中慧生物
Ab&B Bio-Tech

江蘇中慧元通生物科技股份有限公司
Ab&B Bio-Tech CO., LTD. JS

(A joint stock company established in the People's Republic of China with limited liability)
Stock Code: 2627

2025
INTERIM REPORT

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. An Youcai *(chairman of our Board)*
Ms. Li Runxiang
Mr. He Yiming

Non-executive Directors

Mr. Cheng Qianwen
Mr. Yu Jianlin
Mr. Du Mu

Independent non-executive Directors

Mr. Li Xiangming
Ms. Li Xiaoqing
Mr. Chen Chengbei

SUPERVISORS

Mr. Feng Hao *(chairman of the Supervisory Committee)*
Mr. Wang Shuguang
Mr. Wang Wei

AUDIT COMMITTEE

Ms. Li Xiaoqing *(Chairperson)*
Mr. Li Xiangming
Mr. Cheng Qianwen

REMUNERATION AND APPRAISAL COMMITTEE

Mr. Chen Chengbei *(Chairperson)*
Ms. Li Xiaoqing
Ms. Li Runxiang

NOMINATION COMMITTEE

Mr. Li Xiangming *(Chairperson)*
Ms. Li Xiaoqing
Mr. Yu Jianlin

JOINT COMPANY SECRETARIES

Ms. Zhang Yangyang
Ms. Lin Sio Ngo *(CGI, HKCGI)*

AUTHORIZED REPRESENTATIVES

Mr. An Youcai
Ms. Li Runxiang

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditor
35/F, One Pacific Place
88 Queensway
Hong Kong

LEGAL ADVISOR

As to Hong Kong laws:
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18 Chater Road
Central, Hong Kong

As to PRC laws:
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Dongcheng District
Beijing
PRC

COMPLIANCE ADVISOR

Octal Capital Limited
801-805, 8/F
Nan Fung Tower
88 Connaught Road Central
Central, Hong Kong

CORPORATE INFORMATION

STRATEGY COMMITTEE

Mr. An Youcai *(Chairperson)*
Mr. Cheng Qianwen
Mr. Li Xiangming

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

No. 32, Xinglin Road
Medical High-tech Zone
Taizhou, Jiangsu
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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COMPANY WEBSITE

www.abbbio.com

STOCK CODE

2627

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PRINCIPAL BANKS

Bank of Nanjing Taizhou Branch

Bank of China Fengcheng Branch

Bank of Shanghai Taizhou Branch

FINANCIAL HIGHLIGHTS

The Board is pleased to announce the unaudited consolidated interim results of the Group for the six months ended June 30, 2025, together with the comparative figures for the corresponding period in 2024.

FINANCIAL HIGHLIGHTS

Operation Results	**For the six months ended June 30,**	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue	**71,123**	6,978
Cost of sales	**(10,342)**	(12,599)
Gross profit (loss)	**60,781**	(5,621)
Research and development expenses	**(98,848)**	(99,865)
Loss for the period	**(121,518)**	(155,807)
Loss per share – Basic and diluted (in RMB)	**(0.34)**	(0.43)

MANAGEMENT DISCUSSION AND ANALYSIS

I. BUSINESS REVIEW AND OUTLOOK

Overview

Founded in 2015, we are a China-based vaccine company dedicated to the research, development, manufacturing and commercialization of innovative vaccines and traditional vaccines adopting new technical methods. Our vaccine pipeline encompasses both innovative products that are capable of meeting domestic demand and global standards and traditional vaccine adopting new technical methods. As of the Latest Practicable Date, we have two Core Products, the quadrivalent subunit influenza vaccine and lyophilized (freeze-dried) human rabies vaccine candidate. We also have 11 other vaccine candidates covering various disease areas with considerable needs for vaccination. The following chart summarizes our pipeline as of the Latest Practicable Date. All of our vaccine product and product candidates are, or expected to be, classified as Class II vaccines in China.

Product	Indication	Route of Administration	R&D	Preclinical	IND Approval	Clinical			NDA Approval	Regulatory Agency	Expected Near-term Milestone
						Phase I	Phase II	Phase III			
Quadrivalent subunit influenza vaccine*	Influenza (3 years and above)	Intramuscular injection	Self-developed							NMPA	Completion of post-approval safety study in Q4 2025
	Influenza (6 to 35 months)	Intramuscular injection	Self-developed							NMPA	Commencement of post-approval protective efficacy study in 1H 2026
Adjuvanted quadrivalent subunit influenza vaccine	Influenza (65 years and above)	Intramuscular injection	Self-developed							NMPA	Commencement of Phase I clinical trial in Q4 2025
Trivalent subunit influenza vaccine	Influenza (3 years and above)	Intramuscular injection	Self-developed							NMPA	NDA approval in Q3 or Q4 2025
	Influenza (6 to 35 months)	Intramuscular injection	Self-developed							NMPA	NDA approval in Q3 or Q4 2025
Adjuvanted trivalent subunit influenza vaccine	Influenza (65 years and above)	Intramuscular injection	Self-developed							NMPA	Commencement of Phase I clinical trial in Q4 2025
Lyophilized human rabies vaccine (human diploid cell)*	Rabies	Intramuscular injection	Self-developed							NMPA	Commencement of Phase III clinical trial in Q3 2025
PPSV23	Invasive pneumococcal diseases	Intramuscular injection	Acquired†							NMPA	Commencement of Phase III clinical trial in Q4 2025 or Q1 2026
Recombinant zoster vaccine (CHO cell) ◇	Herpes zoster	Intramuscular injection	Self-developed							NMPA	Completion of Phase I clinical trial in 1H 2026
Recombinant RSV vaccine (CHO cell) △	RSV LRTI	Intramuscular injection	Self-developed‡							NMPA/FDA	Commencement of Phase I clinical trial in Q1 2026
mRNA RSV vaccine	RSV LRTI	Intramuscular injection	Self-developed‡							NMPA	Pre-IND application in Q3 or Q4 2025
mRNA mpox vaccine	Mpox	Intramuscular injection	Self-developed							NMPA	Pre-IND application in Q4 2025
PCV24	Invasive pneumococcal diseases	Intramuscular injection	Self-developed							NMPA	Pre-IND application in Q1 2026
Live attenuated varicella vaccine	Varicella	Intramuscular injection	Self-developed							NMPA	Pre-IND application in Q1 2026
Tetanus toxoid adsorbed vaccine	Tetanus	Intramuscular injection	Self-developed							NMPA	Pre-IND application in Q4 2025

MANAGEMENT DISCUSSION AND ANALYSIS

* Core Product

† We contracted to acquire this asset before the clinical stage. We were and will continue to be responsible for clinical development.

‡ Self-developed with licensed antigen sequence

△ As of the Latest Practicable Date, we have obtained IND approvals from the NMPA and FDA.

◇ As of the Latest Practicable Date, we have completed participant enrollment and completed preliminary safety report for the Phase I clinical trial and have completed participant enrollment for the Phase II clinical trial of our recombinant zoster vaccine.

Note:

Clinical trial phases marked as  are not required by the NMPA.

LRTI: lower respiratory tract infection; PPSV: pneumococcal polysaccharide vaccine; PCV: pneumococcal conjugate vaccine; RSV: respiratory syncytial virus

Our Core Products

Quadrivalent Subunit Influenza Vaccine

Our quadrivalent subunit influenza vaccine, being marketed under the brand name Huierkangxin (慧爾康欣), is designed to offer broad protection against two influenza A viruses (H1N1 and H3N2 subtypes) and two influenza B viruses (Yamagata and Victoria lineages). Compared to whole-pathogen or split-virion vaccines, subunit influenza vaccines contain only crucial components of the viruses and require further purification after viral split, thus facilitating precise antigen targeting and ensuring a better safety profile with lower risks of adverse reactions. As a result, subunit influenza vaccines, including our quadrivalent subunit influenza vaccine, are typically priced at a premium relative to whole-pathogen and split-virion vaccines.

We completed the Phase III clinical trial of quadrivalent subunit influenza vaccine in healthy participants aged 3 years or above in China in December 2021 and completed a Phase III clinical trial in healthy participants aged 6-35 months in China in April 2024. Our quadrivalent subunit influenza vaccine received NDA approval from the NMPA for use in individuals aged three years and above in May 2023 and for use in individuals aged 6 to 35 months in September 2025. It was the first and only quadrivalent subunit influenza vaccine approved in China for all age groups at full dosage level as of Latest Practicable Date. Employing our in-house manufacturing facilities and sales and marketing team, we commenced commercialization of this vaccine in September 2023. As of June 30, 2025, we manufactured all of our quadrivalent subunit influenza vaccine products in-house.

We are in the process of developing (i) an adjuvanted version of the vaccine for individuals aged 65 and above; (ii) a trivalent subunit influenza vaccine for individuals aged three years and above and aged 6 to 35 months; and (iii) an adjuvanted trivalent subunit influenza vaccine for individuals aged 65 and above. Upon approval of such vaccines, we expect to achieve a subunit influenza vaccine franchise that features full age- and valent-range coverage.

MANAGEMENT DISCUSSION AND ANALYSIS

Lyophilized Human Rabies Vaccine (Human Diploid Cell)

The lyophilized human rabies vaccine (human diploid cell) candidate is designed for prevention against rabies, which can be prevented with proper vaccination immediately after exposure to the virus but is almost always fatal once symptoms show. According to the UK Department of Public Health, regions across Asia, including China, are classified as high-risk regions for rabies exposure from land-based animals. Our rabies vaccine candidate is developed based on human diploid cells, which are recommended by the WHO as one of the safest cell culture substrates for the production of viral vaccines. Our rabies vaccine candidate demonstrated a promising safety profile in its completed Phase I clinical trial.

We are developing the rabies vaccine candidate for three immunization regimens: Essen (five doses), Zagreb (four doses) and simplified four-dose. We obtained an IND approval for the Essen regimen in November 2022 and approval of our supplemental clinical trial application for the Zagreb and simplified four-dose regimens in April 2023. We completed a Phase I clinical trial of the candidate in October 2024. As of the Latest Practicable Date, we had begun preparing for the Phase III clinical trial, completed sample quality self-inspection, finalized submission to the National Institutes for Food and Drug Control for testing, and received approval from the ethics committee.

Cautionary Statement required under Rule 18A.08 (3) of the Listing Rules

We cannot guarantee that we will ultimately develop or market our Core Product successfully. Shareholders and potential investors of our Company are advised to exercise due care when dealing in the Shares of our Company.

Our Other Product Candidates

Trivalent Subunit Influenza Vaccine

In order to better adapt to the evolving virological landscape of influenza viruses and cater to diverse immunization needs of the broad market in China, we are also developing a trivalent subunit influenza vaccine in addition to our quadrivalent subunit influenza vaccine. Our trivalent subunit influenza vaccine candidate aims to provide protection against two influenza A viruses (H1N1 and H3N2 subtypes) and one influenza B virus (Victoria lineage), aligning with the coverage recommended by the WHO for the 2024-2025 northern hemisphere influenza season. Our trivalent subunit influenza vaccine candidate leverages the established formulation of our approved quadrivalent subunit influenza vaccine, using the same bulk antigen with one influenza B virus subtype (Yamagata) omitted in the formulation.

Leveraging the preclinical and clinical results of our quadrivalent subunit influenza vaccine, our NDAs for the trivalent subunit influenza vaccine candidate for individuals aged 3 years and above and for the 6 to 35 months age group were accepted by the NMPA in September 2024. We are currently developing an adjuvanted version of this vaccine candidate for individuals aged 65 and above.

