	10,012	9,268
Prepayments for exclusive commercialization rights	155,798	155,798
	181,730	178,191

All of prepayments, deposits and other receivables current balances are expected to be recovered or recognized as expense within one year.

15 CASH AND CASH EQUIVALENTS, TIME DEPOSITS, PLEDGED DEPOSITS AND RESTRICTED DEPOSITS

(a) Cash and cash equivalents comprise:

	June 30, 2025 RMB'000	December 31, 2024 *RMB'000*
Cash at bank	2,670,518	1,943,069

As of the end of the reporting period, cash and cash equivalents situated in Chinese Mainland amounted to RMB2,170,164,000 (2024: RMB1,851,234,000). Remittance of funds out of Chinese Mainland is subject to relevant rules and regulations of foreign exchange control.

(b) Pledged deposits and restricted deposits comprise:

	June 30, 2025 RMB'000	December 31, 2024 RMB'000
Pledged deposits for		
– issuance of letter of guarantee	21,763	24,050

	June 30, 2025 RMB'000	December 31, 2024 RMB'000
Restricted deposits for		
– 2021 RSU Scheme	13,021	13,070
– research and development projects	9,744	8,740
– litigations	120	204
	22,885	22,014

(c) Time deposits:

	June 30, 2025 RMB'000	December 31, 2024 RMB'000
Current portion	5,717	–
Non-current portion	513,455	498,140
	519,172	498,140

16 BANK LOANS

The maturity profile for the interest-bearing bank loans of the Group at the end of each reporting period is as follows:

	June 30, 2025 RMB'000	December 31, 2024 RMB'000
Short-term bank loans	1,050,104	1,050,423
Current portion of long-term bank loans	713	716
Within 1 year or on demand	1,050,817	1,051,139
After 1 year but within 2 years	664	665
After 2 years but within 5 years	1,991	1,994
After 5 years	5,234	5,595
	7,889	8,254
	1,058,706	1,059,393

As at June 30, 2025 and December 31, 2024, the bank loans were unsecured.

17 TRADE AND BILLS PAYABLES

	June 30, 2025 RMB'000	December 31, 2024 RMB'000
Trade payables	178,126	241,356
Bills payable	9,782	34,369
	187,908	275,725

17 TRADE AND BILLS PAYABLES - *continued*

As of the end of the reporting period, the aging analysis of trade and bills payables, based on the invoice date, is as follows:

	June 30, 2025 RMB'000	December 31, 2024 RMB'000
Within 3 months	130,970	198,001
3 to 12 months	51,450	52,571
Over 12 months	5,488	25,153
	187,908	275,725

All of the trade and bills payables are expected to be settled within one year or repayable on demand.

18 OTHER PAYABLES AND ACCRUALS

	June 30, 2025 RMB'000	December 31, 2024 RMB'000
Accrued expenses (Note i)	316,267	475,667
Contract liabilities (Note ii)	383,224	28,160
Payable for employee reimbursements	16,952	17,660
Payables for staff related costs	329,796	328,041
Payables for acquisition of property, plant and equipment	24,367	32,017
Payable for acquisition of intangible assets	379,045	–
Dividends payable	389,324	–
Other tax payables	122,544	158,008
Payables for research and development costs	61,279	51,408
Others	77,030	65,237
	2,099,828	1,156,198

Notes:

(i) Accrued expenses primarily comprise marketing and promotion expenses, research and development costs and other expenses.

(ii) Contract liabilities represent the advances received from the contract with customers.

19 OTHER FINANCIAL LIABILITY

On February 24, 2024, Hainan Simcere Zaiming Pharmaceutical Co., Ltd. ("**Simcere Zaiming**"), a PRC subsidiary of the Group, entered into capital contribution agreement with certain investors (the "**2024 Investors**"), pursuant to which Simcere Zaiming issued additional 52,559,000 shares for a total consideration of RMB970,000,000. The capital contribution was completed on June 4, 2024 with all consideration received.

