



(Incorporated in the Cayman Islands with limited liability)
Stock Code : 01530

2026

INTERIM REPORT



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Company Overview

3SBio Inc. (the “**Company**” or “**3SBio**”, with its subsidiaries collectively, the “**Group**”) is a leading biotechnology company in the People’s Republic of China (the “**PRC**”). As a pioneer in the Chinese biotechnology industry, the Group has extensive expertise in researching, developing, manufacturing and marketing bio-pharmaceuticals. The core commercialized products of the Group include several bio-pharmaceutical drugs, namely TPIAO (特比澳), recombinant human erythropoietin (rhEPO) products EPIAO (益比奥) and SEPO (賽博爾), Yisaipu (益賽普) and Cipterbin (賽普汀), and a small molecule drug, Mandi (蔓迪®) series of minoxidil drugs. TPIAO is the only commercialized recombinant human thrombopoietin (rhTPO) product in the world. With its two rhEPO products, the Group has been the premier leader in the rhEPO market of the mainland area (“**Mainland China**”) of the PRC for over two decades. Yisaipu is the first-to-market Tumour Necrosis Factor (TNF) α inhibitor product in Mainland China. Mandi has a dominant position in the Mainland China hair loss drug market. The Group has been expanding its therapeutic coverage by adding products through internal research and development (R&D) and various external strategic partnerships.

The Group focuses its R&D efforts on researching and developing innovative biologicals. As at 30 June 2026, the Group has 25 key product candidates in the areas of nephrology, oncology, auto-immune and inflammatory diseases, hematology, ophthalmology, dermatological and metabolic diseases.

The Group operates in a highly attractive industry. Biotechnology has revolutionized the pharmaceutical industry by addressing unmet medical needs and offering innovative treatments for a wide array of human diseases. In Mainland China, the biotechnology industry enjoys strong government support. The 2026 Government Work Report at the National People’s Congress and the Chinese People’s Political Consultative Conference (NPC & CPPCC) elevated the bio-pharmaceutical industry to a new strategic height, specifically designating it as a national “emerging pillar industry”. Strong government support along with increasing physician adoption of bio-pharmaceuticals has driven strong industry growth in Mainland China.

The Group is positioned for global expansion. In the six months ended 30 June 2026 (the “**Reporting Period**”), the Group’s products were sold in 39 overseas markets. The investigational new drug (IND) applications of over 10 candidates in the Group’s pipeline have been approved by the U.S. Food and Drug Administration (FDA). As announced in May 2025, the Group has entered a global collaboration with Pfizer Inc. (“**Pfizer**”) on the anti-vascular endothelial growth factor (VEGF)/programmed cell death protein 1 (PD-1) bi-specific antibody (BsAb) (Group R&D code: 707 Injection, “**707**” ; Pfizer code : PF-08634404). As of 30 June 2026, Pfizer initiated 9 clinical trials, and additional 3 trials are planned for the second half of 2026. The Group aims to focus its R&D to provide more innovative therapeutics for patients in Mainland China and globally.

As at 30 June 2026, the Group had operation facilities in Shenyang, Shanghai, Hangzhou, Dongguan and Shenzhen, all in Mainland China, as well as in Como, Italy, with 6,068 employees. The Group’s pharmaceutical products are marketed and sold in all provinces, autonomous regions and special municipalities in Mainland China, as well as a number of foreign countries and regions. During the Reporting Period, the Group’s nationwide sales and distribution network enabled it to sell its products to nearly 10,000 hospitals and medical institutions in Mainland China.

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Dr. LOU Jing (*Chairman & Chief Executive Officer*)

Ms. SU Dongmei

Non-executive Director

Ms. ZHANG Jiaoe

Independent Non-executive Directors

Mr. PU Tianruo

Ms. YANG Hoi Ti Heidi

Mr. NG Joo Yeow Gerry

COMPANY SECRETARY

Ms. LAI Siu Kuen

AUTHORIZED REPRESENTATIVES

Ms. SU Dongmei

Ms. LAI Siu Kuen

AUDIT COMMITTEE

Mr. PU Tianruo (*Chairman*)

Ms. YANG Hoi Ti Heidi

Mr. NG Joo Yeow Gerry

REMUNERATION COMMITTEE

Ms. YANG Hoi Ti Heidi (*Chairlady*)

Mr. PU Tianruo

Mr. NG Joo Yeow Gerry

NOMINATION COMMITTEE

Dr. LOU Jing (*Chairman*)

Ms. YANG Hoi Ti Heidi

Mr. NG Joo Yeow Gerry

REGISTERED OFFICE (IN THE CAYMAN ISLANDS)

Cricket Square, Hutchins Drive

PO Box 2681

Grand Cayman, KY1-1111

Cayman Islands

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Shenyang Economy and Technology Development Zone

Shenyang

PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1918, 19/F

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33 Hysan Avenue

Causeway Bay

Hong Kong SAR

PRC

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited

Cricket Square, Hutchins Drive

PO Box 2681

Grand Cayman, KY1-1111

Cayman Islands

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited

Shops 1712-1716, 17th Floor

Hopewell Centre

183 Queen's Road East

Wanchai, Hong Kong SAR

PRC

Corporate Information

LEGAL ADVISERS

As to Hong Kong law and United States law:

Baker & McKenzie

14th Floor, One Taikoo Place

979 King's Road

Quarry Bay

Hong Kong SAR

PRC

As to Cayman Islands law:

Conyers Dill & Pearman

29th Floor, One Exchange Square

8 Connaught Place

Central

Hong Kong SAR

PRC

AUDITOR

KPMG

Public Interest Entity Auditor registered

under the Accounting and

Financial Reporting Council Ordinance

8th Floor, Prince's Building,

10 Chater Road

Central

Hong Kong SAR

PRC

SECURITIES CODE

Shares Listing

Ordinary Shares

The Stock Exchange of Hong Kong Limited

(Stock Code: 01530)

COMPANY'S WEBSITE

www.3sbio.com

PRINCIPAL BANKS

Industrial Bank Co., Ltd., Shenyang Branch

No. 77 Wenhua Road

Heping District

Shenyang

PRC

HSBC Bank (China) Company Limited, Shanghai Branch

HSBC Building

8 Century Avenue

Pudong New Area,

Shanghai

PRC

Financial Highlights^{*}

- Revenue increased by Renminbi (“RMB”) 170.5 million or 3.9% to RMB4,526.0 million, as compared to the six months ended 30 June 2025.
- Gross profit increased by RMB78.8 million or 2.1% to RMB3,794.6 million, as compared to the six months ended 30 June 2025. The gross profit margin decreased to 83.8% from 85.3% for the six months ended 30 June 2025.
- Net profit attributable to equity shareholders of the Company decreased by RMB211.6 million or 15.6% to RMB1,146.6 million, as compared to the six months ended 30 June 2025. Net profit attributable to equity shareholders of the Company adjusted for non-operating items¹ increased by RMB300.5 million or 26.5% to RMB1,436.3 million, as compared to the six months ended 30 June 2025.
- EBITDA decreased by RMB323.8 million or 17.7% to RMB1,508.7 million, as compared to the six months ended 30 June 2025. EBITDA adjusted for non-operating items² increased by RMB188.2 million or 11.7% to RMB1,798.3 million, as compared to the six months ended 30 June 2025.

^{*} All numbers in the “Financial Highlights” section are subject to rounding adjustments and therefore are approximate numbers only.

¹ The net profit attributable to equity shareholders of the Company adjusted for non-operating items is defined as the profit attributable to equity shareholders of the Company for the period excluding, as applicable (such excluded items, as applicable, “**Excluded Items**”): (a) the expenses associated with the awarded shares granted by 3SBio in September 2024; (b) the expenses associated with the awarded shares granted by Mandi Inc. in October 2025; (c) the expenses associated with the awarded shares granted under a restricted share incentive plan by Sunshine Guojian Pharmaceutical (Shanghai) Co., Ltd. (“**Sunshine Guojian**”) in July 2024; (d) the expenses associated with the awarded shares granted under a restricted share incentive plan by Sunshine Guojian in June 2025; (e) fair value gains on derivative financial instruments; (f) fair value gains or losses on financial assets at fair value through profit or loss (“**FVTPL**”); (g) fair value gains or losses on financial liabilities; and (h) non-operating foreign exchange differences.

² The EBITDA adjusted for non-operating items is defined as the EBITDA for the period excluding the Excluded Items.

Management Discussion and Analysis

BUSINESS REVIEW

Key Events

Change of Auditor

Having considered that Ernst & Young (“**EY**”) had served as the auditor of the Company for more than 15 years, and that it would be in good corporate practice to engage a new auditor with comparable quality to conduct the audit of the Group for the upcoming years, the board (the “**Board**”) of directors (the “**Directors**”) of the Company determined to put a resolution to the shareholders of the Company (the “**Shareholders**”). At the annual general meeting (the “**AGM**”) of the Company held on 25 June 2026 (the “**2026 AGM**”), the Shareholders approved the appointment of KPMG as the new auditor of the Company.

The Board and the Audit Committee of the Company (the “**Audit Committee**”) confirmed that there were no disagreements or unresolved matters between the Company and EY, and there were no other matters or circumstances in respect of the aforementioned change of auditor which should be brought to the attention of the Shareholders and The Stock Exchange of Hong Kong Limited (the “**HKEx**”). EY confirmed that there were no other matters or circumstances that needed to be brought to the attention of the Shareholders in connection with the change of auditor.

In assessing the competence and capabilities of KPMG, the Audit Committee reviewed its credentials, and considered that KPMG possesses the necessary competence and capabilities (including industry knowledge, technical competence, manpower, time and other resources) to perform its duties as the auditor of the Company. In particular, the Audit Committee assessed the following: (i) the audit plan and expenses proposed by KPMG; (ii) the experience, knowledge and technical capability of KPMG in handling audit work for companies listed on the HKEx; (iii) KPMG’s independence from the Group and objectivity; (iv) KPMG’s market reputation and track record; (v) KPMG’s resources and other capabilities; and (vi) the guidelines issued by the Accounting and Financial Reporting Council.

EY retired as the auditor of the Company at the conclusion of the 2026 AGM upon expiration of its term of office.

KPMG was appointed as the new auditor of the Company with a term from the date of conclusion of the 2026 AGM until the date of conclusion of the next AGM of the Company.

For further details, please refer to the Company’s announcements dated 26 May 2026 and 25 June 2026.

Management Discussion and Analysis

Key Commercialized Products

TPIAO

TPIAO is the Group's self-developed proprietary product, and has been the only commercialized rhTPO product in the world since its launch in 2005. TPIAO has been approved by the PRC National Medical Products Administration (NMPA) for four indications: the treatment of chemotherapy-induced thrombocytopenia (CIT), immune thrombocytopenia (ITP), pediatric ITP and Chronic Liver Disease-Related Thrombocytopenia (CLDT). TPIAO has the advantages of higher efficacy, faster platelet recovery and fewer side effects as compared to alternative treatments.