23-valent pneumococcal polysaccharide vaccine (PPSV23)

We are developing a PPSV23 candidate indicated for individuals aged two years and above. Our PPSV23 candidate elicited robust immunogenic responses in participants aged two years and above in our Phase I clinical trial. After completion of the Phase I trial, we undertook significant process improvement, including the use of ion-exchange chromatography instead of ethanol precipitation, thereby eliminating harmful substances like ethanol and phenol and enhancing product safety.

MANAGEMENT DISCUSSION AND ANALYSIS

Recombinant Zoster Vaccine (CHO cell)

We are developing a recombinant zoster vaccine candidate with self-developed dual adjuvants indicated for individuals aged 40 years and above. In preclinical animal studies, our recombinant zoster vaccine candidate stimulated stronger cell-mediated immune responses that are crucial for fighting varicella-zoster virus infections compared to a marketed recombinant zoster vaccine developed by an international pharmaceutical company, which could potentially translate into stronger protective efficacy.

We obtained an IND approval for Phase I and Phase II clinical trials of our recombinant zoster vaccine candidate in August 2024. We initiated a Phase I trial in February 2025 and a Phase II trial in July 2025.

24-valent pneumococcal conjugate vaccine (PCV24)

We are developing a PCV24 candidate that could potentially offer protection for a wider demographic, including infants below the two-year age limit. In addition, our PCV24 candidate could provide broad protection against 24 pneumococcal serotypes, significantly reducing the risk of invasive diseases such as meningitis, pneumonia and sepsis. This vaccine candidate employs a single carrier protein, CRM197, to ensure consistent immune responses while simplifying manufacturing, enhancing scalability and maintaining cost-effectiveness. We have completed process development for carrier protein CRM197 and cell banking, and initiated GMP production of CRM197.

Recombinant RSV Vaccine (CHO Cell)

We are developing the recombinant RSV vaccine candidate to provide protection for adults, including pregnant women, against acute RSV infections and associated severe lower respiratory tract diseases. Our recombinant RSV vaccine candidate is developed based on CHO cells and expresses the modified pre-F protein. We submitted IND applications to the NMPA and the FDA in May and June 2025, respectively. We have obtained IND approvals from both the NMPA and the FDA in August 2025.

mRNA RSV Vaccine

Our mRNA RSV vaccine candidate is indicated for individuals aged 60 years and above and aims to provide protection against acute RSV infections and associated severe lower respiratory tract diseases. This vaccine candidate utilizes synthetic mRNA, which is engineered to encode the RSV pre-F protein and encapsulated in lipid nanoparticles (LNPs) that protect the mRNA from degradation and facilitate its cellular uptake. As of the Latest Practicable Date, we are conducting preclinical studies of the vaccine candidate.

mRNA Mpox Vaccine

We are developing the mRNA mpox vaccine candidate as a new-generation prophylactic vaccine, formulated using a quadrivalent orthopoxvirus antigen and mRNA-LNP technology platform. Our mRNA mpox vaccine candidate is designed for the prevention of mpox for individuals aged 18 years and above. As of the Latest Practicable Date, we are conducting preclinical studies of the vaccine candidate.

Live Attenuated Varicella Vaccine

We are developing a live attenuated varicella vaccine candidate indicated for healthy, varicella-susceptible individuals aged 12 months and above. The vaccine candidate is developed utilizing the Oka strain of the VZV, which is propagated in human diploid cells (MRC-5) and subsequently lyophilized with stabilizing agents. We have completed the establishment of cell bank and seed lot for the live attenuated varicella vaccine candidate.

MANAGEMENT DISCUSSION AND ANALYSIS

Tetanus Toxoid Adsorbed Vaccine

We are developing a vaccine candidate containing tetanus toxoid, with *clostridium tetani* cultivated in a suitable medium to produce the toxin, which is then refined, detoxified with formaldehyde and purified before being combined with an aluminium hydroxide-based adjuvant. Our tetanus toxoid adsorbed vaccine candidate aims to induce the production of protective antitoxin antibodies upon immunization. We have completed the process scale-up and production of three pilot batches of drug substance of the tetanus toxoid adsorbed vaccine candidate.

Research and Development

We believe research and development is critical to our ability to remain competitive in the industry and have built up strong research and development capabilities to identify and develop high-potential and high-quality vaccines. Our research and development activities are led by a team of experienced scientists, including Dr. Chen Ze, who is our chief scientist and has nearly 28 years of experience in the fields of virology, pharmaceuticals and biotechnology, and Dr. Yelin Xiong, who has over 35 years of experience in the fields of pharmaceuticals and biotechnology and currently oversees our mRNA vaccine research platform and polysaccharide conjugation technology platform. Our research and development team also includes Mr. Li Guangfu, who is the director of our clinical development department and has over 20 years of experience in the pharmaceutical industry, Mr. Xu Qi (manager of our process development department) and Ms. Leng Wenna (manager of our quality research department), both of whom have around ten years of experience in the research and development of vaccines and were key members in the development of our Core Products. As of June 30, 2025, 46.1% of our in-house research and development team held doctoral or master's degrees.

We have established three comprehensive vaccine development support platforms, namely our genetic engineering and protein expression and purification platform, mRNA vaccine research platform and adjuvant development and production platform, enabling the discovery and development of new vaccines across various categories. These are complemented by our distinctive proprietary technology platforms, including our large-scale amplification platform, polysaccharide conjugation technology platform and microbes and immunity research platform, to further enhance our research and development capabilities. As a result, we had successfully obtained nine IND approvals from the NMPA for our vaccine candidates as of June 30, 2025.

Manufacturing

As of June 30, 2025, all of our quadrivalent subunit influenza vaccine products and our vaccine candidates used in our clinical trials were manufactured in our No. 1 Manufacturing Facility located at our headquarters in Taizhou. Our No. 1 Manufacturing Facility has a GFA of over 48,000 sq.m. and is equipped with advanced equipment and machinery. Our No. 1 Manufacturing Facility currently has three operational production lines, including one influenza vaccine production line with a designed annual production capacity of 4.0 million doses of quadrivalent and trivalent subunit influenza vaccines, a rabies vaccine production line with a designed annual production capacity of 5.0 million doses of rabies vaccines and a pneumococcal vaccine production line with a designed annual production capacity of 15.0 million doses of PPSV23 and PCV24. As of June 30, 2025, we also had a second influenza vaccine production line in our No. 1 Manufacturing Facility undergoing process validation. We are also constructing two manufacturing facilities in our headquarters, namely our No. 2 Manufacturing Facility to expand our manufacturing capacity of influenza vaccines and No. 3 Manufacturing Facility for manufacturing recombinant protein vaccines (recombinant RSV vaccine and recombinant zoster vaccine).

MANAGEMENT DISCUSSION AND ANALYSIS

Commercialization

We sell our quadrivalent subunit influenza vaccines, which are Class II vaccines, directly to CDCs. Through successful bids at public tenders, our quadrivalent subunit influenza vaccine has completed the market entry process in 30 provinces and been chosen by over 1,100 district- and county-level CDCs in local selections.

We have established an in-house sales and marketing team covering sales, marketing, medical affairs and operations. We also engage third-party marketing service providers to support our daily marketing activities. Our market outreach strategy is anchored in academic promotion. We keep frequent communications with CDCs, local POVs and related healthcare professionals through academic events, vaccine-related research projects, regular visits, on-site trainings and post-administration follow-ups on the safety and effectiveness of our product. Our product design and promotional strategies also place an emphasis on special populations, such as pregnant women and people with chronic diseases.

Intellectual Property

As of June 30, 2025, we had 190 patents in China, including 37 invention patents and 153 utility models. As of June 30, 2025, we had nine patent applications in China and two patent applications overseas. In particular, with respect to our Core Products, we had 12 registered patents for our quadrivalent subunit influenza vaccine and 5 registered patents for our rabies vaccine. All of our patents and patent applications as of June 30, 2025 were self-owned. As of June 30, 2025, we had registered 33 trademarks in China and two trademarks in Hong Kong. As of the same date, we were also the registered owner of four domain names in China. For the six months ended June 30, 2025, we had not been involved in any material proceeding in respect of, and we had not received notice of any material claim of infringement of, any intellectual property rights that may be threatened or pending, in which we may be a claimant or a respondent that may have a material adverse impact on us.

Employees and Remuneration

As of June 30, 2025, the Group had 583 employees, all of whom were based in China.

The number of employees of the Group varies from time to time depending on need. The remuneration package of the Group's employees includes salary, bonus and equity incentives, which are generally determined by their qualifications, industry experience, position and performance. Our Company makes contributions to social insurance and housing provident funds in accordance with relevant laws and regulations.

Our Company has conditionally adopted an Employee Incentive Scheme to eligible participants for their contribution or potential contribution to the Group.

For the six months ended June 30, 2025, the Group did not experience any material labor disputes or strikes that may have a material adverse effect on the Group's business, financial condition or results of operations, or any difficulty in recruiting employees.

Future Outlook

Going forward, we plan to pursue the following strategies, which we believe will further strengthen our core competitive strengths and enable us to capture rising business opportunities,

- Efficiently advance post-approval studies and clinical trials for our Core Products;
- Accelerate the development of other vaccine candidates to address unmet clinical needs and enrich our vaccine pipeline;
- Continue to upgrade our technology platforms and enhance core technology competitiveness;
- Further strengthen manufacturing capacity and commercialization capabilities; and
- Venture into international markets to extend commercial value of vaccine candidates.

II. FINANCIAL REVIEW

The following discussion is based on, and should be read in conjunction with, the financial information and the notes included elsewhere in this interim results announcement.

Analysis of our Key Items of our Results of Operations

Revenue

Our revenue increased significantly from RMB7.0 million for the six months ended June 30, 2024 to RMB71.1 million for the six months ended June 30, 2025 as we ramped up our sales of quadrivalent subunit influenza vaccines and made adjustment to our revenue to true up the estimated sales return for the sales in 2024.

Cost of Sales

Our cost of sales decreased by 18.3% from RMB12.6 million for the six months ended June 30, 2024 to RMB10.3 million for the six months ended June 30, 2025, primarily in line with our enhanced inventory management.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross loss of RMB5.6 million and gross loss margin of 80.0% for the six months ended June 30, 2024 turned to gross profit of RMB60.8 million and gross profit margin of 85.5% for the six months ended June 30, 2025.

Other Income

Our other income decreased by 65.7% from RMB16.6 million for the six months ended June 30, 2024 to RMB5.7 million for the six months ended June 30, 2025. Our other income in the six months ended June 30, 2024 was relatively high, primarily attributable to a one-off government subsidy received in the six months ended June 30, 2024 in relation to the NDA approval of our quadrivalent subunit influenza vaccine.

Research and Development Expenses

During the Reporting Period, our research and development expenses primarily consist of (i) labor costs for our R&D personnel, (ii) trial and testing expenses, including both in-house and outsourced R&D activities, (iii) depreciation and amortization, (iv) R&D material costs, (v) share-based payments for our R&D personnel, and (vi) rental expenses.

MANAGEMENT DISCUSSION AND ANALYSIS

Our research and development expenses remained relatively stable at RMB99.9 million and RMB98.8 million for the six months ended June 30, 2024 and 2025, respectively.