On April 21, 2025, Simcere Zaiming entered into capital contribution agreement with another investor (the "**2025 Investor**"), pursuant to which Simcere Zaiming issued additional 5,418,426 shares for a total consideration of RMB100,000,000. The capital contribution was completed on June 6, 2025 with all consideration received.

In addition to voting rights and dividend rights same as other equity holders of Simcere Zaiming, certain special rights including repurchase rights, liquidation preference rights and anti-dilution rights are granted to these investors.

After occurrence of certain events agreed in the agreement, the 2024 Investors and 2025 Investor shall have the right to require the Company and/or Simcere Zaiming to repurchase their shares in Simcere Zaiming at a repurchase price, which is the higher of (i) the investment amount paid by the 2024 Investors and 2025 Investor, plus an annual compound interest of 7% calculated from the payment date of its investment amount and further adjusted by any dividends; and (ii) the audited consolidated net book asset value of Simcere Zaiming as of the end of the most recent quarter.

Since there is an obligation for the Group to purchase its own equity instrument for cash when certain conditions set out in the agreement are met, it gives rise to a financial liability for the present value of the redemption amount. The subsequent changes of the financial liability under amortised costs are recognised in profit or loss directly.

Movements of the redemption liability are as follows:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Balance at the beginning of the period	**1,008,772**	–
Additions during the period	**100,000**	970,000
Interest expenses arising from redemption liability	**34,865**	5,103
Balance at the end of the period	**1,143,637**	975,103

20 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

Dividends payable to equity shareholders of the Company attributable to the previous financial years, declared and approved during the period:

	Six months ended June 30,	
	2025 RMB'000	2024 RMB'000
Dividends in respect of previous financial years declared and approved during the interim period, RMB0.16 per share (six months ended June 30, 2024: RMB0.16 per share)	**395,952**	406,946
Less: Dividends attributable to unvested shares under 2021 RSU scheme	**(5,206)**	(5,462)
	390,746	401,484

The directors did not recommend payment of interim dividends for the six months ended June 30, 2025 and 2024.

(b) Equity settled share-based transactions

*(i) 2021 Restricted Stock Unit ("**RSU**") scheme ("**2021 RSU Scheme**") adopted by the Company*

On May 20, 2021, the board of the Company approved the adoption of the 2021 RSU Scheme and would grant up to 137,296,927 RSUs, representing 137,296,927 underlying shares to the directors and employees of the Company and its subsidiaries ("**the Participants**") under the 2021 RSU Scheme in aggregate.

On June 15, 2023, the shareholders of the Company approved the amendments of the 2021 RSU Scheme and would grant up to 266,404,561 RSUs, representing 266,404,561 underlying shares to the Participants under the 2021 RSU Scheme in aggregate.

During the six months ended June 30, 2025, nil shares (six months ended June 30, 2024: nil shares) was allotted and issued to Futu Trustee Limited or Tricor Trust (Hong Kong) Limited ("**the Trustees**"). As at June 30, 2025, the total shares allotted and issued to the Trustees were 55,404,000 shares (2024: 55,404,000 shares). Neither the Participants nor the Trustees may exercise any of the voting rights in respect of any shares held by the Trustees for the purpose of the 2021 RSU Scheme.

(Expressed in Renminbi unless otherwise indicated)

20 CAPITAL, RESERVES AND DIVIDENDS - *continued*

(b) Equity settled share-based transactions - *continued*

*(i) 2021 Restricted Stock Unit ("**RSU**") scheme ("**2021 RSU Scheme**") adopted by the Company - continued*

The terms and conditions of the grants are as follows:

	Number of RSUs	Vesting condition	Consideration per RSU RMB
2021 RSU Scheme			
– on July 16, 2021	10,838,000	Graded vest of one third per year over three years from the date of grant and subject to performance conditions	Nil
– on November 1, 2021	8,712,000	Graded vest of one third on August 27, 2022, 2023 and 2024 respectively, and subject to performance conditions	Nil
– on December 23, 2021	11,841,000	Graded vest of one third per year over three years from the date of grant and subject to performance conditions	Nil
– on May 11, 2022	6,810,000	Graded vest of one third of 1,500,000 RSUs on January 17, 2023, 2024 and 2025, respectively, one third of 5,310,000 RSUs per year over three years from the date of grant and both subject to performance conditions	Nil
–on September 28, 2022	14,489,000	Graded vest of half of 80,000 RSUs on May 11, 2023 and 2024, Graded vest of one third of 528,000 RSUs on May 11, 2023, 2024 and 2025, respectively, Graded vest of one third of 13,881,000 RSUs on September 28, 2023, 2024 and 2025 and all subject to performance conditions	Nil
– on November 9, 2022	3,669,000	Cliff vest of 154,000 RSUs on November 9, 2023, Graded vest of one third of 3,515,000 RSUs on November 9, 2023, 2024 and 2025, and both subject to performance conditions	Nil
– on June 28, 2023	4,282,000	Cliff vest of 76,000 RSUs on June 28, 2024, Graded vest of one third of 4,206,000 RSUs on June 28, 2024, 2025 and 2026, and both subject to performance conditions	Nil
– on March 21, 2024	3,817,500	Cliff vest of 430,500 RSUs on March 21,2025, Graded vest of half of 126,000 RSUs on March 21, 2025 and 2026, respectively, Graded vest of one third of 3,261,000 RSUs on March 21, 2025, 2026 and 2027, and all subject to performance conditions	Nil
– on August 22, 2024	2,955,900	Cliff vest of 2,734,100 RSUs on August 22, 2025, Graded vest of one third of 221,800 RSUs on August 22, 2025, 2026 and 2027, respectively, and all subject to performance conditions	Nil
– on March 25, 2025	1,777,000	Cliff vest of 400,000 RSUs on March 25, 2026, Graded vest of one third of 1,377,000 RSUs on March 25, 2026, 2027 and 2028, respectively, and all subject to performance conditions	Nil

(Expressed in Renminbi unless otherwise indicated)

20 CAPITAL, RESERVES AND DIVIDENDS - *continued*

(b) Equity settled share-based transactions - *continued*

*(i) 2021 Restricted Stock Unit ("**RSU**") scheme ("**2021 RSU Scheme**") adopted by the Company - continued*

A summary of RSUs outstanding for the six months ended June 30, 2025 and 2024:

	June 30, 2025		June 30, 2024	
	Weighted average grant-date fair value RMB	Number of RSUs	Weighted average grant-date fair value RMB	Number of RSUs
Balance at the beginning of the period	5.43	9,886,840	7.00	8,545,000
Grant during the period	6.94	1,777,000	4.98	3,817,500
Vested during the period	5.80	(1,821,850)	–	–
Forfeited during the period	6.36	(2,285,300)	6.57	(1,058,000)
Balance at the end of the period	5.62	7,556,690	6.36	11,304,500

The grant-date fair value of the RSUs granted is measured based on the closing price of the Company's shares at the respective grant dates.

During the six months ended June 30, 2025, RMB3,075,000 (six months ended June 30, 2024: RMB10,199,000) was charged to the profit or loss in respect of the 2021 RSU Scheme as equity settled share-based transactions.

(Expressed in Renminbi unless otherwise indicated)

20 CAPITAL, RESERVES AND DIVIDENDS - *continued*

(b) Equity settled share-based transactions - *continued*

(ii) Share incentive scheme adopted by Simcere Zaiming

In March 2024, the board of directors and shareholders of Simcere Zaiming approved the adoption of a share incentive scheme ("**Zaiming Share Incentive Scheme**") to the directors, supervisors, senior management and core employees ("**the Zaiming Participants**") of the Simcere Zaiming and its subsidiaries, pursuant to which, the total shares to be granted shall be additional 20,319,096 ordinary shares of Simcere Zaiming to be subscribed for by the Zaiming Participants (either directly or through any intermediate shareholding vehicles), representing approximately 4.43% of the enlarged issued share capital of Simcere Zaiming immediately upon completion of the capital contribution of Simcere Zaiming (see Note 19).