TPIAO has been listed on the National Reimbursement Drug List for Basic Medical Insurance, Work-Related Injury Insurance and Maternity Insurance (《國家基本醫療保險、工傷保險和生育保險藥品目錄》) ("NRDL") as a Class B Drug for the treatment of CIT in patients with solid tumors or ITP since 2017. Currently, rhTPO has been included in over 70 clinical guidelines and expert consensus documents in various treatment fields such as oncology, hematology and organ transplantation, and holds significant clinical value.

Future growth of TPIAO may be driven by: (i) its enhanced market position among inpatients, attributable to its safety and efficacy profile and its continued displacement of traditional interleukin (IL) platelet-raising drugs in clinical use; (ii) the continued increase in the number of hospitals covered; and (iii) the expansion of approved indications. In December 2025, TPIAO in the treatment of CLDT has been approved by the NMPA.

EPIAO

EPIAO is approved by the NMPA for the following three indications: the treatment of anemia associated with chronic kidney disease (CKD), the treatment of chemotherapy-induced anemia (CIA), and the reduction of allogeneic blood transfusion in surgery patients. rhEPO products have been listed on the NRDL as a Class B Drug for renal anemia since 2000, for CIA in patients with non-hematological malignancies since 2019, and, for the increase in allogeneic blood transfusion in surgery patients since 2024. EPIAO has also been listed on the 2018 National Essential Drug List. Currently, rhEPO has been included in more than 10 clinical guidelines and expert consensus documents across areas including hematology and nephrology. EPIAO has consistently been the premier market leader in the Mainland China rhEPO market since 2002 in terms of both sales volume and sales value. The multi-center biosimilar clinical trials for EPIAO in Russia and Thailand were completed in 2021. These trials demonstrate that EPIAO has promising effectiveness and manageable safety in patients with end-stage renal disease on hemodialysis. EPIAO has been registered in over 10 countries in Asia, Europe, South and North America, and is in the process of registration in more countries.

NuPIAO

NuPIAO (Loncipoetin alfa Injection) has been approved by the NMPA for the treatment of adult dialysis patients receiving erythropoiesis-stimulating therapy. As a highly-glycosylated recombinant protein product, NuPIAO features an optimised molecular structure achieved through genetic recombination technology, which reduces immunogenicity, extends the half-life, and enables a biweekly dosing regimen. This significantly reduces the frequency of administration, greatly improves patient adherence, and offers clinicians a more convenient treatment option. Currently, NuPIAO has entered the preliminary review list for inclusion in the 2026 NRDL.

Management Discussion and Analysis

Yisaipu

Yisaipu (Recombinant Human TNF- α Receptor II: IgG Fc Fusion Protein for Injection), is a TNF- α inhibitor product. It was first launched in 2005 in Mainland China for rheumatoid arthritis (RA). Its indications were expanded to ankylosing spondylitis (AS) and psoriasis in 2007. The pre-filled syringe of Yisaipu, launched in 2023, improves patient convenience and enhances the overall market competitiveness of Yisaipu. Yisaipu has been listed on the NRDL as a Class B Drug since 2017 for RA and for AS, each subject to certain medical prerequisites, and additionally, since 2019 for the treatment of adult patients with severe plaque psoriasis. Yisaipu is the first-to-market TNF- α inhibitor product in Mainland China that filled a gap among domestic peers in the area of the fully-human therapeutic antibody-drugs. Compared with competitors, the efficacy and safety of Yisaipu have been proven in the domestic market over two decades.

The Group's specialized Yisaipu marketing team is supported by a comprehensive sales network. In response to the pricing pressure arising from VBP (Volume-Based Procurement), the Group will continue to enhance awareness and application of Yisaipu within the medical profession, and foster market growth of rheumatic immune biological agents in key third and fourth tier cities. The Group will also actively expand the application of Yisaipu across different departments and clinical fields, including Chinese traditional medicine.

Cipterbin

Cipterbin (Inetetamab) is the first innovative anti-HER2 monoclonal antibody (mAb) in Mainland China with the engineered Fc region and optimized production process. Sunshine Guojian independently developed this product based on its proprietary technology platform. It was approved by the NMPA in June 2020 for treatment of HER2-positive metastatic breast cancer in combination with chemotherapy. Cipterbin has been listed on the NRDL since 2020. Since its launch, Inetetamab has been included in several clinical guidelines and expert consensus. As recommended by the *Chinese Society of Clinical Oncology Guidelines for the Diagnosis and Treatment of Breast Cancer*, Inetetamab serves as the backbone anti-HER2 agent for the entire course of treatment in patients with advanced breast cancer.

Yisaituo

Yisaituo (Amdokitug Injection), a humanized mAb targeting IL-17, was officially approved by the NMPA in February 2026 for the treatment of adult patients with moderate to severe plaque psoriasis who are candidates for systemic therapy or phototherapy. Supported by multiple large-scale clinical trials, Yisaituo has demonstrated outstanding core advantages, including excellent skin lesion clearance, rapid onset of action, low immunogenicity, favorable safety and tolerability, and convenient administration. Currently, IL-17 inhibitors have been recommended in the “*Guidelines for the Treatment of Psoriasis with Biologics and Small Molecule Drugs in China*” for first-line treatment of moderate to severe psoriasis. Yisaituo has been included in the preliminary review list for inclusion in the 2026 NRDL.

Mandi (蔓迪®) minoxidil

Mandi (蔓迪®) minoxidil tincture was launched in 2001 as the first over-the-counter (OTC) drug in Mainland China for androgenetic alopecia (AGA) and alopecia areata. Minoxidil is the world's only topical OTC drug for male and female alopecia that is approved for marketing by the U.S. FDA. The topical minoxidil can promote hair growth through: (i) promoting angiogenesis to increase regional blood supply and dilate scalp vascular, so as to improve microcirculation; (ii) directly stimulating proliferation and differentiation of hair follicle epithelial cells to extend hair growth cycle; and (iii) regulating the balance between calcium ion and potassium ion. In the "Guideline for Diagnosis and Treatment of Androgenetic Alopecia" issued by Chinese Medical Doctor Association, minoxidil receives the highest level of endorsement, as it is superior to other AGA treatments in terms of anti-alopeia and improvement effects and safety. In "Chinese Expert Consensus on the Diagnosis and Treatment of Female Androgenetic Alopecia" (issued by the CMA), 5% minoxidil also receives the highest level of endorsement for the treatment of female androgenetic alopecia (FAGA).

In the first half of 2026, Mandi still had a dominant position in the Mainland China hair loss drug market. The Group believes that Mandi's continued growth will be driven by: (i) sustained market education, as the Group will continue to invest resources in promoting awareness of the science of hair growth and enhancing recognition of Mandi as the leading scientific hair-growth brand; (ii) professional digital marketing system, as Mandi expands its online presence from traditional e-commerce platforms such as Ali, JD, to new e-commerce platforms like TikTok store and RedNote, enabling diversified and fine-tuned operation to accurately reach and convert potential customers, thereby continuously boosting sales on e-commerce platforms; and (iii) launch of new SKUs of the brand. Mandi foam is currently the only minoxidil foam that is approved for marketing in Mainland China.

CDMO Business

The Group's contract development and manufacturing operation (CDMO) business currently comprises Northern Medicine Valley Desen (Shenyang) Biologics Co., Ltd. ("**Desen Biologics**"), Shanghai Shengguo Pharmaceutical Development Co., Ltd., Guangdong Sunshine Pharmaceutical Co., Ltd. ("**Guangdong Sunshine**") and Sirton Pharmaceuticals S.p.A. ("**Sirton**") in Italy, all being the Group's subsidiaries. Among them, Desen Biologics has a total planned area of 500 Chinese mu, designed as a biopharmaceutical CDMO base, a manufacturing base of biopharmaceutical raw and auxiliary materials and consumables, and a biopharmaceutical core process equipment base that are domestically-leading, oriented to the international market and compliant with relevant Chinese, EU and U.S. Good Manufacturing Practice (GMP) regulations. Guangdong Sunshine focuses on services in GCT (Gene and Cell Therapy).

Research and Development

The Group's integrated R&D platform covers a broad range of technical expertise in the discovery and development of various innovative large and small molecule products, including antibody discovery, molecular cloning, antibody/protein engineering, gene expression, cell line construction, manufacturing process development, pilot and large-scale manufacturing, quality control and assurance, design and management of pre-clinical and clinical trials, and regulatory filing and registration. The Group is well experienced in the R&D of mammalian cell-expressed, bacterial cell-expressed and chemically-synthesized pharmaceuticals.

The Group's R&D division, consisting of nearly 840 experienced scientists, is working diligently to research and discover new medicines, to accelerate the progress of clinical development, and to bring breakthrough therapies to fulfill the unmet medical needs of patients.

Management Discussion and Analysis

R&D Pipeline

The Group focuses its R&D efforts on researching and developing innovative biologicals. As at 30 June 2026, the Group has 25 key product candidates in the areas of nephrology, oncology, auto-immune and inflammatory diseases, hematology, ophthalmology, dermatological and metabolic diseases.

Notes to R&D Pipeline Chart (below):

- (1) Each arrow bar indicates the progress in Mainland China, while the remarks next to certain arrow bars indicate the progress in other countries, including the U.S. and Australia;
- (2) The chart only displays the highest clinical stage of all the indications of a product candidate.
- (3) New Drug Application (NDA)
- (4) IND

Pipeline Chart



Leveraging more than thirty years of experience in biopharmaceuticals R&D, the Group has deployed a number of early discovery projects in hematology, oncology and autoimmune fields, covering several innovative targets, which provide a long-term strategic reserve for the Group's R&D pipeline.

Management Discussion and Analysis

Key Product Developments

(Unless otherwise noted, this section headed “Key Product Developments” addresses the developments in Mainland China.)

— New Drug Application

Anti-IL-17A mAb (608): 608 in patients with moderate-to-severe plaque psoriasis was approved for marketing in February 2026. Patient enrollment for the phase III clinical study of 608 for the treatment of ankylosing spondylitis has been completed. The phase II clinical trial of 608 for patients with non-radiographic axial spondylitis has been completed with positive results and the first patient has been enrolled in the phase III clinical trial for this indication.

Eltrombopag (SSS20): SSS20 in patients with ITP and Severe Aplastic Anemia (SAA) was approved for marketing in March 2026.

NuPIAO (Lorcipoetin alfa Injection, SSS06): The NDA for SSS06 has been approved for marketing by the NMPA for the treatment of adult dialysis patients undergoing erythropoietin therapy with a biweekly dosing interval. Moreover, patient enrollment for the phase II clinical study of SSS06 targeting CIA has also been completed.

Anti-IL-1 β mAb (613): 613 for the treatment of acute gouty arthritis (AG) was successfully approved for marketing in August 2026. Additionally, the phase II clinical trial treating patients in the intermittent phase of gouty arthritis (PGF) is currently ongoing.

Anti-IL-4R α mAb (611): The NDA of 611 in adult patients with atopic dermatitis (AD) was accepted for review in February 2026. The primary endpoint of the phase III clinical trial for chronic rhinosinusitis with nasal polyps (CRSwNP) has been achieved with significant efficacy. The phase II clinical trial of 611 for moderate-to-severe Chronic Obstructive Pulmonary Disease (COPD) has been completed, and the phase III clinical trial for this indication is currently ongoing. Furthermore, the phase II clinical trial of 611 in adolescent AD indication has been completed with positive results, and all patients have been enrolled in the phase III clinical trial for this product, while the phase III clinical trial for children with moderate-to-severe AD has been initiated. The interim analysis results of the phase III clinical trial of 611 in combination with TCS for the treatment of adult patients with moderate-to-severe AD have met the primary endpoint.