	Six months ended June 30,	
	2025	2024
	RMB '000	RMB '000
	(Unaudited)	(Unaudited)
Labor costs	**29,490**	29,669
Trial and testing expenses	**8,517**	18,894
Depreciation and amortization	**22,928**	16,462
Material costs	**19,538**	14,056
Share-based payments	**5,298**	9,004
Rental expenses	**225**	586
Others	**12,852**	11,194
Total	**98,848**	99,865

Selling Expenses

During the Reporting Period, our selling expenses primarily consisted of (i) marketing expenses related to our quadrivalent subunit influenza vaccines, including product promotion and marketing expenses and market conference costs, (ii) labor costs for our sales personnel, and (iii) share-based payments for sales personnel.

Our selling expenses increased by 91.5% from RMB24.7 million for the six months ended June 30, 2024 to RMB47.3 million for the six months ended June 30, 2025, primarily due to an increase in marketing expenses as we further intensified our product promotion efforts in 2025.

Administrative Expenses

During the Reporting Period, our administrative expenses primarily consisted of (i) labor costs; (ii) share-based payments; (iii) depreciation and amortization; (iv) professional service fees; and (v) other administrative expenses mainly consisted of travel expenses, recruitment costs, repair expenses, general office expenses and other miscellaneous costs.

Our administrative expenses decreased by 17.6% from RMB31.8 million for the six months ended June 30, 2024 to RMB26.2 million for the six months ended June 30, 2025, primarily due to a decrease in share-based payments mainly as a result of (i) the continuous vesting of share incentives, and (ii) the forfeiture of share incentives granted to employees who left the Company before vesting.

Listing Expenses

We incurred listing expenses in relation to listing of H Shares on Stock Exchange of approximately RMB11.0 million for the six months ended June 30, 2025. We did not incur any to such listing expense for the six months ended June 30, 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

Finance Costs

Our finance costs increased by 32.1% from RMB7.8 million for the six months ended June 30, 2024 to RMB10.3 million for the six months ended June 30, 2025, primarily due to an increase in interest expense on bank borrowings mainly as a result of increased borrowings in the six months ended June 30, 2025.

Loss for the Period

As a result of the foregoing, our loss for the Reporting Period decreased by 22.0% from RMB155.8 million for the six months ended June 30, 2024 to RMB121.5 million for the six months ended June 30, 2025.

Analysis of our Key Items of our Financial Position

Inventories

Our inventories increased by 86.3% from RMB57.8 million as of December 31, 2024 to RMB107.7 million as of June 30, 2025 to meet increasing product demand.

Trade Receivables

Our trade receivables decreased by 48.0% from RMB284.9 million as of December 31, 2024 to RMB148.2 million as of June 30, 2025, primarily due to our proactive effort to collect the outstanding trade receivables.

Trade and Other Payables

Our trade and other payables (current and non-current) decreased by 0.4% from RMB458.0 million as of December 31, 2024 to RMB456.1 million as of June 30, 2025 as we settled certain trade payables in the six months ended June 30, 2025.

Capital Management

We manage our capital to ensure that entities in our Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

Our capital structure consists of net debt, which includes borrowings and lease liabilities, net of cash and cash equivalents and equity of our Group, comprising share capital and reserves. Our Directors review the capital structure on a continuous basis taking into account the cost of capital and the risks associated with each class of capital. We will balance our overall capital structure through the issue of new shares and borrowing, if necessary.

Liquidity and Capital Resources

Our uses of cash primarily relate to the research and development of our vaccine candidates, manufacturing and marketing of quadrivalent subunit influenza vaccine, the purchase of equipment and machinery and construction of manufacturing facilities. In the six months ended June 30, 2025, we primarily funded our working capital requirement through equity financing, bank borrowings and cash generated from our operations. We monitor and maintain a level of cash and cash equivalents deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flows. As our business develops and expands, we expect to generate more cash from our operating activities through the sales of quadrivalent subunit influenza vaccine and launching new vaccine products. Going forward, we believe our liquidity requirements will be satisfied by funds from a combination of cash from operations, cash and cash equivalents, borrowings and net proceeds from the Global Offering. As of June 30, 2025, our cash and cash equivalents amounted to RMB108.4 million.

MANAGEMENT DISCUSSION AND ANALYSIS

Our net operating cash outflow during the Reporting Period was RMB31.9 million, representing an increase from cash outflow of RMB107.9 million in same period of 2024. Our net cash used in operating activities during the Reporting Period is calculated by adjusting our loss before income tax of RMB121.5 million by non-cash profit or loss items and changes in working capital.

Net Current Liabilities

Our net current liabilities increased by 16.3% from RMB413.1 million as of December 31, 2024 to RMB480.3 million as of June 30, 2025, primarily attributable to a decrease in our cash and cash equivalents and increase in borrowings to support the continuous research and development of our products and manufacturing and promotion of the quadrivalent subunit influenza vaccines.

Indebtedness

Borrowings

As of June 30, 2025, we had total borrowings of RMB907.8 million, as compared to that of RMB809.5 million as of December 31, 2024. The increase in our borrowings was primarily to support our operational needs and construction of manufacturing facilities.

Lease Liabilities

Our lease liabilities are in relation to properties that we lease primarily for production, daily business operations and R&D functions. As of December 31, 2024 and June 30, 2025, we recognized total lease liabilities of RMB49.3 million and RMB8.7 million, respectively. The decrease in our lease liabilities was primarily because we terminated certain leases in the six months ended June 30, 2025.

Amounts Due to Shareholders

As of December 31, 2024, we had borrowings from Mr. An Youcai and Mr. He Yiming, two of our controlling shareholders, of RMB27.7 million. Such amounts due to shareholders have been settled as of June 30, 2025.

Loans from Third Parties

As of June 30, 2025, we had loans from third parties of RMB16.1 million recorded in trade and other payables. These loans bore an annual interest of 3% and may be repayable upon demand.

Charge on Assets

As of June 30, 2025, there was RMB145.3 million charged on assets of our Group (December 31, 2024: RMB149.3 million).

Asset-Liability Ratio

Our asset-liability ratio (calculated as total liabilities divided by total assets as of the same date) slightly increased from 0.91x as of December 31, 2024 to 0.98x as of June 30, 2025, mainly attributable to the operating loss in the six months ended June 30, 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Capital Expenditures and Capital Commitments

Our capital expenditure was primarily used for purchase of property, plant and equipment for the construction of the manufacturing facilities. Our capital expenditure amounted to RMB141.0 million and RMB47.0 million for the six months ended June 30, 2024 and 2025, respectively.

As of December 31, 2024 and June 30, 2025, we had capital commitments contracted but not yet provided for of RMB378.1 million and RMB353.0 million, respectively, primarily in relation to the acquisition of plant and equipment in connection to the manufacturing facilities.

As disclosed in the Prospectus, we plan to apply approximately HK$20.2 million from the proceeds from the Global Offering upgrading our manufacturing facilities and equipment for our quadrivalent subunit influenza vaccine and human rabies vaccine candidate. Save as disclosed above, the Group had no other material capital expenditure or investment plan as of June 30, 2025.

Contingent Liabilities

As of June 30, 2025, our Company did not have any material contingent liabilities.

Currency Risk

We were not exposed to significant currency risk, and did not experience any material impact on our operations resulting from fluctuation in exchange rates during the Reporting Period. However, our management monitors our foreign currency risk exposure and will review and adjust our currency risk measures in accordance with our needs.

SIGNIFICANT INVESTMENT AND MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Our Company had no significant investment and/or material acquisition or disposal of subsidiaries, associates and joint ventures during the six months ended June 30, 2025.

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

We are committed to achieving high standards of corporate governance which are crucial to our development and safeguard the interests of our Shareholders, and recognize the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of our Group to achieve effective accountability.

The Corporate Governance Code has become applicable to the Company with effect from the Listing Date. Following the Listing, the Company has adopted corporate governance practices based on the principles and code provisions as set out in the Corporate Governance Code as its own code of corporate governance practices. Since the Listing Date and up to the Latest Practicable Date, the Company has complied with the applicable code provisions under the Corporate Governance Code set out in Part 2 of Appendix C1 to the Listing Rules, save for code provision C.2.1.

According to code provision C.2.1 of Part 2 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The roles of chairman of the Board and general manager are currently performed by Mr. An. In view of Mr. An's substantial contribution to our Group since our establishment and his extensive experience, our Board believes that it is in the best interest of our Group to have Mr. An taking up both roles for effective management and operations. Therefore, our Directors consider that the deviation from such code provision is appropriate. Notwithstanding such deviation, our Directors are of the view that our Board is able to work efficiently and perform its responsibilities with all key and appropriate issues discussed in a timely manner. In addition, as all major decisions will be made in consultation with members of our Board and the relevant Board committees, and there are three independent non-executive Directors on our Board offering independent perspective, our Board is therefore of the view that there are adequate safeguards in place to ensure sufficient balance of powers within our Board. Our Board shall nevertheless review the structure and composition of our Board and senior management from time to time in light of prevailing circumstances to maintain a high standard of corporate governance practices of our Company.

COMPLIANCE WITH THE MODEL CODE

Since its Listing, the Company has adopted the Model Code as the code of conduct regulating dealings in securities of the Company by its Directors, Supervisors and employees who are in possession of inside information in relation to the Group or the Company's securities.

In response to specific enquiries made by the Board, all Directors and Supervisors confirmed that they have complied with the provisions of the Model Code since the Listing Date and up to the Latest Practicable Date.

CORPORATE GOVERNANCE AND OTHER INFORMATION

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The Company was listed on the Main Board of the Stock Exchange on August 11, 2025. A total of 33,442,600 H Shares at an issue price of HK$12.90 per share were issued in connection with its Global Offering. The gross proceeds raised by the Company from the issuance of new shares in connection with its Global Offering amounted to approximately HK$431.4 million, and the net proceeds (after deducting the underwriting commission, incentive fees, other professional parties' fees and other listing expenses) amounted to approximately HK$382.7 million (the "**IPO Net Proceeds**").

The table below sets out the future plan for the intended uses of IPO Net Proceeds and their expected timeline of utilization based on the Company's current estimation:

Intended Use	**Approximate percentage of the IPO Net**	**IPO Net Proceeds allocated for the intended use** (HK$ million)	**Amount of IPO Net Proceeds utilized for each intended use as of the Latest Practicable Date** (HK$ million)	**Amount of IPO Net Proceeds unutilized for each intended use as of the Latest Practicable Date** (HK$ million)	**Expected timeline for utilizing the IPO Net Proceeds in full**
Developing and domestically and internationally registering our Core Products	63.6%	243.4	0	243.4	By the end of 2027
Developing and registering our other vaccine candidates	18.1%	69.3	2.3	67.0	By the end of 2026
Enhancing our manufacturing and commercialization capabilities	8.4%	32.1	6.3	25.8	By the end of 2026
Developing, upgrading and operating our technology platforms	4.9%	18.8	4.1	14.7	By the end of 2026
Working capital and other general corporate purposes	5.0%	19.1	7.0	12.1	By the end of 2026
Total	100%	382.7	19.7	363.0	

As of the Latest Practicable Date, there had not been any change in the intended use of the IPO Net Proceeds and the expected implementation timeline as previously disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus, and we did not anticipate any material change to our plan on such intended use of the IPO Net Proceeds.

CORPORATE GOVERNANCE AND OTHER INFORMATION

INTERIM DIVIDEND

The Board did not recommend the distribution of any interim dividend during the Reporting Period.