The terms and conditions of the grants are as follows:

	Number of share options	Vesting condition	Consideration per share options RMB
Zaiming Share Incentive Scheme			
– on March 20, 2024	17,113,000	Graded vest of one fourth per year over four years from the date of grant and subject to performance conditions	5.49
– on August 6, 2024	1,440,000	Graded vest of one fourth per year over four years from the date of grant and subject to performance conditions	5.49
– on May 6, 2025	1,770,000	Graded vest of one fourth per year over four years from the date of grant and subject to performance conditions	5.83

A summary of shares outstanding for the six months ended June 30, 2025 and 2024:

	June 30, 2025		June 30, 2024	
	Weighted average grant-date fair value RMB	Number of share options	Weighted average grant-date fair value RMB	Number of share options
Outstanding at the beginning of the period	11.74	17,199,000	–	–
Grant during the period	11.39	1,770,000	11.74	17,113,000
Forfeited during the period	11.74	(270,000)	11.74	(134,000)
Outstanding at the end of the period	11.71	18,699,000	11.74	16,979,000
Exercisable at the end of the period		4,232,250		–

(Expressed in Renminbi unless otherwise indicated)

20 CAPITAL, RESERVES AND DIVIDENDS - *continued*

(b) Equity settled share-based transactions - *continued*

(ii) Share incentive scheme adopted by Simcere Zaiming - continued

The fair value of services received in return for the shares granted is measured by reference to the fair value of such equity instruments on the grant date, of which the estimation is measured based on the Black-Scholes model with the following assumptions:

Grant date	May 6, 2025	March 20, 2024/ August 16, 2024
Risk-free interest rate	1.38% – 1.50%	1.81% – 2.17%
Expected volatility	60.65% – 64.93%	57.69% – 64.64%
Expected dividend yield	–	–

The spot price used in the Black-Scholes model was determined with reference to the fair value of the underlying equity interest of Simcere Zaiming in the recent capital transaction close to the grant date.

During the six months ended June 30, 2025, RMB38,357,000 (six months ended June 30, 2024: RMB22,344,000) was charged to the profit or loss in respect of the Zaiming Share Incentive Scheme as equity settled share-based transactions.

(c) Purchase of own shares

During the interim period, the Company repurchased its own shares on The Stock Exchange of Hong Kong Limited as follows:

Trading date	Number of shares repurchased	Highest price paid per share HKD	Lowest price paid per share HKD	Aggregate price HKD
January 2025	8,336,000	6.93	6.34	55,107,010
April 2025	3,287,000	7.97	7.30	25,262,070
Total	11,623,000			80,369,080
Equivalent to RMB				74,302,000

The repurchase was governed by section 257 of the Hong Kong Companies Ordinance. The total amount paid on the repurchased shares of HKD80,369,080 (RMB equivalent 74,302,000) was paid wholly out of retained profits.

21 CAPITAL COMMITMENTS

Capital commitments outstanding at June 30, 2025 not provided for in the interim financial report:

	June 30, 2025 RMB'000	December 31, 2024 RMB'000
Contracted for	462,093	436,784
Represented by:		
Construction of plant and buildings	438,644	409,349
Acquisition of machinery and equipment	23,449	27,435
	462,093	436,784

22 MATERIAL RELATED PARTY TRANSACTIONS

(a) Names and relationships of the related parties that had material transactions with the Group:

Name of related party	Relationship
Mr. Ren Jinsheng	Ultimate controlling shareholder of the Group
Beijing Simcere Sanroad Biological Products Co., Ltd.	Controlled by the ultimate controlling shareholder of the Group
BioSciKin Precision Medical Holding Group Co., Ltd.	Controlled by the ultimate controlling shareholder of the Group
Nanjing BioSciKin Asset Management Co., Ltd.	Controlled by the ultimate controlling shareholder of the Group
Nanjing Medway Culture Media Co., Ltd.	Controlled by the ultimate controlling shareholder of the Group
Jiangsu Simcere Medical Diagnostics Co., Ltd.	Controlled by a close family member of the ultimate controlling shareholder of the Group
Jiangsu Simcere Medical Device Co., Ltd.	Controlled by a close family member of the ultimate controlling shareholder of the Group
Shenzhen Xianbo Biotechnology Co., Ltd.	Controlled by the ultimate controlling shareholder of the Group
Nanjing Simcere Medical Inspection Laboratory Co., Ltd.	Controlled by a close family member of the ultimate controlling shareholder of the Group
Shanghai Xianbo Biological Technology Co., Ltd.	Controlled by the ultimate controlling shareholder of the Group
Xianwei (Hainan) Biotechnology Co., Ltd.	Controlled by the ultimate controlling shareholder of the Group
Nanjing Xuanwu Youai Clinic Co., Ltd.	Controlled by the ultimate controlling shareholder of the Group

22 MATERIAL RELATED PARTY TRANSACTIONS - *continued*

(b) Significant related party transactions:

The Group had following transactions with related parties:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Purchase of goods		
Shanghai Xianbo Biological Technology Co., Ltd.	**4**	–

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Purchase of services		
Beijing Simcere Sanroad Biological Products Co., Ltd.	**33,175**	5,141
Nanjing Simcere Medical Inspection Laboratory Co., Ltd.	**496**	526
Nanjing Medway Culture Media Co., Ltd.	**460**	457
Jiangsu Simcere Medical Diagnostics Co., Ltd.	**178**	4
Jiangsu Simcere Medical Device Co., Ltd.	**4**	–
Nanjing Xuanwu Youai Clinic Co., Ltd.	**–**	38
	34,313	6,166
Rendering of services		
Jiangsu Simcere Medical Diagnostics Co., Ltd.	**1,903**	2,830
Beijing Simcere Sanroad Biological Products Co., Ltd.	**87**	–
BioSciKin Precision Medical Holding Group Co., Ltd.	**74**	–
Jiangsu Simcere Medical Device Co., Ltd.	**14**	–
Shenzhen Xianbo Biotechnology Co., Ltd.	**8**	–
Nanjing Simcere Medical Inspection Laboratory Co., Ltd.	**5**	–
	2,091	2,830
Receiving rental, property management and other related services		
BioSciKin Precision Medical Holding Group Co., Ltd.	**10,008**	11,459
Nanjing BioSciKin Asset Management Co., Ltd.	**1,060**	930
	11,068	12,389
Providing rental, property management and other related services		
Xianwei (Hainan) Biotechnology Co., Ltd.	**551**	785

(Expressed in Renminbi unless otherwise indicated)

22 MATERIAL RELATED PARTY TRANSACTIONS - *continued*

Leasing arrangements

During the six months ended June 30, 2025, the Group newly entered into lease contracts with a related party in respect of leasehold property for research and development activities or office use, with lease term of three years. The monthly rental payment by the Group under these leases is RMB2,350,000, which was determined with reference to amounts charged by the related party to third parties. At the commencement date of the lease, the Group recognized a right-of-use asset and a lease liability of RMB60,696,000. As at June 30, 2025, the balance of right-of-use assets and lease liabilities for lease contracts with related parties amounted to RMB61,740,000 and RMB62,105,000, respectively.

23 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Financial assets and liabilities measured at fair value

(i) Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of each reporting period on a recurring basis, categorized into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

– Level 1 valuations:	Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;
– Level 2 valuations:	Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available;
– Level 3 valuations:	Fair value measured using significant unobservable inputs.

23 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS - *continued*

(a) Financial assets and liabilities measured at fair value - *continued*

(i) Fair value hierarchy - continued

The Group has a team headed by the finance manager performing valuations for the financial instruments, including unlisted equity investments and unlisted units in investment funds which are categorized into Level 3 of the fair value hierarchy. The team reports directly to the chief financial officer. A valuation report with analysis of changes in fair value measurement is prepared by the team at each interim and annual reporting date, and is reviewed and approved by the chief financial officer. Discussion of the valuation process and results with the chief financial officer is held twice a year, to coincide with the reporting dates.