Anti-VEGF mAb (601A): The NDA of 601A for BRVO was accepted for review in October 2025.

Management Discussion and Analysis

— Phase III development

Anti-IL-5 mAb (610): The patient enrollment for the phase III clinical trial of 610 for the treatment of adult patients with severe eosinophilic asthma has been completed, and the patient enrollment for the phase III clinical trial for the adolescent severe eosinophilic asthma indication is ongoing, with phase II data indicating positive efficacy outcomes.

Semaglutide Injection (WS2403): The NDA of WS2403 in weight management indication was accepted for review by the NMPA in July 2026.

Clascoterone (WS204): The phase III bridging clinical trial of WS204 for treatment of moderate-to-severe acne vulgaris is ongoing.

TPIAO (rhTPO Injection): TPIAO received approval from the U.S. FDA in July 2026 to conduct an overseas bridging trial for the treatment of CLDT. This marks the first registrational clinical trial for TPIAO outside of China. Preparations for clinical trial initiation are now in progress.

— Phase II development

Anti-PD-1/HER2 BsAb (705): It is an anti-programmed cell death protein 1 (PD-1)/HER2 BsAb independently developed by the Group. It simultaneously inhibits the PD-1/PD-L1 signaling pathway and the HER2 signaling pathway, integrating the mechanisms of action of targeted therapy and immunotherapy, thus having the potential to achieve enhanced tumor immune surveillance. The patient enrollment for the phase II clinical trial of 705 for HER-2 positive advanced solid tumors is currently ongoing in Mainland China; the IND application of 705 has been approved by the U.S. FDA.

Anti-PD-1/PD-L1 BsAb (706): It is an anti-PD-1/PD-L1 BsAb independently developed by the Group. It simultaneously targets PD-1 and PD-L1 and can effectively avoid the mismatch of BsAb with good physicochemical properties. The patient enrollment for the phase II clinical trial of 706 for advanced solid tumors is currently ongoing in Mainland China; the IND application of 706 has been approved by the U.S. FDA.

Anti-TL1A Ab (627): It is a tumor necrosis factor-like ligand 1A (TL1A) targeting mAb independently developed by Sunshine Guojian. The Group has initiated the phase II clinical trial of 627 for ulcerative colitis (UC) in Mainland China. The U.S. IND application for UC indication has also been approved by the U.S. FDA.

Anti-BDCA2 Ab (626): It is an anti-blood dendritic cell antigen 2 (BDCA2) antibody independently developed by Sunshine Guojian. The Group has completed the phase Ia clinical trial of 626 with positive safety and PK/PD data in Mainland China, while patient enrollment for the phase Ib clinical trial of 626 for SLE has been completed, and phase II clinical trials for SLE and CLE are being initiated. The U.S. IND applications for 626 for systemic lupus erythematosus (SLE) and Cutaneous Lupus Erythematosus (CLE) have both been approved.

Management Discussion and Analysis

— Phase I development and new IND applications

Anti-PD-1/TGF- β BsAb (708): It is an anti-PD-1/transforming growth factor β (TGF- β) BsAb independently developed by the Group. The phase I clinical trial of 708 for advanced solid tumors is currently ongoing.

Anti-PD-1/LAG3 BsAb (709): It is an anti-PD-1/lymphocyte activation gene-3 (LAG3) BsAb independently developed by the Group. The phase I clinical trial of 709 for advanced solid tumors is currently ongoing in Australia. In Mainland China, the IND application for advanced solid tumors has been approved by the Center for Drug Evaluation (“CDE”) of the NMPA, while patient enrollment for the phase I clinical trial of 709 in Australia has been completed and has been initiated in Mainland China, respectively.

Anti-B7H3 Ab/IL15R α sushi-IL15 Fusion Protein (SPGL008): SPGL008 is a bi-functional molecule in which an anti-B7H3 mAb with a novel structure and sequence is conjugated to IL-15R α sushi-IL-15. The phase I clinical trial of SPGL008 for advanced solid tumor is currently ongoing.

C3b-targeting Bi-functional Fusion Protein (SSS55): The phase I clinical trial of SSS55 for paroxysmal nocturnal hemoglobinuria (PNH) and complement-mediated kidney disease (CMKD) is currently ongoing. The IND application for periodontitis indication has been approved by the CDE.

Long-acting ActRIIB-Ig Trap (SSS57): It is an activin receptor IIB ligand trap (ActRIIB-Ig Trap) independently developed by the Group. The phase I clinical trials of SSS57 for myelodysplastic syndromes (MDS) related anemia and β -thalassemia are currently ongoing.

Anti-ActRIIA/ActRIIB BsAb (SSS67): SSS67 is a tetravalent BsAb independently developed by the Group. It is able to simultaneously bind to both ActRIIA and ActRIIB receptors, thereby regulating fat metabolism and muscle synthesis pathways to achieve the dual effects of reducing fat and increasing muscle mass. The Mainland China and U.S. IND applications of SSS67 for overweight or obesity have been approved by the CDE and the FDA respectively, while patient enrollment for the phase I clinical trial of SSS67 in Mainland China has been initiated.

Long-acting anti-April/BAFF BsAb (SSS68): SSS68 is a long-acting anti-A proliferation-inducing ligand (April)/B cell activating factor (BAFF) innovative tetravalent BsAb independently developed by the Group. The Group has submitted the Mainland China and U.S. IND applications for SSS68, while the U.S. IND application for IgA nephropathy has been approved by the FDA, and patient enrollment for the phase I clinical trial of SSS68 in Mainland China has been initiated.

Sales, Marketing and Distribution

The Group’s sales and marketing efforts are characterized by a strong emphasis on academic promotion. The Group aims to promote and strengthen the Group’s academic recognition and the brand awareness of its products among medical experts. The Group markets and promotes its key products mainly through its in-house team. The Group sells these products to distributors who are responsible for delivering products to hospitals and other medical institutions. Mandi is also sold through online stores and retail pharmacies.

Management Discussion and Analysis

As at 30 June 2026, the Group's extensive sales and distribution network in Mainland China was supported by 2,867 sales and marketing employees. During the Reporting Period, the Group's products were sold in nearly 3,400 Grade III hospitals and over 6,200 Grade II or lower hospitals and medical institutions across all provinces, autonomous regions and special municipalities in Mainland China. In addition, EPIAO, TPIAO, Yisaipu, SEPO and some of the Group's other products are exported to a number of countries through international promoters. During the Reporting Period, the Group's products were sold in 39 overseas markets, including Thailand, Brazil, the Philippines and Pakistan.

Outlook

In the first half of 2026, the National Healthcare Security Administration sustained its policy support for innovative pharmaceuticals. In May, the annual adjustment plan for the "dual catalogue" of medical insurance and commercial insurance innovative drugs was officially released. For the first time, the plan established a pre-application mechanism, thereby shortening the waiting period from drug approval to reimbursement inclusion. The plan also unblocked the connection channel between the commercial insurance innovative drug catalogue and the basic medical insurance catalogue, creating a more accommodating payment access environment for "genuine innovations". Coupled with the formal implementation of the first edition of the Catalogue of Innovative Drugs for Commercial Health Insurance effective January 2026, the payment capacity of the multi-tiered medical security system for high-value innovative pharmaceuticals has been substantially expanded. This policy mix has, at a strategic level, provided a more favourable development environment for the life-cycle of China's innovative pharmaceutical industry.

Looking back on the first half of 2026, the Group actively responded to the policy requirements for innovation-driven development and continued to focus on the research and development of innovative pharmaceuticals. During the Reporting Period, the Group accelerated the development of its R&D system, expanded its R&D division to approximately 840 scientists, and advanced a pipeline of 25 key product candidates under development. In the auto-immune disease area, the Group achieved full coverage of major targets and strategically positioned itself in next-generation technology platforms, including T Cell Engager (TCE) and in-vivo CAR-T. In the oncology area, the Group established a presence in novel drug modalities such as multi-specific antibodies, antibody-fusion proteins, TCE and ADC, while also making forward-looking arrangements in emerging modalities, including radio-pharmaceutical drug conjugates (RDC) and gene and cell therapies, through investments and collaborations. The Group places emphasis on AI-assisted drug discovery and development, having built proprietary models for drug development using its own data, which are applied across multiple stages, including candidate molecule screening and clinical development.

In the commercialization front, the Group's self-developed innovative drugs, Yisaituo® (Amdokitug Injection) (安沐奇塔單抗注射液) and NuPIAO® (新比澳®) (Loncipoetin alfa Injection) (羅賽促紅素 α 注射液), were successively granted marketing approval in the first half of 2026, thereby covering more patients with unmet clinical needs. In the meantime, the marketing of existing drugs encountered interim pressure arising from the reform of healthcare insurance payment and the deepening of centralized procurement, resulting in fluctuations in hospital sales of existing products. The Group is currently undertaking specialized and compliant market access works and academic promotion activities to maintain the market position of its core products.

Management Discussion and Analysis

Looking ahead to the second half of 2026, the Group will continue to exert efforts on the three main fronts of commercialization, R&D of new drug and external collaboration. On the commercialization front, it will focus on advancing the expert network construction for Yisaituo® in the psoriasis field, promoting the treatment protocol iteration for NuPIAO® in dialysis centers, and synergistically promoting Teaisheng® (特艾升®) along TPIAO® to build a complete product matrix for thrombocytopenia. The Group also anticipates further new products coming to market in the second half of 2026. On the R&D strategy front, the Group will focus on core therapeutic areas including oncology, immunology, nephrology, metabolism and dermatology, continuously advancing the development of mid-to-late-stage pipeline products, strengthening early-stage research capability building, enriching innovative molecular types, and accelerating molecular development speed. On the external collaboration front, the Group will continue to practice the dual-track strategy of independent R&D and global collaboration running in parallel; on the one hand, actively seeking collaboration opportunities for the Group's proprietary pipeline assets with global multinational companies, and on the other hand, broadly evaluating mergers and acquisitions and in-license opportunities in the innovative drug field to supplement pipeline assets. Based on over thirty years of industry accumulation, the Group will continue to uphold the mission of “making innovative biologics accessible”, responding to short-term operational fluctuations, firmly investing in long-term innovation capability building, and creating lasting value for patients and shareholders.

FINANCIAL REVIEW

Revenue

For the Reporting Period, the Group's revenue amounted to approximately RMB4,526.0 million, as compared to approximately RMB4,355.5 million for the six months ended 30 June 2025, representing an increase of approximately RMB170.5 million, or approximately 3.9%.

For the Reporting Period, the Group's sales of biopharmaceuticals decreased to approximately RMB3,443.0 million, as compared to approximately RMB4,266.9 million for the six months ended 30 June 2025, representing a decrease of approximately RMB823.9 million, or approximately 19.3%. The decrease was primarily attributable to the impact of healthcare insurance policies, VBP and value added tax policy adjustment.