PRINCIPAL RISKS AND UNCERTAINTIES

Our business faces risks including those set out in the section headed "Risk Factors" in the Prospectus. The following list is a summary of certain principal risks and uncertainties facing the Group, some of which are beyond its control:

- The development of new vaccine products is complex, uncertain, time-consuming and costly.
- We may be unable to obtain regulatory approval for our vaccine candidates under applicable regulatory requirements. The denial or delay of any such approval would delay development and commercialization of our vaccine candidates and adversely impact our potential to generate revenue, our business and our results of operations.
- Results of earlier studies and trials of our vaccine candidates may not be predictive of future trial results and completion of clinical trials does not guarantee regulatory approval of the vaccine candidate.
- Our vaccines may cause undesirable side effects or have other properties that could delay or prevent their regulatory approval, limit the commercial profile of an approved label, or result in significant negative consequences following marketing approval, if any.
- Our pipeline of vaccine candidates is limited.
- The data and information that we gather in our research and development process could be inaccurate or incomplete.
- Even if we receive regulatory approval for our products, we will be subject to ongoing or additional regulatory obligations and continued regulatory review, which may result in significant additional expenses.
- If we encounter difficulties enrolling participants in our clinical trials, our clinical development activities could be delayed or otherwise adversely affected.
- We invest substantial resources in research and development in order to develop our vaccine candidates and enhance our technology platforms, which we may not be able to do successfully.
- We might not be able to continue to identify, discover, develop or obtain regulatory approval for suitable vaccine candidates.
- We may not achieve our projected development goals in the time frames we announce and expect, or at all, which could materially and adversely affect our business and prospects.
- We may market our vaccine products to or deal with counterparties in China and other overseas countries and regions from time to time. Changes in international trade policies, geopolitics and trade protection measures, export control and economic or trade sanctions may affect our business, financial condition and results of operations.

CORPORATE GOVERNANCE AND OTHER INFORMATION

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

Disclosure on the particulars of purchase, sale or redemption by the Company or its subsidiary of the listed securities of the Company is not applicable to the Company for the Reporting Period as the Company was not listed on the Stock Exchange during the Reporting Period. Since the Listing Date and up to the Latest Practicable Date, neither the Company nor its subsidiary have purchased, sold or redeemed any of the Company's listed securities (including sales of treasury shares within the meaning of the Listing Rules). At the end of the Reporting Period, the Company did not hold any treasury shares.

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As of June 30, 2025, the H Shares were not yet listed on the Stock Exchange and accordingly, the provisions of Divisions 7 and 8 of Part XV of the SFO were not applicable to our Company.

As of the Latest Practicable Date, the interests and short positions of the Directors, Supervisors and the chief executive of the Company in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required: (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register maintained by the Company; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Name of Director/ Supervisor/chief executive	Class of Shares	Capacity/ Nature of Interest	Number of Shares Held[1]	Approximate percentage of shareholding in the relevant class of Shares[7]	Approximate percentage of shareholding in the total issued Shares[7]
Mr. An Youcai ("**Mr. An**")	Unlisted Shares	Interest in controlled corporations[2] [3] Interests held jointly with another person[4]	38,768,328	39.93%	9.85%
	H Shares	Interest in controlled corporations[2] [3] Interests held jointly with another person[4]	125,217,129	42.25%	31.83%

CORPORATE GOVERNANCE AND OTHER INFORMATION

Name of Director/ Supervisor/chief executive	Class of Shares	Capacity/ Nature of Interest	Number of Shares Held[1]	Approximate percentage of shareholding in the relevant class of Shares[7]	Approximate percentage of shareholding in the total issued Shares[7]
Mr. He Yiming ("**Mr. He**")	Unlisted Shares	Beneficial interest	38,768,328	39.93%	9.85%
		Interests held jointly with another person[3]			
	H Shares	Beneficial interest	125,217,129	42.25%	31.83%
		Interests held jointly with another person[3]			
Mr. Cheng Qianwen ("**Mr. Cheng**")	H Shares	Interest of spouse[5]	26,743,364	9.02%	6.80%
Mr. Wang Shuguang (王曙光) ("**Mr. Wang**")	Unlisted Shares	Interest in controlled corporations[6]	9,757,945	10.05%	2.48%

Notes:

(1) All interests stated are long positions.

(2) Jiangsu Tiaoyu Science and Trade Co., Ltd. (江蘇耀宇科貿有限公司) ("**Jiangsu Tiaoyu**") is owned as to 70% by Mr. An and 30% by Ms. Cao Hong (曹紅), Mr. An's spouse. Therefore, under the SFO, Mr. An is deemed to be interested in 33,888,152 Unlisted Shares and 113,830,052 H Shares held by Jiangsu Tiaoyu.

(3) Jiangsu Tiaoyu directly owned 33,823,083 Unlisted Shares and 78,920,528 H Shares. Jiangsu Tiaoyu is the general partner of each of Taizhou Huida, Taizhou Huirong, Taizhou Huilong, Taizhou Huixin, Taizhou Huining and Taizhou Huijia, collectively, the Employee Ownership Platforms. Therefore, under the SFO, each of Mr. An and Jiangsu Tiaoyu is deemed to be interested in 65,069 Unlisted Shares and 34,909,524 H Shares held by Taizhou Huida, Taizhou Huirong, Taizhou Huilong, Taizhou Huixin, Taizhou Huining and Taizhou Huijia.

(4) Mr. He directly owned 4,880,176 Unlisted Shares and 11,387,077 H Shares. Pursuant to the Concert Party Agreement, Mr. He confirmed and agreed that he has acted and will continue to act in concert with Mr. An, Jiangsu Tiaoyu and the Directors nominated by each of them at the general meetings and Board meetings (as the case may be) in respect of the management and operations of the Company for a period from January 1, 2020 until 36 months after the signing date of the Concert Party Agreement (being December 12, 2022) or, in the event when our Shares are publicly offered and listed, 36 months after such offering and listing of our Company on the Stock Exchange. Therefore, under the SFO, each of Mr. An, Jiangsu Tiaoyu and Mr. He is deemed to be interested in the Shares held by each other.

(5) Shanghai Yijiucheng Investment Co., Ltd. (上海憶久誠投資有限公司) ("**Shanghai Yijiucheng**") directly owned 26,743,364 H Shares. Shang Yijiucheng is owned as to 70.00%, 20.00% and 10.00% to Ms. Shi Fanhui (石凡會) ("**Ms. Shi**"), Mr. Cheng Hao (程浩) and Mr. Cheng, respectively. Mr. Cheng is our non-executive Director, Ms. Shi is Mr. Cheng's spouse and Mr. Cheng Hao is Mr. Cheng's son. Therefore, under the SFO, each of Mr. Cheng and Ms. Shi is deemed to be interested in the Shares held by Shanghai Yijiucheng.

(6) Each of Pingtan Wenzhou Ruixi Investment Partnership (Limited Partnership) (平潭文周瑞璽投資合夥企業(有限合夥)) ("**Pingtan Wenzhou Ruixi**") and Pingtan Wenzhou Hangshi Ruihui Investment Partnership (Limited Partnership) (平潭文周杭實瑞慧投資合夥企業(有限合夥)) ("**Pingtan Wenzhou Hangshi**") is managed by its general partner, Shanghai Wenzhou Investment Management Co., Ltd. (上海文周投資管理有限公司) ("**Wenzhou Investment**"), which is ultimately controlled by Mr. Wang, our Supervisor. Each of Zhuzhou National Innovation Medicine Investment Partnership (Limited Partnership) (株洲市國創新藥投資合夥企業(有限合夥)) ("**Zhuzhou National Innovation**") and Zhuzhou Wenzhou Junzhe Venture Capital Partnership (Limited Partnership) (株洲市文周君喆創業投資合夥企業(有限合夥)) ("**Zhuzhou Wenzhou Junzhe**") is managed by its general partners, Wenzhou Investment and Zhuzhou SAH Innovation & Entrepreneur Investment Co., Ltd. (株洲市國投創新創業投資有限公司) ("**Zhuzhou SAH Innovation**"). Zhuzhou SAH Innovation is ultimately controlled by the State-owned Assets Supervision and Administration Commission of the Zhuzhou Municipal Government (株洲市人民政府國有資產監督管理委員會). None of the limited partners of Zhuzhou National Innovation holds more than one third partnership interests therein. Therefore, under the SFO, (i) each of Mr. Wang and Wenzhou Investment is deemed to be interested in the Shares held by Pingtan Wenzhou Ruixi, Pingtan Wenzhou Hangshi, Zhuzhou National Innovation and Zhuzhou Wenzhou Junzhe, and (ii) Zhuzhou SAH Innovation is deemed to be interested in Shares held by Zhuzhou National Innovation and Zhuzhou Wenzhou Junzhe.

(7) The calculation is based on the total issued Shares of 393,442,600 as at the Latest Practicable Date (including 97,080,755 Unlisted Shares and 296,361,845 H Shares).

CORPORATE GOVERNANCE AND OTHER INFORMATION

Save as disclosed above and to the best knowledge of the Directors and chief executive of the Company, as of the Latest Practicable Date, none of the Directors or the chief executive of the Company has any interests and/or short positions in the Shares, underlying shares or debentures of the Company or its associated corporations, which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

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

As of June 30, 2025, the H Shares were not yet listed on the Stock Exchange and accordingly, the provisions of Divisions 2 and 3 of Part XV of the SFO were not applicable to our Company.

As of the Latest Practicable Date, so far as the Directors are aware, the following persons (other than the Directors or chief executive of the Company) had an interest or a short position in the Shares or underlying shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Name of Shareholder	Class of Shares	Capacity/ Nature of Interest	Number of Shares Held[1]	Approximate percentage of shareholding in the relevant class of Shares[12]	Approximate percentage of shareholding in the total issued Shares[12]
Jiangsu Tiaoyu	Unlisted Shares	Beneficial interest[2] Interest in controlled corporations[3] Interests held jointly with another person[4]	38,768,328	39.93%	9.85%
	H Shares	Beneficial interest[2] Interest in controlled corporations[3] Interests held jointly with another person[4]	125,217,129	42.25%	31.83%
Taizhou Huida	H Shares	Beneficial interest[4] [5]	18,642,272	6.29%	4.74%
Taizhou Huixin	H Shares	Interest in controlled corporations[5]	18,642,272	6.29%	4.74%
Mr. Cai Dajian (蔡達建) ("**Mr. Cai**")	Unlisted Shares	Interest in controlled corporations[6]	14,854,442	15.30%	3.78%
	H Shares	Interest in controlled corporations[6]	14,854,442	5.01%	3.78%

CORPORATE GOVERNANCE AND OTHER INFORMATION

Name of Shareholder	Class of Shares	Capacity/ Nature of Interest	Number of Shares Held[1]	Approximate percentage of shareholding in the relevant class of Shares[12]	Approximate percentage of shareholding in the total issued Shares[12]
Ms. Guo Yan (郭雁) ("**Ms. Guo**")	Unlisted Shares	Interest in controlled corporations[6] [7]	14,854,442	15.30%	3.78%
	H Shares	Interest in controlled corporations[6] [7]	18,091,300	6.10%	4.60%
Mr. Mao Huipeng (毛慧鵬) ("**Mr. Mao**")	Unlisted Shares	Interest in controlled corporations[6] [7]	14,854,442	15.30%	3.78%
	H Shares	Interest in controlled corporations[6] [7]	18,091,300	6.10%	4.60%
Nanjing Chengyi Entrepreneurship Investment Partnership (Limited Partnership) (南京呈益創業投資合夥企業(有限合夥)) ("**Nanjing Chengyi**")	Unlisted Shares	Interest in controlled corporations[6]	14,854,442	15.30%	3.78%
	H Shares	Interest in controlled corporations[6]	14,854,442	5.01%	3.78%
Nanjing Gaotejia Medical Investment Enterprise (Limited Partnership) (南京高特佳醫療投資企業(有限合夥)) ("**Nanjing Gaotejia**")	Unlisted Shares	Interest in controlled corporations[6]	14,854,442	15.30%	3.78%
	H Shares	Interest in controlled corporations[6]	14,854,442	5.01%	3.78%