	Fair value at June 30, 2025 RMB'000	Fair value measurement at June 30, 2025 categorized into Level 1	Level 2	Level 3
Recurring fair value measurement				
Financial assets at FVOCI				
– Listed equity securities	13,767	13,767	–	–
– Unlisted equity security	275,132	–	275,132	–
Financial assets at FVPL				
– Listed equity security	97,978	97,978	–	–
– Unlisted equity investments	334,275	–	148,956	185,319
– Unlisted units in investment funds	492,761	–	–	492,761
Interest in associates	50,613	–	50,613	–

	Fair value at December 31, 2024 RMB'000	Fair value measurement at December 31, 2024 categorized into Level 1	Level 2	Level 3
Recurring fair value measurement				
Financial assets at FVOCI				
– Listed equity securities	4,857	4,857	–	–
– Unlisted equity security	275,132	–	275,132	–
Financial assets at FVPL				
– Listed equity securities	65,718	65,718	–	–
– Unlisted equity investments	386,567	–	200,927	185,640
– Unlisted units in investment funds	509,217	–	–	509,217
Interest in associates	40,000	–	40,000	–

(Expressed in Renminbi unless otherwise indicated)

23 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS - *continued*

(a) Financial assets and liabilities measured at fair value - *continued*

(i) Fair value hierarchy - continued

During the six months ended June 30, 2025, there were no transfers between Level 1 and Level 2. During the six months ended June 30, 2025, there were transfers of amount of nil (2024: RMB66,033,000) from level 2 to level 3 due to significant unobservable inputs in 2024. During the six months ended June 30, 2025, there were no transfers (2024: RMB142,480,000) from Level 3 to Level 2 due to the available recently comparable transaction with significant observable inputs in 2025. The Group's policy is to recognize transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of unlisted equity securities, certain unlisted equity investments and interest in associates in Level 2 is determined by recent comparable transaction price on the market. These investments were either acquired, re-invested by the Group recently or newly financed on the market.

(ii) Information about Level 3 fair value measurements

	Valuation techniques	Significant unobservable inputs
Unlisted equity investments	Comparable transactions adjusted approach/market approach (Note i)	Changing trend of medium market multiples of comparable companies/medium market multiples of comparable companies
Unlisted units in investment funds	Net asset value (Note ii)	Net asset value of underlying investments

Notes:

(i) The fair value of certain unlisted equity investments is determined using comparable transactions adjusted approach or market approach adjusted for changing trend of medium market multiples of comparable companies or medium market multiples of comparable companies. The fair value measurement is positively correlated to the changing trend of medium market multiples of comparable companies. As at June 30, 2025, it is estimated that with all other variables held constant, an increase/decrease in change of medium market multiples of comparable companies by 5% would have increased/decreased the Group's profit for the period by RMB8,651,000 (2024: RMB RMB8,667,000).

(ii) The fair value of unlisted units in investment funds is determined referencing net asset value of underlying investments. The fair value measurement is positively correlated to net asset value of underlying investments. As at June 30, 2025, it is estimated that with all other variables held constant, an increase/decrease in net asset value of underlying investments by 5% would have increased/decreased the Group's profit for the period by RMB22,202,000 (2024: RMB23,004,000).

23 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS - *continued*

(a) Financial assets and liabilities measured at fair value - *continued*

(ii) Information about Level 3 fair value measurements - continued

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurement in Level 3 of the fair value hierarchy:

	June 30, 2025 RMB'000	June 30, 2024 RMB'000
Financial assets at FVPL		
At January 1	**694,857**	970,696
Net realized and unrealized losses on financial assets at fair value through profit or loss	**(8,936)**	(83,525)
Purchases	**–**	36,526
Sales and settlements	**(2,667)**	(52,099)
Exchange difference	**(5,174)**	3,222
As at June 30	**678,080**	874,820

(b) Fair values of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair values as at December 31, 2024 and June 30, 2025.