The Group's out-license income was RMB851.6 million for the Reporting Period, while there was no such revenue for the six months ended 30 June 2025. The significant increase was mainly attributable to the milestone payments received during the Reporting Period in the licensing transaction with Pfizer for the Group's product candidate 707.

For the Reporting Period, the Group's revenue from CDMO business increased to approximately RMB231.4 million, as compared to approximately RMB88.7 million for the six months ended 30 June 2025, representing an increase of approximately RMB142.7 million, or approximately 160.9%. The increase was mainly attributable to the increased CDMO orders from customers.

Management Discussion and Analysis

Cost of Sales

The Group's cost of sales increased from approximately RMB639.7 million for the six months ended 30 June 2025 to approximately RMB731.4 million for the Reporting Period, which accounted for approximately 16.2% of the Group's total revenue for the same period. The increase in the Group's cost of sales was due to the increased production costs related to product candidate 707 for the Reporting Period.

Gross Profit

For the Reporting Period, the Group's gross profit increased to approximately RMB3,794.6 million, as compared to approximately RMB3,715.8 million for the six months ended 30 June 2025, representing an increase of approximately RMB78.8 million, or approximately 2.1%. The Group's gross profit margin decreased to approximately 83.8% for the Reporting Period from approximately 85.3% for the corresponding period in 2025.

Other income and net (losses)/gains

The Group's other income and net (losses)/gains mainly comprised government grants, interest income, net foreign exchange differences, fair value changes on financial instruments and other miscellaneous income. For the Reporting Period, the Group's other income and net (losses)/gains decreased to approximately RMB-73.6 million, as compared to approximately RMB408.3 million for the six months ended 30 June 2025, representing a decrease of approximately RMB481.9 million. The decrease was mainly attributable to the foreign exchange losses during the Reporting Period.

Selling and Distribution Expenses

The Group's selling and distribution expenses primarily consisted of marketing and promotion expenses, staff costs, transportation expenses, consulting fees and other miscellaneous selling and distribution expenses. For the Reporting Period, the Group's selling and distribution expenses amounted to approximately RMB1,206.7 million, as compared to approximately RMB1,615.9 million for the six months ended 30 June 2025, representing a decrease of approximately RMB409.2 million, or approximately 25.3%. In terms of the percentage of revenue, the Group's selling and distribution expenses decreased from approximately 37.1% for the six months ended 30 June 2025 to approximately 26.7% for the Reporting Period.

Administrative Expenses

The Group's administrative expenses consisted of staff costs, professional fees, depreciation and amortization, property expenses, share-based compensation, and other miscellaneous administrative expenses. For the Reporting Period, the Group's administrative expenses amounted to approximately RMB267.8 million, as compared to approximately RMB283.4 million for the six months ended 30 June 2025, representing a decrease of approximately RMB15.6 million, or approximately 5.5%. The administrative expenses as a percentage of revenue represented approximately 5.9% for the Reporting Period and approximately 6.5% for the six months ended 30 June 2025.

Management Discussion and Analysis

R&D Costs

The Group's R&D costs primarily consisted of staff costs, materials consumption, clinical trials costs, depreciation and amortisation, and other miscellaneous R&D expenses. For the Reporting Period, the Group's R&D costs amounted to approximately RMB683.8 million, as compared to approximately RMB547.5 million for the six months ended 30 June 2025, representing an increase of approximately RMB136.3 million, or approximately 24.9%. The increase was mainly due to the speed-up of the Group's R&D projects. The R&D costs accounted for approximately 15.1% of revenue for the Reporting Period, as compared to approximately 12.6% for the corresponding period in 2025.

Other Expenses

The Group's other expenses primarily consisted of donation expenses, provision for impairment of financial assets, losses on disposal of items of property, plant and equipment, and other miscellaneous expenses. For the Reporting Period, the Group's other expenses amounted to approximately RMB94.5 million, as compared to approximately RMB25.5 million for the six months ended 30 June 2025, representing an increase of approximately RMB69.0 million, which was primarily attributable to the increase of the provision for impairment of financial assets.

Finance Costs

For the Reporting Period, the Group's finance costs amounted to approximately RMB30.9 million, as compared to approximately RMB53.0 million for the six months ended 30 June 2025, representing a decrease of approximately RMB22.1 million, or approximately 41.7%. The decrease was mainly due to that certain bonds payable have been repaid without any related interest expenses for the Reporting Period.

Income Tax Expense

For the Reporting Period, the Group's income tax expense amounted to approximately RMB223.8 million, as compared to approximately RMB233.1 million for the six months ended 30 June 2025, representing a decrease of approximately RMB9.3 million, or approximately 4.0%. The effective tax rates for the Reporting Period and the corresponding period in 2025 were 15.6% and 14.4%, respectively.

EBITDA and Net Profit Attributable to Equity Shareholders of the Company

The EBITDA for the Reporting Period decreased by approximately RMB323.8 million or approximately 17.7% to approximately RMB1,508.7 million, as compared to approximately RMB1832.5 million for the six months ended 30 June 2025. The EBITDA adjusted for non-operating items is defined as the EBITDA for the period excluding the Excluded Items. The Group's EBITDA adjusted for non-operating items for the Reporting Period increased by approximately RMB188.2 million or approximately 11.7% to approximately RMB1,798.3 million, as compared to approximately RMB1,610.1 million for the six months ended 30 June 2025.

Management Discussion and Analysis

The net profit attributable to equity shareholders of the Company for the Reporting Period was approximately RMB1,146.6 million, as compared to approximately RMB1,358.2 million for the six months ended 30 June 2025, representing a decrease of approximately RMB211.6 million, or approximately 15.6%. The net profit attributable to equity shareholders of the Company adjusted for non-operating items is defined as the profit for the period excluding the Excluded Items. The Group's net profit attributable to equity shareholders of the Company adjusted for non-operating items for the Reporting Period was approximately RMB1,436.3 million, as compared to approximately RMB1,135.8 million for the six months ended 30 June 2025, representing an increase of approximately RMB300.5 million, or approximately 26.5%.

Earnings Per Share

The basic earnings per share for the Reporting Period was approximately RMB0.45, as compared to approximately RMB0.57 for the six months ended 30 June 2025, representing a decrease of approximately 21.1%.

Financial Assets Measured at Fair Value

As at 30 June 2026, financial assets measured at fair value primarily comprised the investment in treasury or cash management products issued by certain banks, the investments in listed companies and the investments in private equity funds which focus on the healthcare industry.

The treasury or cash management products subscribed by the Group for treasury management purposes from time to time during the Reporting Period included wealth management products offered by various independent commercial banks. For further information, please refer to the section headed "Management Discussion and Analysis – Liquidity, Financial and Capital Resources – Significant Investments Held" in this report, which relates the Group's subscriptions from independent commercial banks.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

The Group's liquidity remained strong. For the Reporting Period, the Group's operating activities generated a net cash inflow of approximately RMB899.4 million, as compared to approximately RMB969.6 million for the six months ended 30 June 2025, representing a decrease of RMB70.2 million or approximately 7.2%. The decrease was mainly attributable to the increase in other cash payments relating to operating activities. As at 30 June 2026, the Group's cash and cash equivalents, current non-pledged time deposits and current pledged deposits were approximately RMB12,469.2 million.

Net Current Assets

As at 30 June 2026, the Group had net current assets of approximately RMB17,233.8 million, as compared to net current assets of approximately RMB18,255.1 million as at 31 December 2025. The current ratio of the Group was approximately 6.1 as at 30 June 2026, as compared to approximately 5.1 at 31 December 2025. The decrease in net current assets was mainly attributable to the purchase of long-term non-pledged time deposits. The increase in current ratio was mainly attributable to the lower current liabilities which was brought by the decrease in interest-bearing bank borrowings in 2026.

Management Discussion and Analysis

Funding and Treasury Policies, Borrowing and Pledge of Assets

The Group's finance department is responsible for the funding and treasury policies with regard to the overall business operation of the Group. The Company expects to fund its working capital and other capital requirements from a combination of various sources, including but not limited to internal financing and external financing at reasonable market rates. The Group continues to seek ways to improve the return of equity and assets while maintaining a prudent funding and treasury policy.

As at 30 June 2026, the Group had an aggregate interest-bearing bank borrowing of approximately RMB1,320.6 million, as compared to approximately RMB2,553.9 million as at 31 December 2025. The decrease in bank borrowings primarily reflected the repayment of loans of RMB1,533.9 million, which was partially offset by the additional bank loans of approximately RMB302.1 million, during the Reporting Period. Among the short-term deposits, none was pledged to secure the aforementioned bank loans as at 30 June 2026.

Gearing Ratio

The gearing ratio of the Group, which was calculated by dividing the total borrowings, lease liabilities, financial liabilities and bonds by the total equity, decreased to approximately 5.7% as at 30 June 2026 from approximately 9.8% as at 31 December 2025. The decrease was primarily due to the decrease in interest-bearing bank borrowings during the Reporting Period.

Charge on Assets

As at 30 June 2026, the Group had charge on assets of approximately RMB31.6 million (31 December 2025: RMB34.4 million).

Contingent Liabilities

As at 30 June 2026, the Group had no significant contingent liabilities.

Commitments

The Group's capital commitment amounted to approximately RMB328.4 million as at 30 June 2026, as compared to approximately RMB151.6 million as at 31 December 2025.

Management Discussion and Analysis

Foreign Exchange and Exchange Rate Risk

The Group mainly operates in Mainland China, with all material aspects of its regular business conducted in Renminbi other than: (i) the operations of Sirton; and (ii) the Group's exports, which amounted to approximately RMB83.8 million, or approximately 1.9% of the Group's revenue, for the Reporting Period. Except for the operations of Sirton, the Group's exports, possible international deal expenditures (such as expenditures related to international licensing and acquisitions), and foreign currency denominated bank borrowings and bank deposits, the Group believes that it does not have any other material direct exposure to foreign exchange fluctuations. As at 30 June 2026, the Group's foreign currency denominated bank deposits primarily comprised: (i) approximately USD1,013.6 million (equivalent to approximately RMB6,903.6 million); (ii) approximately Hong Kong Dollar ("HKD") 1,466.0 million (equivalent to approximately RMB1,273.4 million); (iii) approximately EUR3.8 million (equivalent to approximately RMB29.4 million); and (iv) approximately CHF182.4 million (equivalent to approximately RMB1,536.3 million). The Group expects that the fluctuation of the Renminbi exchange rate will not have a material adverse effect on the operations of the Group in the foreseeable future.

Significant Acquisitions and Disposals

During the Reporting Period, the Group did not have any material acquisition and disposal of subsidiaries, associates and joint ventures.

Significant Investments Held

As at 30 June 2026, the Group did not hold any significant investments. As at 30 June 2026, the Group held (i) equity investments measured at fair value of approximately RMB889.1 million; and (ii) wealth management products issued by various independent commercial banks, which were classified as financial assets at FVTPL, together with derivative financial instruments, of approximately RMB5,185.2 million. None of such investments, whether held in any entities, or any products issued by the same commercial bank or group of commercial banks, individually or in aggregate, represented 5% or more of the total assets of the Group as at 30 June 2026.