CORPORATE GOVERNANCE AND OTHER INFORMATION

Name of Shareholder	Class of Shares	Capacity/ Nature of Interest	Number of Shares Held[1]	Approximate percentage of shareholding in the relevant class of Shares[12]	Approximate percentage of shareholding in the total issued Shares[12]
Jiangsu Jiequan Gaotejia Medical Industry Investment Fund (Limited Partnership) (江蘇聯泉高特佳醫療產業投資基金(有限合夥)) ("**Jiequan Gaotejia**")	Unlisted Shares	Beneficial interest[6]	14,854,442	15.30%	3.78%
	H Shares	Beneficial interest	14,854,442	5.01%	3.78%
Ms. Shi	H Shares	Interest in controlled corporations[8]	26,743,364	9.02%	6.80%
Shanghai Yijiucheng	H Shares	Beneficial interest[8]	26,743,364	9.02%	6.80%
Wenzhou Investment	Unlisted Shares	Interest in controlled corporations[9]	9,757,945	10.05%	2.48%
Zhuzhou SAH Innovation	Unlisted Shares	Interest in controlled corporations[9]	7,179,748	7.40%	1.82%
Zhuzhou National Innovation	Unlisted Shares	Beneficial interest[9]	6,751,512	6.95%	1.72%
Qian Mingfei (錢明飛) ("**Mr. Qian**")	Unlisted Shares	Interest in controlled corporations[10]	7,734,022	7.97%	1.97%
Yingke Innovation Asset Management Co., Ltd. (盈科創新資產管理有限公司) ("**Yingke Innovation**")	Unlisted Shares	Interest in controlled corporations[10]	7,734,022	7.97%	1.97%
Qingdao City Investment Technology Development Co., Ltd. (青島城投創業投資有限公司) ("**Qingdao City Investment**")	Unlisted Shares	Interest in controlled corporations[10]	6,445,005	6.64%	1.64%
Qingdao Yingke Value Venture Capital Partnership (Limited Partnership) (青島盈科價值創業投資合夥企業(有限合夥)) ("**Qingdao Yingke Value Venture**")	Unlisted Shares	Beneficial interest[10]	6,445,005	6.64%	1.64%

CORPORATE GOVERNANCE AND OTHER INFORMATION

Name of Shareholder	Class of Shares	Capacity/ Nature of Interest	Number of Shares Held[1]	Approximate percentage of shareholding in the relevant class of Shares[12]	Approximate percentage of shareholding in the total issued Shares[12]
Sealand Innovation Capital Investment Management Co., Ltd. (國海創新資本投資管理有限公司) ("**Sealand Innovation**")	Unlisted Shares	Interest in controlled corporations[11]	10,247,556	10.56%	2.60%
Zhuzhou Sealand Guochuang Qianjin Pharmaceutical Venture Capital Partnership (Limited Partnership) (株洲市國海國創千金醫藥創業投資合夥企業(有限合夥)) ("**Zhuzhou Sealand Guochuang**")	Unlisted Shares	Beneficial interest[11]	6,015,305	6.20%	1.53%

Notes:

(1) All interests stated are long positions.

(2) Please refer to note (2) under the section headed "DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS" as disclosed in this report.

(3) Please refer to note (3) under the section headed "DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS" as disclosed in this report.

(4) Please refer to note (4) under the section headed "DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS" as disclosed in this report.

(5) Taizhou Huixin is the limited partner of Taizhou Huida, holding approximately 58.26% partnership interests therein. Therefore, under the SFO, Taizhou Huixin is deemed to be interested in Shares held by Taizhou Huida.

(6) Jiequan Gaotejia is managed by its general partner, Nanjing Gaotejia, which is owned as to 5% by Mr. Cai as its general partner, 20% by Beijing Gaotejia Asset Management Co., Ltd (北京高特佳資產管理有限公司) as its general partner and 55% by Nanjing Chengyi as its limited partner. Nanjing Chengyi is owned as to 20% by Nanjing Benyu Investment Management Co., Ltd. (南京本禹投資管理有限公司) ("**Nanjing Benyu**") (which is owned as to 80% by Mr. Mao and 20% by Ms. Guo) as its general partner and 50% by Ms. Guo as its limited partner. Therefore, under the SFO, each of Mr. Cai, Ms. Guo, Mr. Mao, Nanjing Chengyi and Nanjing Gaotejia is deemed to be interested in the Shares held by Jiequan Gaotejia.

(7) Each of Nanjing Yihui Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (南京益慧創業投資合夥企業(有限合夥)) ("**Yihui Chuangtou**") and Nanjing Yidao Equity Investment Partnership (Limited Partnership) (南京益道股權投資合夥企業(有限合夥)) ("**Nanjing Yidao**") is managed by its general partner, Nanjing Changchengit Equity Investment Fund Management Enterprise (Limited Partnership) (南京常呈益股權投資基金管理企業(有限合夥)) ("**Nanjing Changchengyi**"). Nanjing Changchengyi is owned as to 10% by Nanjing Benyu as its general partner and 35% by Ms. Guo as its limited partner. Therefore, under the SFO, each of Ms. Guo and Mr. Mao is deemed to be interested in the Shares held by Yihui Chuangtou and Nanjing Yidao.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(8) Please refer to note (5) under the section headed "DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS" as disclosed in this report.

(9) Please refer to note (6) under the section headed "DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS" as disclosed in this report.

(10) Qingdao Yingke Value Venture is owned as to 1% by Yingke Innovation as its general partner and 86.00% by Qingdao City Investment as its limited partner. Yingke Innovation is a registered private fund manager under the relevant PRC law, and is controlled as to 41.74% by Mr. Qian Mingfei (錢明飛). Qingdao City Investment is ultimately controlled by State-owned Assets Supervision and Administration Commission of Qingdao Municipal People's Government (青島市人民政府國有資產監督管理委員會). In addition, Yingke Innovation is the general partner of Qingdao Yingke Dingxin No. 1 Venture Capital Partnership (Limited Partnership) (青島盈科鼎新一號創業投資合夥企業(有限合夥)) ("**Qingdao Yingke Dingxin No. 1**") and Pingtan Puxin Yingke Ruiyuan Venture Capital Partnership (Limited Partnership) (平潭浦信盈科睿遠創業投資合夥企業(有限合夥)) ("**Pingtan Puxin Yingke**"), and Zibo Yingke Growth No. 2 Venture Capital Partnership (Limited Partnership) (淄博盈科成長二號創業投資合夥企業(有限合夥)) ("**Zibo Yingke Growth No. 2**") is managed by its general partner, Guangxi Yingji Investment Holdings Co., Ltd. (廣西盈吉投資控股有限公司), which is owned as to 51% by Yingke Innovation. Therefore, under the SFO, (i) each of Mr. Qian and Yingke Innovation is deemed to be interested in the Shares held by Qingdao Yingke Value Venture, Qingdao Yingke Dingxin No. 1, Pingtan Puxin Yingke and Zibo Yingke Growth No. 2, and (ii) Qingdao City Investment is deemed to be interested in Shares held by Qingdao Yingke Value Venture.

(11) Each of Guangxi Sealand Yuchai Venture Capital Partnership (Limited Partnership) (廣西國海玉柴金投創業投資合夥企業(有限合夥)) ("**Sealand Yuchai**"), Zhuzhou Sealand Guochuang and Shenzhen Sealand No. 5 Innovative Pharmaceutical Investment Partnership (Limited Partnership) (深圳市國海伍號創新醫藥投資合夥企業(有限合夥)) ("**Shenzhen Sealand No. 5**") is a limited partnership established under the laws of the PRC, which is principally engaged in equity investment. Each of Sealand Yuchai, Zhuzhou Sealand Guochuang and Shenzhen Sealand No. 5 is managed by its general partner, Sealand Innovation. Xi'an Sealand Jingheng Venture Capital Co., Ltd. (西安國海景恒創業投資有限公司) ("**Sealand Jingheng**") is a limited liability company established under the laws of the PRC, which is principally engaged in equity investment. Sealand Jingheng is owned as to 80.00% by Sealand Innovation. Sealand Innovation is wholly owned by Sealand Securities Co., Ltd. (國海證券股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000750).

(12) The calculation is based on the total issued Shares of 393,442,600 as at the Latest Practicable Date (including 97,080,755 Unlisted Shares and 296,361,845 H Shares).

Save as disclosed above, as of the Latest Practicable Date, the Directors are not aware of any 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 of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

EMPLOYEE INCENTIVE SCHEME

To fully incentivize our employees, maintain the stability of our management team and talents and attract high-quality talents, we established Taizhou Huirong, Taizhou Huilong, Taizhou Huida, Taizhou Huining, Taizhou Huixin and Taizhou Huijia as our Employee Ownership Platforms.

The Employee Incentive Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as it does not involve any grant of share options or awards or any issuance of new Shares by our Company after Listing. Given the Shares under the Employee Incentive Scheme have already been issued to the Employee Ownership Platforms as of the Latest Practicable Date, there will not be any dilutive effect to the issued Shares as a result of the operation of the Employee Incentive Scheme.

CORPORATE GOVERNANCE AND OTHER INFORMATION

EQUITY-LINKED AGREEMENTS

Other than the Employee Incentive Scheme, during the period ended June 30, 2025, the Company has not entered into any equity-linked agreement.

PURSUANT TO THE ONGOING DISCLOSURE OBLIGATIONS STIPULATED BY THE LISTING RULES

Save as disclosed in this report, the Company does not have any other disclosure obligations under Rules 13.20, 13.21, and 13.22 of the Listing Rules.

CHANGES IN THE DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S INFORMATION

Save as disclosed below, since the publication of the Prospectus and up to the Latest Practicable Date, there were no changes in the Directors', Supervisors' and chief executive of the Company's information which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

– Our independent non-executive Director, Mr. Chen Chengbei, ceased to act as an independent director of Dongguan Huayue Semiconductor Technology Co., Ltd. (東莞市華越半導體技術股份有限公司) since August 2025.

REVIEW OF INTERIM RESULTS AND INTERIM REPORT

The Audit Committee currently comprises of Ms. Li Xiaoqing, Mr. Li Xiangming and Mr. Chen Qianwen, and Ms. Li Xiaoqing is the chairman of the Audit Committee. The Audit Committee has reviewed the unaudited condensed interim consolidated financial statements of the Group for the Reporting Period (including this interim report).

The independent auditor of the Company, Deloitte Touche Tohmatsu, has also reviewed the unaudited interim condensed consolidated financial statements of the Group for the Reporting Period in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the International Auditing and Assurance Standards Board.

EVENTS AFTER THE REPORTING PERIOD

On August 15, 2025, the CDE has approved the IND application of our self-developed Recombinant RSV vaccine (CHO cell). In addition, our IND application in the U.S. has also been approved by the FDA.