Future Plans for Material Investments or Capital Assets

The Group estimates that its total capital expenditure over the next three years will range from RMB1,000 million to RMB1,200 million. This expected capital expenditure will primarily be incurred for the maintenance of the Group's existing facilities and the expansion of its production capabilities. The Group expects to finance its capital expenditure through a combination of internally generated funds and bank borrowings.

EMPLOYEES AND EMOLUMENTS POLICY

As at 30 June 2026, the Group employed a total of 6,068 employees, as compared to a total of 6,109 employees as at 31 December 2025. Staff costs, including Directors' emoluments but excluding any contributions to the pension scheme, were approximately RMB849.5 million for the Reporting Period, compared with approximately RMB809.8 million for the corresponding period in 2025. The Group generally structures its employees' remuneration package to include salary, bonus, equity compensation, and allowance elements. The compensation programs are designed to remunerate and reward the employees based on their performance, measured against specified objective criteria. The Group also provides welfare benefits in accordance with applicable regulations and its internal policies.

Following the expiry of the share option scheme (adopted by the Company in May 2015) ("**2015 Option Scheme**") and the termination of the share award scheme (adopted by the Company in July 2019) ("**2019 Share Award Scheme**"), the Company has adopted a new share award scheme ("**2025 Share Award Scheme**") and a new share option scheme ("**2025 Option Scheme**") in June 2025 (collectively, the "**2025 Share Schemes**"). Other incentive initiatives such as cash awards have also been put in place, all of which are intended to incentivise and reward eligible participants who contribute to the success of the Group's operations. In addition, Sunshine Guojian has adopted two restricted share incentive plans respectively in February 2021 and in July 2024, and Mandi Inc. has adopted an equity incentive plan in October 2025. There is also a gratuitous incentive scheme set up by founding and management members of the Group that serves to recognise employees' contributions.

USE OF PROCEEDS

2025 Subscription of New Shares by Pfizer

On 24 July 2025, the Company entered into a subscription agreement with Pfizer. Completion of the subscription took place on 1 August 2025. A total of 31,142,500 ordinary shares of the Company (ordinary share(s) of USD0.00001 each in the issued share capital of the Company, "**Share(s)**") were successfully issued to Pfizer at the subscription price of HKD25.2055 per Share.

The aggregate gross proceeds from the subscription amounted to approximately HKD785.0 million and the net proceeds arising from the subscription amounted to approximately HKD785.0 million, after deduction of relevant costs and expenses. As disclosed in the Company's announcement dated 24 July 2025, the Company intends to use (i) approximately HKD628.0 million (representing 80% of the net proceeds) for the global R&D arrangement of clinical and preclinical programs within its pipeline, as well as to the enhancement of manufacturing facilities; and (ii) approximately HKD157.0 million (representing 20% of the net proceeds) for other general corporate purposes.

For further details, please refer to the Company's announcements dated 24 July 2025 and 1 August 2025.

Approximately HKD57.6 million was utilized as intended during the Reporting Period. The remaining HKD657.4 million is expected to be fully utilized for the intended purposes in the next three years.

Management Discussion and Analysis

2025 Placing of New Shares

On 9 December 2025, an aggregate of 105,169,500 Shares (any one or more such Shares, “**Placing Shares**”, the placing of such Shares, “**Placing**”) were placed by the placing agent to not less than six placees at the placing price of HKD29.62 per Placing Share.

The gross proceeds and net proceeds (after deducting the placing commission and other related expenses and professional fees) from the Placing amounted to approximately HKD3,115.12 million and HKD3,086.84 million, respectively.

As disclosed in the Company’s announcement dated 9 December 2025, the Company intends to use: (i) approximately 80% or HKD2,469.47 million for R&D-related expenditures, including: (a) advancing clinical research in Mainland China and the United States on innovative drug candidates in the R&D stage to accelerate pipeline progress; (b) supporting indication expansions or clinical trials outside of Mainland China for commercialised drugs to further enhance product value and expand market reach; and (c) building the global infrastructure and facilities; and (ii) approximately 20% or HKD617.37 million for working capital and other general corporate purposes to support the Group’s ongoing operations and strategic initiatives.

For further details, please refer to the Company’s announcements dated 2 December 2025 and 9 December 2025.

Approximately HKD392.6 million was utilized as intended during the Reporting Period. The remaining HKD2,664.4 million is expected to be fully utilized for the intended purposes in the next three years.

Corporate Governance and Other Information

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company and to enhance corporate value and accountability. The Company has applied the principles and code provisions as set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Rules Governing the Listing of Securities (the “**HKEx Listing Rules**”) on the HKEx as its own code of corporate governance.

Except as expressly described below, the Company has complied with all the applicable code provisions set out in the CG Code during the Reporting Period.

Separation of the Roles of the Chairman of the Board and Chief Executive Officer

Pursuant to code provision C.2.1 of the CG Code, companies listed on the HKEx are expected to comply with, but may choose to deviate from, the requirement that the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. The Company does not have a separate chairman and a separate chief executive officer. Dr. LOU Jing currently performs these two roles. The Board believes that vesting both the roles of chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and facilitating a more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. In addition, all major decisions are made in consultation with members of the Board, including the relevant Board committees and independent non-executive Directors.

The Board will from time to time review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company at an appropriate time, taking into account the circumstances of the Group as a whole.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the “Model Code for Securities Transactions by Directors of Listed Issuer” (the “**Model Code**”) as set out in Appendix C3 to the HKEx Listing Rules as its code of conduct regarding securities transactions by the Directors. Having made specific enquiry with the Directors, all Directors confirmed that they had complied with the required standards as set out in the Model Code during the Reporting Period.

THE BOARD AND ITS COMMITTEES

The compositions of the Board, the Audit Committee, the nomination committee of the Company and the remuneration committee of the Company are as set out in the “Corporate Information” section.

Corporate Governance and Other Information

INTERIM DIVIDEND

The Board does not recommend any interim dividend for the Reporting Period.

CHANGES TO INFORMATION REGARDING DIRECTORS AND CHIEF EXECUTIVES

The Directors confirm that no information is required to be disclosed pursuant to Rule 13.51B(1) of the HKEx Listing Rules since the preparation of the 2025 annual report and up to the latest practicable date prior to the printing of this interim report.

AUDIT COMMITTEE

The Board has established the Audit Committee, which comprises the three independent non-executive Directors, namely Mr. PU Tianruo (chairman), Mr. NG Joo Yeow Gerry and Ms. YANG Hoi Ti Heidi.

The Audit Committee, together with the Board, has reviewed the unaudited interim financial report of the Group for the Reporting Period. The Audit Committee does not have any disagreement with any accounting treatment which had been adopted. The Audit Committee has also reviewed the effectiveness of the risk management and internal control systems of the Company and considers them to be effective and adequate.

In addition, the independent auditor of the Company, KPMG, has reviewed the unaudited interim financial report of the Group for the Reporting Period in accordance with Hong Kong Standard on Review Engagements 2410 *“Review of Interim Financial Information Performed by the Independent Auditor of the Entity”*.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Reporting Period, the Company had conducted on-market repurchases of a total of 8,520,500 Shares on the HKEx at an aggregate cash consideration of HKD135,469,970 (excluding expenses). All such 8,520,500 Shares are held by the Company as treasury Shares. Save for the aforesaid on-market share repurchases, there was no purchase, sale or redemption of any of the Company's listed securities (including sale of treasury shares (as defined under the HKEx Listing Rules)) by the Company or any of its subsidiaries during the Reporting Period.

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

As at 30 June 2026, the interests and short positions of the Directors and the chief executives 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 Securities and Futures Ordinance (the “SFO”) which had been notified to the Company and the HKEx pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or which were recorded in the register required to be kept pursuant to Section 352 of the SFO or as otherwise notified to the Company and the HKEx pursuant to the Model Code were as follows:

(i) Interests in the Company

Name	Position	Nature of Interest	Number of Shares held	Approximate percentage of all Shares in Issue ⁽¹⁾
LOU Jing ⁽²⁾ (婁競)	Executive Director	Beneficial owner	2,327,553 ^(L)	0.09%
		Beneficiary of a trust	54,656,895 ^(L)	2.15%
		Other	476,774,553 ^(L)	18.78%
		Total:	533,759,001 ^(L)	21.03%
SU Dongmei ⁽³⁾ (蘇冬梅)	Executive Director	Founder of a discretionary trust who can influence how the trustee exercises his discretion	24,384,630 ^(L)	0.96%
		Beneficial owner	440,000 ^(L)	0.02%
		Total:	24,824,630 ^(L)	0.98%
ZHANG Jiaoe ⁽⁴⁾ (張皎娥)	Non-executive Director	Beneficial owner	12,379,139 ^(L)	0.49%

Notes:

(L) : denotes long position

(1) The calculation is based on the total number of 2,538,084,412 Shares in issue as at 30 June 2026.

(2) Dr. LOU Jing was a beneficiary under three unnamed trusts which were interested in 41,746,000 Shares, 9,410,895 Shares and 3,500,000 Shares respectively. Further, Dr. LOU Jing was an enforcer and a beneficiary of an unnamed discretionary trust which was interested in 476,774,553 Shares. Therefore, Dr. LOU Jing was deemed to be interested in all such Shares as discussed in the foregoing.

(3) Ms. SU Dongmei was the founder of a discretionary trust who can influence how the trustee exercises his discretion and therefore was deemed to be interested in the same number of the Shares in which that trust was interested (i.e. 24,384,630 Shares); and, Ms. SU Dongmei was granted 440,000 share options by the Company, representing 440,000 Shares upon full exercise.

(4) 80,000 share options, representing 80,000 Shares upon full exercise, were granted by the Company to a trust and held for the benefit of Ms. ZHANG.

Corporate Governance and Other Information

(ii) Interests in Associated Corporations

Name	Position	Associated Corporation	Nature of Interest	Number of Securities	Approximate Percentage of Outstanding Share Capital of the Associated Corporation ⁽¹⁾
LOU Jing (婁競)	Executive Director	Sunshine Guojian	Interest in controlled Corporation	27,935,459 ^{(L)(1)}	3.12%
		Mandi Inc.	Beneficiary of a trust (other than a discretionary interest)	350 ^{(L)(3)}	3.50%

Notes:

(L) : denotes long position.

(1) These shares were held by Achieve Well International Limited, a company wholly-owned by Dr. LOU Jing, under a restricted share incentive plan of Sunshine Guojian, for purposes of holding the awarded shares granted to Dr. LOU Jing.

(2) The shares were granted by Mandi Inc. to Hero Grand, an exempted company incorporated and existing under the laws of the British Virgin Islands, which was ultimately beneficially owned by a trust the settlor, protector and one of the beneficiaries of which was Dr. LOU Jing, under the equity incentive plan adopted by Mandi Inc. on 30 September 2025.

Save as disclosed above, as at 30 June 2026, none of the Directors or the chief executives of the Company had or was deemed to have any interest or short position in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to the Company and the HKEx pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or required to be recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the HKEx pursuant to the Model Code.

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

As at 30 June 2026, to the best of the Directors' knowledge, the following persons (other than the Directors or chief executives of the Company), had interests or short positions in the shares and underlying shares of the Company as recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Name of Shareholder	Nature of Interest	Number of Shares held	Approximate percentage of all Shares in Issue ⁽¹⁾
Decade Sunshine Limited ("DSL") ⁽²⁾	Beneficial owner	476,774,553 ^(L)	18.78%
Century Sunshine Limited ("CSL") ⁽²⁾	Interest in a controlled corporation	476,774,553 ^(L)	18.78%
XING Lily ⁽³⁾	Interest in a controlled corporation ⁽²⁾	476,774,553 ^(L)	18.78%
	Interest of spouse ⁽³⁾	56,468,448 ^(L)	2.22%
	Total: 533,243,001 ^(L)		21.01%
Lambda International Limited ⁽²⁾	Interest in a controlled corporation	476,774,553 ^(L)	18.78%
TMF (Cayman) Ltd. ⁽⁴⁾	Trustee	554,183,428 ^(L)	21.83%
Hui Tian Fu Funds Management Co., Ltd. (匯添富基金管理股份 有限公司) ("HTF") ⁽⁵⁾	Investment manager	177,758,500 ^(L)	7.00%
DFZQ (東方證券股份有限公司)	Beneficial owner	822,167 ^(L)	0.03%
	Interest in a controlled corporation ⁽⁵⁾	179,164,500 ^(L)	7.06%
	Total: 179,986,667 ^(L)		*7.09%
Citigroup Inc.	Interest in a controlled corporation	8,901,162 ^(L)	0.35%
		8,641,381 ^(S)	0.34%
	Approved lending agent	124,370,247 ^{(L)&(P)}	4.90%
		Total: 133,271,409 ^(L)	5.25%
		8,641,381 ^(S)	0.34%
		124,370,247 ^(P)	4.92%

Corporate Governance and Other Information

Notes:

(L) : denotes long position

(S) : denotes short position

(P) : denotes lending pool

* : Figures shown as total may not be an arithmetic aggregation of the figures being added up due to rounding adjustment.

(1) The calculation is based on the total number of 2,538,084,412 Shares in issue as at 30 June 2026.

(2) DSL was wholly-owned by CSL and therefore CSL was deemed to be interested in 476,774,553 Shares held by DSL; further, 42.52% and 35.65% of CSL were respectively controlled by Ms. XING Lily and Lambda International Limited, who were therefore deemed to be interested in such 476,774,553 Shares.

(3) Ms. XING Lily's spouse is Dr. LOU Jing.

(4) TMF (Cayman) Ltd. was the trustee with respect to four unnamed trusts, which respectively were interested in 476,774,553, 51,156,895, 15,340,480, and 10,911,500 Shares, as disclosed under the SFO, and therefore TMF (Cayman) Ltd. was deemed to be interested in all such Shares.

(5) 35.41% of HTF was owned by DFZQ, and therefore DFZQ was deemed to be interested in all the Shares held by HTF.

Save as disclosed above, as at 30 June 2026, the Directors and the chief executives of the Company were not aware of any other person (other than the Directors or chief executives 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.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than disclosed under the heading "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures", at no time during the Reporting Period was the Company or any of its subsidiaries or holding company or any subsidiary of the Company's holding company a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and during the Reporting Period none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

2015 OPTION SCHEME

Pursuant to a written resolution passed by the then sole shareholder of the Company on 23 May 2015, the Company adopted the 2015 Option Scheme pursuant to Chapter 17 of the HKEx Listing Rules. ***The 2015 Option Scheme was valid for a period of 10 years commencing from the date of adoption; accordingly, it expired on 23 May 2025.***

Upon expiry of the 2015 Option Scheme, no further options may be granted but in all other respects, the provisions of the 2015 Option Scheme shall remain in full force and effect. ***Therefore, the expiry of the 2015 Option Scheme will not in any event affect the terms of such outstanding options (see the below two tables in this section) that have already been granted under the 2015 Option Scheme and the outstanding options granted under the 2015 Option Scheme shall continue to be subject to the provisions of the 2015 Option Scheme.***

Details of the 2015 Option Scheme were disclosed in the Company's prospectus dated 1 June 2015 in the section headed "Statutory and General Information – 5. Post-IPO Share Option Scheme" in Appendix IV. No option was available for grant under the scheme mandate of the 2015 Option Scheme as at 1 January 2026 and at 30 June 2026. The number of Shares that may be issued in respect of awards granted under the 2015 Option Scheme during the Reporting Period divided by the weighted average number of the Shares in issue for the Reporting Period was 0. The total number of Shares available for issue under the 2015 Option Scheme is 0. The purpose of the 2015 Option Scheme is to provide selected participants with the opportunity to acquire proprietary interests in the Company and to encourage selected participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its shareholders as a whole.

Unless approved by the shareholders of the Company in accordance with the terms of the 2015 Option Scheme, the total number of Shares issued and to be issued upon exercise of the options granted and to be granted under the 2015 Option Scheme and any other share option scheme(s) of the Company to each selected participant (including both exercised and outstanding options) in any 12 month period shall not exceed 1% of the total number of Shares in issue. An option may be exercised in accordance with the terms of the 2015 Option Scheme at any time during a period to be determined and notified by the Directors to each grantee. A nominal consideration of RMB1.00 is payable upon acceptance of the grant of an option. For details, please refer to Appendix IV to the Company's prospectus dated 1 June 2015.

Corporate Governance and Other Information

The following outstanding share options were granted to the following Directors under the 2015 Option Scheme as of 30 June 2026:

Name of Director	Number of share options						Date of grant of share options	Exercise period of share options	Exercise price of share options (HKD per share)	Price of the Company's listed shares immediately before the grant date of options (HKD per share)
	As at 1 January 2026	Granted during the period	Exercised during the period	Forfeited/ cancelled during the period	Lapsed during the period	As at 30 June 2026				
SU Dongmei ⁽¹⁾	440,000	–	–	0	0	440,000	2 February 2017	From 2 August 2018 to 2 February 2027 ⁽²⁾	7.62	7.37
ZHANG Jiaoe ⁽¹⁾	80,000	–	–	0	0	80,000	2 February 2017	From 2 August 2018 to 2 February 2027 ⁽²⁾	7.62	7.37

- (1) The outstanding share options were held by The Empire Trust, a trust established by the Company for beneficiaries who are employees of the Company and its subsidiaries and affiliates, and any other persons as nominated from time to time by the advisory committee of The Empire Trust that is established with the authority of the Board.
- (2) Share options granted are subject to vesting conditions with vesting periods ended 2 August 2018, 2 February 2020 and 2 August 2021, respectively.

Corporate Governance and Other Information

The following outstanding share options were granted to employee participants⁽³⁾ of the Group (apart from Directors) as of 30 June 2026:

Number of share options									Price of the Company's listed shares immediately before the grant date of options
As at 1 January 2026	Granted during the period	Exercised during the period	Forfeited/ cancelled during the period	Lapsed during the period	As at 30 June 2026	Date of grant of share options	Exercise period of share options	Exercise price of share options (HKD per share)	(HKD per share)
9,846,500 ⁽¹⁾	–	79,000	0	0	9,767,500	2 February 2017	From 2 August 2018 to 2 February 2027 ⁽²⁾	7.62	7.37

(1) The outstanding share options were held by The Empire Trust, a trust established by the Company for beneficiaries who are employees of the Company and its subsidiaries and affiliates, and any other persons as nominated from time to time by the advisory committee of The Empire Trust that is established with the authority of the Board.

(2) Share options granted are subject to vesting conditions with vesting periods ended 2 August 2018, 2 February 2020 and 2 August 2021, respectively.

(3) Employee participants include employees of any member of the Group (apart from Directors).

(4) The weighted average closing price of the Shares immediately before the dates on which the share options were exercised is HKD20.85 per Share.

All of the above grants were made prior to the amendment to Chapter 17 of the HKEx Listing Rules and none of the grants of options to any participant is in excess of the 1% individual limit.

Please refer to Note 17 "SHARE INCENTIVE SCHEMES" to the interim financial report in this interim report for the accounting policy adopted for share options.

2019 SHARE SCHEME

The Company adopted the 2019 Share Scheme to recognise the contributions by selected participants and to motivate and give incentives thereto in order to retain them for the continual operation and development of the Group; to attract suitable personnel for further development of the Group; and to provide selected participants with a direct economic interest in attaining a long-term relationship between the Group and the selected participants.

The 2019 Share Scheme was adopted by the Company on 16 July 2019 and amended on 12 December 2021. **As approved by the shareholders on 25 June 2025, the Company terminated the 2019 Share Scheme. Under the terms of the 2019 Share Scheme, such termination shall not affect any subsisting rights of any selected participant who is a grantee of awarded Shares under the 2019 Share Scheme (for the awarded Shares granted under the 2019 Share Scheme, please see the below table in this section).**

Corporate Governance and Other Information

Under the 2019 Share Scheme, as at 1 January 2026, at 30 June 2026, and at the date of this interim report, respectively, no new Shares were available for grant of awards. The number of Shares that may be issued in respect of awards granted under the 2019 Share Scheme during the Reporting Period divided by the weighted average number of the Shares in issue for the Reporting Period was 0.

Further details of the 2019 Share Scheme are set out in Note 17 “SHARE INCENTIVE SCHEMES” to the interim financial report in this interim report.

As at 30 June 2026, details of the awarded shares granted under the 2019 Share Scheme of the Company were as follows:

Share awards holders	Date of award	Number of awarded shares	Number of awarded shares					Closing price immediately before the date of award (HKD per share)	
			As at 1 January 2026	Awarded During the period	Vested during the period	Lapsed during the period	As at 30 June 2026		Vesting period
Employee	16 July 2019 ⁽¹⁾	9,885,448	–	–	–	–	–	March 2020 to March 2023 ⁽³⁾	13.88
	7 September 2020 ⁽²⁾	10,000,000	–	–	–	–	–	NA ⁽⁴⁾	8.98
	23 September 2024 ⁽⁵⁾	34,107,688	32,798,176	–	537,600	–	32,260,576	23 September 2024 to 23 September 2027 ⁽³⁾	5.70
Director of the Company/ Director/general manager of subsidiaries of the Company									
Director of the Company – Dr. LOU Jing	23 September 2024 ⁽⁵⁾	5,000,000	3,500,000	–	–	–	3,500,000	23 September 2024 to 23 September 2027 ⁽³⁾	5.70
Director of a subsidiary of the Company – Mr. YU An	23 September 2024 ⁽⁵⁾	650,000	455,000	–	–	–	455,000	23 September 2024 to 23 September 2027 ⁽³⁾	5.70
General manager of a subsidiary of the Company – Mr. JIN Zheng	23 September 2024 ⁽⁵⁾	600,000	600,000	–	–	–	600,000	23 September 2024 to 23 September 2027 ⁽³⁾	5.70
Total		60,243,136	37,353,176	–	537,600	–	36,815,576		

Corporate Governance and Other Information

Notes:

- (1) On 16 July 2019, the Board resolved to grant a maximum of 10,000,000 awarded Shares to 37 independent employees of the Group, pursuant to the terms of the 2019 Share Scheme, in order to recognize the contributions of the independent employees to the Group. For details, please refer to the announcement of the Company dated 17 July 2019 and Note 17 "SHARE INCENTIVE SCHEMES" to the interim financial report in this interim report.
- (2) On 7 September 2020, the Board resolved to conditionally grant 10,000,000 new awarded Shares to Dr. ZHU Zhenping, of which 5,000,000 awarded Shares and 2,250,000 awarded Shares have so far been issued and allotted to Dr. ZHU Zhenping on 14 April 2021 and 8 March 2022, respectively. For details, please refer to the announcement of the Company dated 8 September 2020 and the circular of the Company dated 16 October 2020.
- (3) These awarded Shares are subject to vesting conditions involving financial targets and vesting periods.
- (4) These awarded Shares are not subject to any vesting condition or vesting period.
- (5) On 23 September 2024, the Board resolved to grant 34,107,688, 5,000,000, 650,000 and 600,000 awarded Shares to 267 independent employees of the Group, Chairman of the Board and the Chief Executive Officer of the Company, Dr. LOU Jing, a director of a subsidiary of the Company, Mr. YU An, and the general manager of a subsidiary of the Company, Mr. JIN Zheng, respectively, pursuant to the terms of the 2019 Share Scheme, with the purpose of the 2019 Share Scheme as a recognition and reward of the grantees' contributions to the Company's continuing operation and development. For details of such grant and vesting terms, please refer to the announcement of the Company dated 23 September 2024 and Note 17 "SHARE INCENTIVE SCHEMES" to the interim financial report in this interim report.