On September 1, 2025, the NMPA has approved the new drug application for the Group's quadrivalent subunit influenza vaccine for individuals aged 6 to 35 months.

Save as disclosed in this report, we are not aware of any material subsequent events since the end of the Reporting Period to the Latest Practicable Date.

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the board of directors of Ab&B Bio-Tech Co., Ltd. JS
(incorporated in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Ab&B Bio-Tech Co., Ltd. JS (the "**Company**") and its subsidiary (collectively referred to as the "**Group**") set out on pages 28 to 46, which comprise the condensed consolidated statement of financial position as of June 30, 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("**IAS 34**") as issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

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

OTHER MATTER

The comparative condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period ended June 30, 2024 and the relevant notes included in these condensed consolidated financial statements have not been reviewed in accordance with ISRE 2410.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
August 28, 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED JUNE 30, 2025

	Notes	Six months ended June 30,	
		2025	2024
		RMB'000	RMB'000
		(unaudited)	(unaudited)
Revenue	3	**71,123**	6,978
Cost of sales		**(10,342)**	(12,599)
Gross profit (loss)		**60,781**	(5,621)
Other income	5	**5,651**	16,623
Impairment losses under expected credit loss model, net of reversal		**61**	26
Other gains and losses	6	**5,654**	235
Research and development expenses		**(98,848)**	(99,865)
Selling expenses		**(47,319)**	(24,736)
Administrative expenses		**(26,232)**	(31,819)
Listing expenses		**(10,955)**	–
Other expenses		**(9)**	(2,865)
Finance costs	7	**(10,302)**	(7,785)
Loss before tax	8	**(121,518)**	(155,807)
Income tax expense		**–**	–
Loss and total comprehensive expense for the period		**(121,518)**	(155,807)
Loss per share			
– Basic and diluted (RMB)	9	**(0.34)**	(0.43)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT JUNE 30, 2025

	Notes	As at June 30, 2025 RMB'000 (unaudited)	As at December 31, 2024 RMB'000 (audited)
Non-current assets			
Property, plant and equipment	11	**938,266**	944,690
Right-of-use assets	11	**52,157**	86,091
Intangible assets	12	**24,706**	25,660
Other receivables and prepayments	14	**62,810**	60,861
		1,077,939	1,117,302
Current assets			
Inventories		**107,743**	57,809
Trade receivables	13	**148,171**	284,905
Other receivables and prepayments	14	**15,286**	20,491
Pledged bank deposits		**–**	138
Cash and cash equivalents	15	**108,427**	132,194
		379,627	495,537
Current liabilities			
Trade and other payables	16	**439,692**	441,615
Contract liabilities		**3,447**	–
Amounts due to shareholders		**–**	27,673
Refund liabilities	17	**11,265**	84,721
Borrowings	18	**401,014**	347,524
Lease liabilities		**4,462**	7,146
		859,880	908,679
Net current liabilities		**(480,253)**	(413,142)
Total assets less current liabilities		**597,686**	704,160
Non-current liabilities			
Borrowings	18	**506,783**	462,012
Lease liabilities		**4,233**	42,127
Deferred income	19	**36,596**	37,018
Trade and other payables	16	**16,416**	16,416
		564,028	557,573
Net assets		**33,658**	146,587
Capital and reserves			
Share capital	21	**360,000**	360,000
Reserves		**(326,342)**	(213,413)
Total equity		**33,658**	146,587

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED JUNE 30, 2025

	Share capital RMB'000 (Note 21)	Share premium RMB'000	Share-based payments reserve RMB'000 (Note 20)	Accumulated losses RMB'000	Total RMB'000
As at January 1, 2025 (audited)	**360,000**	**691,367**	**64,295**	**(969,075)**	**146,587**
Loss and total comprehensive expense for the period	**–**	**–**	**–**	**(121,518)**	**(121,518)**
Recognition of equity-settled share-based payments	**–**	**–**	**8,589**	**–**	**8,589**
Vest of restricted shares	**–**	**20,953**	**(20,953)**	**–**	**–**
As at June 30, 2025 (unaudited)	**360,000**	**712,320**	**51,931**	**(1,090,593)**	**33,658**
As at January 1, 2024 (audited)	360,000	614,930	98,699	(710,359)	363,270
Loss and total comprehensive expense for the period	–	–	–	(155,807)	(155,807)
Recognition of equity-settled share-based payments	–	–	25,111	–	25,111
Vest of restricted shares	–	18,708	(18,708)	–	–
As at June 30, 2024 (unaudited)	360,000	633,638	105,102	(866,166)	232,574

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED JUNE 30, 2025

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
NET CASH USED IN OPERATING ACTIVITIES	**(31,882)**	(107,921)
INVESTING ACTIVITIES		
Receipt of interest from banks	**122**	221
Purchases of financial assets measured at fair value through profit or loss ("**FVTPL**")	**(29,900)**	(120,000)
Redemption of financial assets at FVTPL	**29,910**	128,145
Proceeds from disposal of property, plant and equipment	**–**	1
Purchases of property, plant and equipment	**(46,996)**	(140,969)
Receipt of government grants	**–**	8,550
Payments for rental deposits	**–**	47
Purchases of intangible assets	**–**	(433)
Withdrawal of pledged bank deposits	**138**	5,486
Withdrawal of time deposits with maturity of more than three months	**–**	22,236
NET CASH USED IN INVESTING ACTIVITIES	**(46,726)**	(96,716)
FINANCING ACTIVITIES		
Proceeds from bank borrowings	**267,124**	431,004
Repayments of bank borrowings	**(191,829)**	(82,399)
Issue cost paid	**(1,250)**	–
Loans from shareholders	**7,000**	–
Repayments of loans from shareholders	**(34,500)**	–
Loans from the third parties	**26,054**	–
Repayment to the third parties	**(10,000)**	–
Interest paid	**(5,284)**	(4,711)
Payments of lease liabilities	**(2,474)**	(2,912)
NET CASH FROM FINANCING ACTIVITIES	**54,841**	340,982
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	**(23,767)**	136,345
Cash and cash equivalents at beginning of the period	**132,194**	45,318
Cash and cash equivalents at end of the period	**108,427**	181,663

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2025

1. GENERAL INFORMATION AND BASIS OF PREPARATION

Ab&B Bio-Tech Co., Ltd. JS (the "**Company**") was founded on October 28, 2015 by Mr. An Youcai ("**Mr. An**") in Taizhou as a limited liability company under the laws of the People's Republic of China (the "**PRC**"). On February 22, 2022, the Company was converted to a joint stock company with limited liability under the Company Law of the PRC. On August 11, 2025, the Company's shares were listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The addresses of the principal place of business of the Company is No. 32, Xinglin Road, Medical High-tech Zone, Taizhou, Jiangsu, PRC.

The Group is principally engaged in the research and development, manufacturing and commercialization of vaccine products for human use.

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

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

As at June 30, 2025, the Group's current liabilities exceeded its current assets by approximately RMB480,253,000. As of June 30, 2025, the Group had credit facilities in an aggregate principal amount of RMB930,000,000, of which RMB743,740,000 had been drawn and RMB186,260,000 remained available to the Group. On August 11, 2025, the Company's shares were listed on the Stock Exchange. The total gross proceeds arising from the listing amounted to approximately HK$431.4 million. After taking into account of the Group's cash flow projection, expected working capital requirements and the financing plans, the directors of the Company are satisfied that the Group is able to have sufficient working capital to finance its operations and to meet its financial obligations for twelve months after June 30, 2025 and it is appropriate to prepare the condensed consolidated financial statements on a going concern basis.

2. ACCOUNTING POLICIES

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

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2025 are the same as those followed in the preparation of the Group's consolidated financial statements for each of the two years ended December 31, 2024 and the three months ended March 31, 2025 included in the accountants' report presented in the prospectus of the Company dated July 31, 2025 in relation to the Global Offering and the Listing.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2025

3. REVENUE

Disaggregation of revenue from contracts with the customers

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Type of goods		
Sales of vaccine products	**71,123**	6,978
Geographical market		
Mainland China	**71,123**	6,978
Timing of revenue recognition		
At a point in time	**71,123**	6,978

4. SEGMENTS INFORMATION

For the purpose of resource allocation and assessment of segment performance, the chief operating decision maker ("**CODM**"), which is also identified as the chief executive officer of the Group, reviews the overall results and financial position of the Group as a whole. Accordingly, the Group has only one single operating segment.

Geographical information

The Group's operations are located in the PRC. As at June 30, 2025, all non-current assets were located in the PRC.

Information about major customers

No single customer contribute over 10% of total revenue of the Group during the six months ended June 30, 2025 (six months ended June 30, 2024: nil).

5. OTHER INCOME

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Government grants related to		
– Income (Note)	**4,925**	14,778
– Assets (Note 19)	**422**	1,349
Interest income from banks	**122**	359
Others	**182**	137
	5,651	16,623

Note: The amount represents various unconditional subsidies received from the PRC local government authorities as incentives mainly for the Group's research and development activities.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2025

6. OTHER GAINS AND LOSSES

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Fair value change of financial assets at FVTPL	**10**	239
Gain (loss) on disposal of property, plant and equipment	**175**	(4)
Gain on termination and modification of lease	**5,469**	–
	5,654	235

7. FINANCE COSTS

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interest expense on		
– lease liabilities	**993**	1,217
– bank borrowings	**14,441**	9,642
– amounts due to shareholders	**59**	–
	15,493	10,859
Less: interest expense capitalized in qualifying assets	**(5,191)**	(3,074)
	10,302	7,785

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2025

8. LOSS BEFORE TAX

Loss before tax has been arrived at after charging (crediting):

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Depreciation of property, plant and equipment	**29,359**	21,604
Depreciation of right-of-use assets	**3,725**	4,193
Amortization of intangible assets	**954**	832
Total depreciation and amortization	**34,038**	26,629
Capitalized in inventories	**(13,795)**	(12,058)
	20,243	14,571
Listing expenses	**10,955**	–
Research and development costs recognized as an expense	**98,848**	99,865
Cost of inventories recognized as cost of sales (including write-down of inventories amounting to RMB3,287,000 (six months ended June 30, 2024: RMB1,605,000))	**4,895**	1,490
Directors and supervisors' remuneration	**4,763**	9,506
Other staff costs:		
– Salaries and other benefits	**50,532**	50,038
– Retirement benefit scheme contributions	**6,935**	6,958
– Performance-based bonus	**9,452**	7,290
– Share-based payments	**6,555**	18,632
Total staff costs	**73,474**	92,424
Capitalized in inventories	**(27,073)**	(28,577)
Capitalized in property, plant and equipment	**(772)**	(994)
	45,629	62,853
Impairment losses under expected credit loss model, net of reversal		
– Trade receivables	**(61)**	(26)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2025

9. LOSS PER SHARE

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

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Loss (RMB'000):		
Loss for the period attributable to the owners of the Company for the purpose of calculating basic loss per share	**(121,518)**	(155,807)
Number of shares ('000):		
Weighted average number of ordinary shares for the purpose of basic loss per share	**360,000**	360,000

The basic loss per share is calculated based on the loss attributable to the owners of the Company and the weighted average number of ordinary shares.

10. DIVIDENDS

No dividend was paid, declared or proposed by the Company during the interim period.