2025 SHARE SCHEMES

Adoption of 2025 Share Schemes

At the AGM of the Company held on 25 June 2025, ordinary resolutions were passed to adopt the 2025 Option Scheme and the 2025 Share Award Scheme, primarily for the purpose of conforming to the amendments to Chapter 17 of the HKEx Listing Rules which took effect on 1 January 2023.

The principal terms of the 2025 Option Scheme and the 2025 Share Award Scheme are substantially the same as the Company's previous share schemes (being the 2015 Option Scheme and the 2019 Share Award Scheme, respectively).

For details of the adoption and full terms of the 2025 Share Schemes, please refer to the circular issued by the Company to the Shareholders on 26 May 2025.

Corporate Governance and Other Information

– 2025 Option Scheme

The 2025 Option Scheme was conditionally adopted on 25 June 2025 and, unless terminated earlier, shall be valid and effective for a term of 10 years from the adoption date (expiring on 24 June 2035, with a remaining life of approximately 8.5 years).

(i) Purpose

The purposes of the 2025 Option Scheme are to (i) recognise the contributions by certain selected participants with an opportunity to acquire a proprietary interest in the Company; (ii) encourage and retain such individuals for the continual operation and development of the Group; (iii) provide additional incentives for them to achieve performance goals; (iv) attract suitable personnel for further development of the Group; and (v) motivate the selected participants to maximise the value of the Company for the benefits of both the selected participants and the Company, with a view to achieving the objectives of increasing the value of the Group and aligning the interests of the selected participants directly to the Shareholders through ownership of Shares.

(ii) Eligible Participants

The Board may, at its absolute discretion, grant options to (i) any Employee Participant; (ii) any director or employee of a Related Entity; and (iii) any Service Provider (as defined in the 2025 Option Scheme). In determining eligibility, the Board takes into consideration matters including but without limitation the present and future contribution of the relevant participant, the performance of the participant, as well as the Group's overall business objectives and future development plans.

(iii) Total Number of Shares Available for Issue

The maximum number of Shares which may be issued in respect of all options to be granted under the 2025 Option Scheme shall not exceed 5% of the total number of Shares in issue (excluding treasury Shares) as at the Adoption Date.

As at the date of this interim report, the total number of Shares available for issue under the 2025 Option Scheme is 119,953,945 Shares, representing approximately 4.74% of the total number of issued Shares (excluding treasury Shares).

Corporate Governance and Other Information

(iv) Service Provider Sub-limit (Share Option)

Within the Scheme Mandate Limit (Share Option), the maximum number of Shares which may be issued in respect of all options to be granted to Service Providers shall not exceed 0.5% of the total number of Shares in issue (excluding treasury Shares) as at the Adoption Date. As at the date of this interim report, the number of Shares available for issue under the Service Provider Sub-limit (Share Option) is 11,995,394 Shares.

(v) Maximum Entitlement of Each Participant

Unless approved by the Shareholders, the total number of Shares issued and to be issued in respect of all options and awards granted to a grantee (excluding any options and awards lapsed) in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue (excluding treasury Shares) from time to time.

Where any grant of options to an independent non-executive Director or a substantial Shareholder or any of their respective associates would result in the Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed) to such person in the 12-month period up to and including the date of grant representing in aggregate over 0.1% of the total issued Shares (excluding treasury Shares), such grant must be approved by Shareholders in general meeting.

(vi) Acceptance Period

An offer of the grant of an option shall be open for acceptance by the grantee for a period of 10 business days from the date of the grant letter.

(vii) Exercise Price and Option Period

The subscription price for Shares under the 2025 Option Scheme shall be the highest of (i) the nominal value of a Share; (ii) the closing price of the Shares as stated in the daily quotation sheets of the HKEx on the date of grant; and (iii) the average closing price of the Shares for the five business days immediately preceding the date of grant. The option period shall be determined by the Board at its discretion, but shall not exceed 10 years from the date of grant.

Corporate Governance and Other Information

(viii) Vesting Period

Save for certain specific circumstances permitted under the HKEx Listing Rules, an option must be held by the grantee for at least 12 months from the date of grant before it can be exercised. The Board may, at its sole and absolute discretion, grant a shorter vesting period to an Employee Participant in the following circumstances: (a) grants of “make-whole” share options to new joiners to replace share awards or options forfeited upon leaving their previous employers; (b) grants with performance-based vesting conditions in lieu of time-based criteria; (c) grants made in batches due to administrative or compliance requirements, where the vesting period may be adjusted to reflect the intended grant date; (d) grants with a mixed or accelerated vesting schedule; (e) grants with a total vesting and holding period of more than 12 months; or (f) replacement grants issued following mergers and acquisitions to reflect the vesting status of lapsed subsidiary awards.

(ix) Payment on Acceptance of Option

No consideration is payable by the grantee on acceptance of the option.

(x) Status of Grants

No share options had been granted, exercised, cancelled or lapsed under the 2025 Option Scheme since its adoption and up to the date of this interim report.

(xi) Number of Options Available for Grant

As at 30 June 2026, the number of options available for grant under the Scheme Mandate Limit (Share Option) was 119,953,945, and the number of options available for grant under the Service Provider Sub-limit (Share Option) was 11,995,394.

As at the date of this interim report, the number of options available for grant under the Scheme Mandate Limit (Share Option) remained at 119,953,945, and the number of options available for grant under the Service Provider Sub-limit (Share Option) remained at 11,995,394.

Corporate Governance and Other Information

The following outstanding share options were granted under the 2025 Option Scheme as of 30 June 2026:

Number of share options						Price of the company's listed shares immediately before the grant date of options				
As at 1 January 2026	Granted during the period	Exercised during the period	Forfeited/ cancelled during the period	Lapsed during the period	As at 30 June 2026	Date of grant of share options	Exercise period of share options	Exercise price of share options (HKD per share)	Exercise price of share options (HKD per share)	Exercise price of share options (HKD per share)
-	-	-	-	-	-	-	-	-	-	-

– 2025 Share Award Scheme

The 2025 Share Award Scheme was conditionally adopted on 25 June 2025 and, unless terminated earlier, shall be valid and effective for a term of 10 years from the adoption date (expiring on 24 June 2035, with a remaining life of approximately 8.5 years).

(i) Purpose

The purposes of the 2025 Share Award Scheme are identical to those of the 2025 Option Scheme as set out above.

(ii) Eligible Participants

The eligible participants of the 2025 Share Award Scheme are identical to those of the 2025 Option Scheme as set out above.

Corporate Governance and Other Information

(iii) Total Number of Shares Available

The total number of Shares which may be awarded under the 2025 Share Award Scheme shall not exceed 10% of the issued Shares (excluding treasury Shares) as at the Adoption Date (the “**Scheme Mandate Limit (Share Award)**”). Within this limit, the maximum number of new Shares which may be issued shall not exceed 5% of the issued Shares (excluding treasury Shares) as at the Adoption Date (the “**Scheme Mandate Limit (New Shares Share Award)**”).

As at the date of this interim report:

- the total number of Shares available for award under the 2025 Share Award Scheme is 239,907,891 Shares (representing approximately 9.48% of the issued Shares (excluding treasury Shares));
- the number of new Shares available for issue under the Scheme Mandate Limit (New Shares Share Award) is 119,953,945 Shares; and
- the number of new Shares available for issue to Service Providers under the corresponding sub-limit (the “**Service Provider Sub-limit (New Shares Share Award)**”) is 11,995,394 Shares.

(iv) Service Provider Sub-limit (New Shares Share Award)

Within the Scheme Mandate Limit (New Shares Share Award), the maximum number of new Shares which may be issued in respect of all awards to be granted to Service Providers shall not exceed 0.5% of the total number of Shares in issue (excluding treasury Shares) as at the Adoption Date (the “**Service Provider Sub-limit (New Shares Share Award)**”). As at the date of this interim report, the number of new Shares available for issue under the Service Provider Sub-limit (New Shares Share Award) is 11,995,394 Shares.

(v) Maximum Entitlement of Each Participant

The individual limit is identical to that of the 2025 Option Scheme as set out above (1% of issued Shares in any 12-month period). The 0.1% approval threshold for grants to independent non-executive Directors, substantial Shareholders or their associates also applies.

Corporate Governance and Other Information

(vi) Acceptance Period

An offer of the grant of an award shall be open for acceptance by the selected participant for a period of 10 business days from the date of the grant letter.

(vii) Vesting Period

The vesting period for awards granted to any participant must not be less than 12 months, save for the exceptions permitted under the HKEx Listing Rules as incorporated in the scheme rules. Similar to the 2025 Option Scheme, a shorter vesting period may be granted to an Employee Participant at the Board's discretion in specific circumstances, including but not limited to "make-whole" grants, performance-based vesting conditions, administrative batch grants, mixed/accelerated vesting schedules, or replacement grants following mergers and acquisitions.

(viii) Purchase Price

The Board may in its absolute discretion determine whether a selected participant is required to pay any purchase price for the acquisition of the Award.

(ix) Payment on Acceptance of Award

The amount payable and the time limit on acceptance of an award shall be determined by the Board.

(x) Status of Grants

No share awards had been granted, vested, cancelled or lapsed under the 2025 Share Award Scheme since its adoption and up to the date of this interim report.

Corporate Governance and Other Information

(xi) **Number of Awards Available for Grant**

As at the date of this interim report, the number of awards available for grant under the Scheme Mandate Limit (Share Award) was 239,907,891, the number of new Shares available for grant under the Scheme Mandate Limit (New Shares Share Award) was 119,953,945, and the number of new Shares available for grant to Service Providers under the Service Provider Sub-limit (New Shares Share Award) was 11,995,394.