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

During the current interim period, the Group had the following significant movements in property, plant and equipment and right-of-use assets:

i. The Group acquired RMB24,758,000 of property, plant and equipment for the expansion of production facilities (six months ended June 30, 2024: RMB157,622,000).

ii. The Group terminated a lease agreement for leasing of property. On lease termination date, the Group derecognized right-of-use assets of RMB11,232,000 and lease liabilities of RMB11,633,000.

iii. As at June 30, 2025, buildings amounting to RMB110,777,000 and leasehold lands amounting to RMB34,525,000 of the Group were pledged to secure bank borrowings (as at December 31, 2024: RMB114,039,000 and RMB35,111,000), respectively.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2025

12. INTANGIBLE ASSETS

	As at	
	June 30, 2025 RMB'000 (unaudited)	December 31, 2024 RMB'000 (audited)
Carrying amount:		
Development costs	**18,000**	18,000
Patent	**3,616**	3,843
Computer software	**3,090**	3,817
	24,706	25,660

As at June 30, 2025, the management is not aware of any significant adverse changes on the respective cash-generating unit that indicates the carrying amount of the cash-generating unit exceeds its recoverable amount. As a result, no impairment assessment as at June 30, 2025 was performed.

13. TRADE RECEIVABLES

	As at	
	June 30, 2025 RMB'000 (unaudited)	December 31, 2024 RMB'000 (audited)
Trade receivables from contracts with customers	**148,224**	285,019
Less: allowance for expected credit losses	**(53)**	(114)
	148,171	284,905

The following is an aged analysis of trade receivables (net of allowance for credit losses) presented based on dates of delivery of goods.

	As at	
	June 30, 2025 RMB'000 (unaudited)	December 31, 2024 RMB'000 (audited)
1-90 days	**38,881**	50,066
91-180 days	**742**	216,095
181-270 days	**22,889**	13,007
271-365 days	**78,697**	219
Over 1 year	**6,962**	5,518
	148,171	284,905

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2025

14. OTHER RECEIVABLES AND PREPAYMENTS

	As at	
	June 30, 2025 RMB'000 (unaudited)	December 31, 2024 RMB'000 (audited)
Other receivables		
Value added tax recoverable	**39,060**	37,967
Rental deposits	**1,412**	2,316
Deferred issue cost	**3,119**	1,822
Others	**1,010**	1,046
	44,601	43,151
Prepayments		
Acquisition of long-term assets	**24,937**	24,771
Raw material purchase	**253**	8,903
Service fee	**2,968**	2,939
Others	**5,337**	1,588
	33,495	38,201
	78,096	81,352
Less: non-current assets	**(62,810)**	(60,861)
Current assets	**15,286**	20,491

15. CASH AND CASH EQUIVALENTS

As at June 30, 2025, cash and cash equivalents include short term deposits for the purpose of meeting the Group's short term cash commitments, which carry interest at market rates ranging from 0.05% to 0.10% (as at December 31, 2024: 0.10% to 0.20%).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2025

16. TRADE AND OTHER PAYABLES

	As at	
	June 30, 2025	December 31, 2024
	RMB'000	RMB'000
	(unaudited)	(audited)
Payables for raw material and service fee	**89,383**	98,385
Notes payable	**–**	689
Payables for acquisition of property, plant and equipment	**132,443**	159,706
Payroll and welfare payables	**42,141**	33,500
Payables for marketing activities	**111,563**	109,929
Deposits from suppliers	**25,531**	27,558
Loans from the third parties (Note)	**16,054**	–
Other tax payables	**762**	1,118
Accrued listing expenses and issue costs	**11,842**	6,385
Others	**26,389**	20,761
	456,108	458,031
Less: non-current liabilities	**(16,416)**	(16,416)
	439,692	441,615

Note: The amounts of loans from the third parties were non-trade in nature, unsecured, repayable on demand, which carry fixed interest of 3.00% per annum.

The following is an aged analysis of the trade payables, presented based on the invoice date, at the end of each reporting period:

	As at	
	June 30, 2025	December 31, 2024
	RMB'000	RMB'000
	(unaudited)	(audited)
1-30 days	**55,545**	74,465
31 days to 1 year	**33,838**	23,920
	89,383	98,385

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2025

17. REFUND LIABILITIES

	As at	
	June 30, 2025 RMB'000 (unaudited)	December 31, 2024 RMB'000 (audited)
Refund liabilities		
Arising from right of return	**11,265**	84,721

18. BORROWINGS

	As at	
	June 30, 2025 RMB'000 (unaudited)	December 31, 2024 RMB'000 (audited)
Bank borrowings	**895,212**	809,536
Bank borrowings under supplier finance arrangements (Note)	**12,585**	–
	907,797	809,536

Note: The Group has entered into a supplier finance arrangement with a bank in 2025. Under this arrangement, the bank will settle the payables and prepayment to the suppliers on behalf of the Group. The Group's obligations to suppliers are legally extinguished on settlement by the relevant bank. The Group then settles with the banks within 1 year with fixed interest rate of 3.25% per annum. This arrangement has extended the payment terms, which were extended beyond the original due dates of respective invoices.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2025

18. BORROWINGS (CONTINUED)

	As at	
	June 30, 2025 RMB'000 (unaudited)	December 31, 2024 RMB'000 (audited)
Borrowings from banks – unsecured and unguaranteed	**452,863**	384,030
Borrowings from banks – secured and unguaranteed	**454,934**	375,551
Borrowings from banks – unsecured and guaranteed (Note)	**–**	49,955
	907,797	809,536
Less: current portion	**(401,014)**	(347,524)
Non-current portion	**506,783**	462,012
Analysed as:		
Fixed interest rate	**258,275**	295,646
Variable interest rate	**649,522**	513,890
	907,797	809,536

The ranges of effective interest rates on the Group's fixed and variable-rate borrowings are as follows:

	As at	
	June 30, 2025 RMB'000 (unaudited)	December 31, 2024 RMB'000 (audited)
Effective interest rate:		
Fixed-rate borrowings	**3.00%**	3.00%-3.60%
Variable-rate borrowings	**3.10%-3.50%**	3.00%-4.10%

Note: As of June 30, 2025, the guarantee from Mr. An has been released. As of December 31, 2024, loans amounted to RMB49,955,000 of the Group were guaranteed by Mr. An.

As of June 30, 2025, non-current portion of bank borrowings amounted RMB185,279,000 (December 31, 2024: RMB185,279,000) are subject to certain covenants such as financial ratio. The Group has complied with the relevant covenants as of June 30, 2025 and December 31, 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2025

19. DEFERRED INCOME

	As at	
	June 30, 2025 RMB'000 (unaudited)	December 31, 2024 RMB'000 (audited)
Government grants		
– Asset-related grants	**36,596**	37,018

20. SHARE-BASED PAYMENT TRANSACTIONS

Restricted share scheme

In recognition of the contributions of certain eligible directors and employees, two employee stock ownership platforms were established in August 2017, namely 泰州慧融企業管理諮詢服務合夥企業(有限合夥)/Taizhou Huirong Enterprise Management Consulting Service Partnership (Limited Partnership) ("**Taizhou Huirong**") and 泰州慧隆企業管理諮詢服務合夥企業(有限合夥) Taizhou Huilong Enterprise Management Consulting Service Partnership (Limited Partnership) ("**Taizhou Huilong**"), to hold the Company's share capital of RMB10,000,000, to implement first-batch restricted shares award scheme ("**2017 Employee Incentive Scheme**").

In December 2020, an employee stock ownership platform was established, namely 泰州慧達企業管理諮詢服務合夥企業(有限合夥)/Taizhou Huida Enterprise Management Consulting Service Partnership (Limited Partnership) ("**Taizhou Huida**"), together with three employee stock ownership nested platforms, namely 泰州慧寧企業管理諮詢服務合夥企業(有限合夥)/Taizhou Huining Enterprise Management Consulting Service Partnership (Limited Partnership) ("**Taizhou Huining**"), 泰州慧新企業管理諮詢服務合夥企業(有限合夥)/Taizhou Huixin Enterprise Management Consulting Service Partnership (Limited Partnership) ("**Taizhou Huixin**") and 泰州慧嘉企業管理諮詢服務合夥企業(有限合夥)/Taizhou Huijia Enterprise Management Consulting Service Partnership (Limited Partnership) ("**Taizhou Huijia**"), to hold the Company's share capital of RMB11,500,000, to implement second-batch restricted shares award scheme ("**2020 Employee Incentive Scheme**").

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2025

20. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Restricted share scheme (continued)

Set out below are details of the movements of the outstanding restricted shares during the six months ended June 30, 2025:

	Outstanding as at January 1, 2025 '000	Granted '000	Transfer (Note) '000	Vested '000	Forfeited '000	Outstanding as at June 30, 2025 '000	Fair value per share at the date of grant RMB
Director and supervisor							
May 31, 2022	325	–	(293)	(32)	–	–	11.64
December 15, 2022	439	–	–	–	–	439	11.64
May 4, 2023	602	–	–	–	–	602	11.64
Employee							
May 31, 2022	1,952	–	293	(2,245)	–	–	11.64
December 15, 2022	3,368	–	–	–	(326)	3,042	11.64
March 10, 2023	2,000	–	–	–	(439)	1,561	11.64
April 1, 2023	211	–	–	–	–	211	11.64
May 4, 2023	1,090	–	–	–	–	1,090	11.64
September 26, 2024	293	–	–	–	–	293	11.64
December 24, 2024	195	–	–	–	–	195	11.64
January 7,2025	–	49	–	–	–	49	11.64
January 8,2025	–	98	–	–	–	98	11.64
January 9,2025	–	130	–	–	–	130	11.64
Total	10,475	277	–	(2,277)	(765)	7,710	
Weighted average fair value per share (RMB)	11.64	11.64	–	11.64	11.64	11.64	

Note: Mr. Tao Hang resigned as a supervisor on 8 January 2025 and Mr. Wang Wei was assigned as a supervisor on 2 January 2025.

Fair value of restricted share

The Group used the income approach and back-solve method to determine the underlying equity fair value of the Company. The fair value of shares at grant date was valued by directors of the Company with reference to valuation reports carried out by an independent qualified professional valuer, PG Advisory. During the interim period, the fair value of restricted share at grant date was determined to RMB11.64, by referring to the equity fair value of the Company.

The Group recognized total expense of approximately RMB8,589,000 for the six months ended June 30, 2025 in relation to restricted shares (six months ended June 30, 2024: RMB25,111,000).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2025

21. SHARE CAPITAL

Issued and fully paid:

	Numbers of shares '000	Share capital RMB'000
As at January 1, 2024 (audited), June 30, 2024 (unaudited), January 1, 2025 (audited) and June 30, 2025 (unaudited)	360,000	360,000

22. CAPITAL COMMITMENTS

	As at	
	June 30, 2025 RMB'000 (unaudited)	December 31, 2024 RMB'000 (audited)
Capital expenditure in respect of the acquisition of property, plant and equipment in the condensed consolidated financial statements contracted for but not provided	**352,977**	378,123

23. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value measurements and valuation processes

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

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

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The management of the Group considers the carrying amounts of financial assets and financial liabilities recorded at amortized cost in the condensed consolidated financial statements approximate their fair value.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2025

24. RELATED PARTY TRANSACTIONS

The Group has the following transactions and balances with the related parties during the six months ended June 30, 2025.

(a) Names and relationships with related parties

The following individuals are related parties of the Group that had transactions with the Group during current interim period.

Name of related party	Relationships
Mr. An	Shareholder and director of the Company
He Yiming	Shareholder and director of the Company

(b) Transactions and outstanding balances with related parties

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interest expenses on amounts due to shareholders		
Mr. An	**58**	–
He Yiming	**1**	–
	59	–

	As at	
	June 30, 2025	December 31, 2024
	RMB'000	RMB'000
	(unaudited)	(audited)
Amounts due to shareholders		
Mr. An	**–**	26,664
He Yiming	**–**	1,009
	–	27,673

The amounts due to shareholders were non-trade in nature, unsecured, repayable on demand, which carry fixed interest of 3.00% during the current interim period. The amounts due to shareholders have been settled as of June 30, 2025.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2025

24. RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Compensation of key management personnel

The remuneration of the directors of the Company and key management of the Group were as follows:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Directors' fee	**180**	180
Salaries and other benefits	**2,880**	3,192
Performance-based bonus (Note)	**443**	405
Retirement benefit scheme contributions	**152**	217
Share-based payments	**2,403**	8,343
	6,058	12,337

Note: Performance-based bonus is determined based on their duties and responsibilities of the relevant individuals within the Group and the Group's performance.

25. EVENTS AFTER THE REPORTING PERIOD

On August 11, 2025, the Company issued 33,442,600 ordinary shares of nominal value of RMB1.00 each pursuant to the global offering at the price of HK$12.90 per ordinary share (equivalent to approximately RMB11.73 per ordinary share) and the Company's shares were listed on the Stock Exchange on the same date. The excess of net proceeds over the nominal value of the ordinary shares were credited to the Company's share premium.

DEFINITIONS, ACRONYMS AND GLOSSARY OF TECHNICAL TERMS

In this report, the following expressions shall have the following meanings unless the context otherwise requires.

DEFINITIONS

"Audit Committee"	the audit committee of the Company
"Board"	the board of Directors
"China" or "PRC"	The People's Republic of China, but for the purpose of the prospectus and for geographical reference only and except where the context requires otherwise, references in the prospectus to "China" and the "PRC" do not apply to Hong Kong, Macau and Taiwan
"Company" or "our Company" or "the Company"	Ab&B Bio-Tech CO., LTD. JS (江蘇中慧元通生物科技股份有限公司), a limited liability company established under the laws of the PRC on October 28, 2015 and converted into a joint stock company with limited liability on March 10, 2022, the H Shares of which are listed on the Stock Exchange (stock code: 2627)
"Concert Party Agreement"	the concert party agreement entered into by Mr. An, Jiangsu Tiaoyu and Mr. He in December 2022
"Core Product"	has the meaning ascribed thereto under Chapter 18A of the Listing Rules, which is the product for the purpose of satisfying the eligibility requirements under Chapter 18A of the Listing Rules and Chapter 2.3 of the Guide for New Listing Applicants
"Corporate Governance Code"	Corporate Governance Code, as set out in Appendix C1 to the Listing Rules
"Director(s)"	director(s) of the Company
"Employee Incentive Scheme"	the employee incentive schemes approved and adopted by our Company on July 25, 2017 and December 4, 2020
"Employee Ownership Platform(s)"	Taizhou Huida, Taizhou Huijia, Taizhou Huilong, Taizhou Huining, Taizhou Huirong and Taizhou Huixin
"Global Offering"	the Hong Kong public offering and the international offering of the Company, the details of which are described in the Prospectus
"Group" or "our Group" or "the Group" or "we" or "us"	the Company and its subsidiaries

DEFINITIONS, ACRONYMS AND GLOSSARY OF TECHNICAL TERMS

"H Share(s)"	overseas listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are listed on the Main Board of the Stock Exchange and subscribed for and traded in Hong Kong dollars
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"HK$" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"Latest Practicable Date"	September 26, 2025, being the latest practicable date for the purpose of ascertaining certain information in this interim report prior to its publication
"Listing"	the listing of the H Shares on the Main Board of the Stock Exchange
"Listing Date"	August 11, 2025, the date on which our H Shares are listed on the Main Board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers, as set out in Appendix C3 to the Listing Rules
"PRC" or "China"	the People's Republic of China, excluding, for the purposes of this report only, Hong Kong, Macau Special Administrative Region of the People's Republic of China and Taiwan
"Prospectus"	the prospectus of the Company dated July 31, 2025 in relation to the Global Offering and the Listing
"Reporting Period"	the six months ended June 30, 2025
"RMB"	Renminbi, the lawful currency of the PRC
"R&D"	research and development
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Shares(s)"	Unlisted Share(s) and H Share(s)
"Shareholder(s)"	holder(s) of Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

DEFINITIONS, ACRONYMS AND GLOSSARY OF TECHNICAL TERMS

"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"Supervisor(s)"	supervisor(s) of the Company
"Taizhou Huida"	Taizhou Huida Enterprise Management Consulting Service Partnership (Limited Partnership) (泰州慧達企業管理諮詢服務合夥企業(有限合夥)), a limited partnership established in the PRC on December 21, 2020, one of our Employee Ownership Platforms
"Taizhou Huijia"	Taizhou Huijia Enterprise Management Consulting Service Partnership (Limited Partnership) (泰州慧嘉企業管理諮詢服務合夥企業(有限合夥)), a limited partnership established in the PRC on June 24, 2022, one of our Employee Ownership Platforms
"Taizhou Huilong"	Taizhou Huilong Enterprise Management Consulting Service Partnership (Limited Partnership) (泰州慧隆企業管理諮詢服務合夥企業(有限合夥)), a limited partnership established in the PRC on August 29, 2017, one of our Employee Ownership Platforms
"Taizhou Huining"	Taizhou Huining Enterprise Management Consulting Service Partnership (Limited Partnership) (泰州慧寧企業管理諮詢服務合夥企業(有限合夥)), a limited partnership established in the PRC on September 22, 2021, one of our Employee Ownership Platforms
"Taizhou Huirong"	Taizhou Huirong Enterprise Management Consulting Service Partnership (Limited Partnership) (泰州慧融企業管理諮詢服務合夥企業(有限合夥)), a limited partnership established in the PRC on August 29, 2017, one of our Employee Ownership Platforms
"Taizhou Huixin"	Taizhou Huixin Enterprise Management Consulting Service Partnership (Limited Partnership) (泰州慧新企業管理諮詢服務合夥企業(有限合夥)), a limited partnership established in the PRC on September 22, 2021, one of our Employee Ownership Platforms
"Unlisted Share(s)"	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are not listed or traded on any stock exchange
"we," "us" or "our"	the Company or the Group, as the context requires
"%"	per cent

DEFINITIONS, ACRONYMS AND GLOSSARY OF TECHNICAL TERMS

ACRONYMS

"CDC"	Center for Disease Control and Prevention
"CDE"	Center for Drug Evaluation (國家藥品監督管理局藥品審評中心), a division of the NMPA responsible for acceptance and technical review of applications for drug clinical trials and drug marketing authorization
"NMPA"	the National Medical Products Administration of the PRC (國家藥品監督管理局) and its predecessor, the China Food and Drug Administration (國家食品藥品監督管理總局)
"WHO"	World Health Organization

GLOSSARY OF TECHNICAL TERMS

"adjuvant"	a substance that may be added to a vaccine to enhance the immune response to an antigen
"antigen"	the substance that is capable of activating the immune system to initiate an immune response, specifically activating lymphocytes, which are the infection-fighting white blood cells
"attenuated vaccine" or "live attenuated vaccine"	a vaccine created by reducing the virulence of a pathogen, but still keeping it viable (or "live")
"B cell"	a type of white blood cell that can produce specific antibodies after being stimulated by an antigen
"bioreactor"	a device that provides a suitable environment for the biological reaction process utilizing culture media, certain gases (such as air, oxygen, nitrogen, and carbon dioxide) and other necessary substances
"CHO cell"	Chinese hamsters ovary cell, which is widely used in the biopharmaceutical industry to produce recombinant proteins
"Class II vaccine"	a vaccine that is voluntarily vaccinated by citizens in China, and the cost of which is paid by the recipient
"clinical trial"	a research study for finding or validating the therapeutic and protective effects and side effects of test drugs to determine the safety and efficacy of such drugs

DEFINITIONS, ACRONYMS AND GLOSSARY OF TECHNICAL TERMS

"conjugate"	chemically link bacterial capsular polysaccharide to a protein to enhance immunogenicity
"immune response"	the process by which the body's immune system is stimulated by antigens
"immunogenicity"	the ability of a particular substance, such as an antigen, to provoke an immune response in the body of a human and other animal
"immunoglobulin"	a protective Y-shaped protein produced by B cells that the immune system uses to recognize and respond to invading foreign substance (antigens) such as bacteria and viruses
"IND"	investigational new drug or investigational new drug application
"influenza" or "flu"	highly infectious respiratory diseases caused by influenza viruses, characterized by sudden onset of high fever, aching muscles, headache, fatigue and a hacking cough. Serious outcome of influenza can result in hospitalization or death
"lyophilized"	freeze-dried
"mRNA"	messenger ribonucleic acid, a single-stranded molecule of RNA that contains a coding sequence of a gene, and is translated by a ribosome in the process of synthesizing a protein
"NDA"	new drug application
"pathogen"	a bacteria, virus or other microorganism that can cause disease
"PCV24"	24-valent pneumococcal conjugate vaccine
"Phase I clinical trial"	study in which a drug is tested for safety, dosage tolerance, absorption, metabolism, distribution and excretion and, if possible, an early indication of its effectiveness
"Phase II clinical trial"	study in which a drug is administered to a limited population to identify possible adverse effects and safety risks, preliminarily evaluate the efficacy of the product for specific targeted diseases and determine dosage tolerance and optimal dosage
"Phase III clinical trial"	study in which a drug is administered to an expanded population generally at geographically dispersed clinical trial sites, in well-controlled clinical trials to generate enough data to statistically evaluate the efficacy and safety of the product for approval and to provide adequate information for the labeling of the product

DEFINITIONS, ACRONYMS AND GLOSSARY OF TECHNICAL TERMS

"pneumococcal disease"	an infection that is caused by the streptococcus pneumonia bacterium and can result in pneumonia, infection of the blood, middle-ear infection, or bacterial meningitis
"pneumonia"	inflammation of the lungs, usually caused by an infection
"polysaccharide"	a biological macromolecule made up of several simple sugars that are sequentially connected
"PPSV23"	23-valent pneumococcal polysaccharide vaccine
"rabies"	a disease that is caused by the rabies virus transmitted through animal bites to humans and is almost always fatal following the onset of clinical symptoms
"recombinant"	DNA, proteins, cells, or organisms that are made by combining genetic material from two different sources
"recombinant protein vaccine"	one category of vaccines, which comprise protein antigens produced in a heterologous expression system (e.g., cells or yeast)
"RSV"	respiratory syncytial virus, a common respiratory virus that affects the nose, throat and lungs
"split-virion vaccine"	a type of vaccine that is produced by using a chemical agent or physical method to disrupt the viral envelope and split open the viral particles
"tetanus toxoid"	used to prevent tetanus (also known as lockjaw), which is a serious illness that causes convulsions (seizures) and severe muscle spasms that can be strong enough to cause bone fractures of the spine
"vaccine"	a biological preparation that activates immune system and provides active acquired immunity to a particular disease
"valent"	in the context of vaccines, the type of microorganisms that the vaccine is designed to immunize against
"varicella"	also known as chickenpox, an acute infectious disease caused by the first infection of the varicella zoster virus
"zoster"	also known as shingles, a viral infection that causes a painful rash