As at 30 June 2026, details of the awarded shares granted under the 2025 Share Award Scheme of the Company were as follows:

Number of awarded shares								Closing price immediately before the date of award (HKD per share)	
Number of awarded shares	As at 1 January 2026	Awarded during the period	Vested during the period	Lapsed during the period	As at 30 June 2026	Vesting period			
-	-	-	-	-	-	-	-	-	-

Independent Review Report



To the board of directors of 3SBio Inc.

(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 43 to 80, which comprises the consolidated statement of financial position of 3SBio Inc. (the “**Company**”) as of 30 June 2026 and the related consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial report in accordance with International Accounting Standard 34.

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

SCOPE OF REVIEW

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

Independent Review Report

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2026 is not prepared, in all material respects, in accordance with International Accounting Standard 34 *Interim Financial Reporting*.

KPMG

Certified Public Accountants

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

20 August 2026

Interim Consolidated Statement of Profit or Loss

For the six months ended 30 June 2026 – unaudited

	Notes	2026 RMB'000	2025 RMB'000
Revenue	4	4,525,985	4,355,485
Cost of sales		(731,398)	(639,680)
Gross profit		3,794,587	3,715,805
Other income and net (losses)/gains	5	(73,606)	408,289
Selling and distribution expenses		(1,206,725)	(1,615,934)
Administrative expenses		(267,813)	(283,402)
Research and development costs		(683,849)	(547,523)
Other expenses	6	(94,469)	(25,466)
Finance costs	7	(30,900)	(53,002)
Share of profits and losses of equity-accounted investees:		(3,353)	22,930
Profit before tax		1,433,872	1,621,697
Income tax expense	8	(223,806)	(233,123)
Profit for the period		1,210,066	1,388,574
Attributable to:			
Equity shareholders of the Company		1,146,595	1,358,204
Non-controlling interests		63,471	30,370
		1,210,066	1,388,574
Earnings per share attributable to equity shareholders of the Company			
– Basic	10	RMB0.45	RMB0.57
– Diluted	10	RMB0.44	RMB0.56

The notes on pages 51 to 80 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in note 9.

Interim Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2026 – unaudited

	Notes	2026 RMB'000	2025 RMB'000
Profit for the period		1,210,066	1,388,574
Other comprehensive income			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		(163,084)	(45,640)
Other comprehensive income that may be reclassified to profit or loss in subsequent periods		(163,084)	(45,640)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:			
Equity investments designated at fair value through other comprehensive income:			
Changes in fair value		(41,590)	31,496
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods		(41,590)	31,496
Other comprehensive income for the period, net of tax		(204,674)	(14,144)
Total comprehensive income for the period		1,005,392	1,374,430
Attributable to:			
Equity shareholders of the Company		941,921	1,344,060
Non-controlling interests		63,471	30,370
		1,005,392	1,374,430

The notes on pages 51 to 80 form part of this interim financial report.

Interim Consolidated Statement of Financial Position

At 30 June 2026 – unaudited

	Notes	30 June 2026 RMB'000	31 December 2025 RMB'000
Non-current assets			
Property, plant and equipment	11	4,996,567	4,993,590
Right-of-use assets		379,470	384,049
Goodwill		4,062,760	4,172,350
Intangible assets		1,763,401	1,764,629
Interests in equity-accounted investees		166,452	253,086
Financial assets measured at fair value		889,088	774,922
Prepayments, other receivables and other assets		676,656	284,737
Non-pledged time deposits	13	1,695,571	673,311
Deferred tax assets		306,981	278,896
Total non-current assets		14,936,946	13,579,570
Current assets			
Inventories		1,039,915	1,047,739
Trade and bill receivables	12	1,150,891	1,081,513
Prepayments, other receivables and other assets		796,204	811,144
Financial assets measured at fair value		5,126,837	3,857,665
Derivative financial instruments		58,393	11,786
Pledged deposits	13	135,127	132,188
Non-pledged time deposits	13	5,549,072	3,551,534
Cash and cash equivalents	13	6,785,032	12,177,199
Total current assets		20,641,471	22,670,768
Current liabilities			
Trade and bill payables	14	236,278	244,673
Other payables and accruals	15	2,117,719	1,770,369
Deferred income		20,142	26,968
Interest-bearing bank and other borrowings		600,367	1,830,588
Derivative financial instruments		16,971	–
Lease liabilities		19,347	19,115
Income tax payables		35,268	171,703
Financial liabilities at fair value through profit or loss (“FVTPL”)		361,557	352,266
Total current liabilities		3,407,649	4,415,682
Net current assets		17,233,822	18,255,086
Total assets less current liabilities		32,170,768	31,834,656

Interim Consolidated Statement of Financial Position

At 30 June 2026 – unaudited

	Notes	30 June 2026 RMB'000	31 December 2025 RMB'000
Non-current liabilities			
Interest-bearing bank and other borrowings		720,225	723,277
Lease liabilities		47,219	44,870
Deferred income		414,513	373,998
Deferred tax liabilities		219,636	231,217
Other non-current liabilities		4,662	25,135
Total non-current liabilities		1,406,255	1,398,497
NET ASSETS		30,764,513	30,436,159
EQUITY			
Equity attributable to equity shareholders of the Company			
Share capital	16	156	156
Treasury shares		(336,105)	(218,094)
Share premium		5,210,630	5,759,181
Reserves		22,644,419	21,666,827
Equity attributable to equity shareholders of the Company		27,519,100	27,208,070
Non-controlling interests		3,245,413	3,228,089
TOTAL EQUITY		30,764,513	30,436,159

Jing Lou
Director

Dongmei Su
Director

The notes on pages 51 to 80 form part of this interim financial report.

Interim Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026 – unaudited

	Attributable to equity shareholders of the Company										Non-controlling interests	Total equity
	Share capital	Treasury shares	Share premium	Contributed surplus	Statutory surplus reserves	Fair value reserve	Other reserve	Exchange fluctuation reserve	Retained profits	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2026	156	(218,094)	5,759,181	506,752	2,848,639	(43,879)	38,501	7,950	18,308,864	27,208,070	3,228,089	30,436,159
Profit for the period	-	-	-	-	-	-	-	-	1,146,595	1,146,595	63,471	1,210,066
Other comprehensive income for the period:	-	-	-	-	-	(41,590)	-	(163,084)	-	(204,674)	-	(204,674)
Total comprehensive income for the period	-	-	-	-	-	(41,590)	-	(163,084)	1,146,595	941,921	63,471	1,005,392
Transfer to statutory surplus reserves	-	-	-	-	1,670	-	-	-	(1,670)	-	-	-
2025 final dividend declared (Note 9)	-	-	(549,319)	-	-	-	-	-	-	(549,319)	-	(549,319)
2025 final dividend declared by a subsidiary	-	-	-	-	-	-	-	-	-	-	(53,641)	(53,641)
Equity-settled share incentive scheme	-	-	-	74,417	-	-	-	-	-	74,417	4,494	78,911
Shares issued upon exercise of share options	-	-	768	(245)	-	-	-	-	-	523	-	523
Shares repurchased	-	(118,011)	-	-	-	-	-	-	-	(118,011)	-	(118,011)
Capital injection from a non-controlling shareholder	-	-	-	-	-	-	-	-	-	-	3,000	3,000
Deemed disposal of an equity-accounted investee	-	-	-	-	-	-	(38,501)	1,008	(1,008)	(38,501)	-	(38,501)
At 30 June 2026	156	(336,105)	5,210,630	580,924	2,850,309	(85,469)	-	(154,126)	19,452,781	27,519,100	3,245,413	30,764,513

Interim Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026 – unaudited

	Attributable to equity shareholders of the Company										
	Share capital	Treasury shares	Share premium	Contributed surplus	Statutory	Fair value reserve	Exchange	Retained profits	Total	Non-	Total equity
					surplus		fluctuation			controlling	
					reserves		reserve			interests	
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
At 1 January 2025	146	(235,641)	2,729,341	321,625	1,858,332	(135,276)	118,120	10,779,611	15,436,258	2,600,072	18,036,330
Profit for the period	-	-	-	-	-	-	-	1,358,204	1,358,204	30,370	1,388,574
Other comprehensive income for the period:	-	-	-	-	-	31,496	(45,640)	-	(14,144)	-	(14,144)
Total comprehensive income for the period	-	-	-	-	-	31,496	(45,640)	1,358,204	1,344,060	30,370	1,374,430
Transfer to statutory surplus reserves	-	-	-	-	207,285	-	-	(207,285)	-	-	-
2024 final dividend declared (Note 9)	-	-	(547,149)	-	-	-	-	-	(547,149)	-	(547,149)
2024 final dividend declared by a subsidiary	-	-	-	-	-	-	-	-	-	(10,611)	(10,611)
Equity-settled share incentive scheme	-	-	-	58,259	-	-	-	-	58,259	1,597	59,856
Shares issued upon exercise of share options	-	-	40,409	(12,444)	-	-	-	-	27,965	-	27,965
Capital injection from non-controlling shareholders	-	-	-	-	-	-	-	-	-	2,500	2,500
Transfer to retained profits	-	-	-	-	-	(17,010)	-	17,010	-	-	-
At 30 June 2025	146	(235,641)	2,222,601	367,440	2,065,617	(120,790)	72,480	11,947,540	16,319,393	2,623,928	18,943,321

The notes on pages 51 to 80 form part of this interim financial report.

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026 – unaudited

	2026 RMB'000	2025 RMB'000
Cash flows from operating activities		
Cash generated from operations	1,483,189	1,201,459
Income tax paid	(583,804)	(231,897)
Net cash flows from operating activities	899,385	969,562
Cash flows generated from investing activities		
Interest received	55,473	12,324
Dividend received from an equity-accounted investees	3,034	–
Purchase of items of property, plant and equipment	(245,221)	(88,627)
Proceeds from disposal of property, plant and equipment	530	3,393
Purchase of financial assets at fair value through profit or loss	(6,131,419)	(4,354,350)
Proceeds from disposal of financial assets at fair value through profit or loss	4,826,248	5,244,525
Placement of time deposits with original maturity of more than three months	(2,346,233)	(1,584,850)
Withdrawal of time deposits with original maturity of more than three months	392,596	417,259
Placement of non-pledged time deposits	(1,148,304)	(145,000)
Withdrawal of non-pledged time deposits	120,000	860,000
Funds received from government grants	38,330	–
Purchase of equity investments	(4,321)	(14,623)
Proceeds from disposal of equity investments	51,352	152,631
Additions to intangible assets	(34,800)	(67,542)
Prepayments for exclusive distribution rights	(5,000)	(169,526)
Repayment of loans from third parties	–	4,525
Loans to third parties	(260,000)	(1,417)
Net cash flows (used in)/generated from investing activities	(4,687,735)	268,722

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026 – unaudited

	Notes	2026 RMB'000	2025 RMB'000
Cash flows from financing activities			
Proceeds from issue of shares		523	27,965
Decrease in pledged deposits		–	30,885
Repayment of bank borrowings		(1,533,884)	(2,601,985)
Proceeds from bank borrowings		302,059	2,100,000
Capital injection from non-controlling shareholders		3,000	2,500
Repurchase of treasury shares		(118,011)	–
Repayments of bonds		–	(1,200,000)
Principal portion of lease payments		(5,627)	(12,140)
Dividends paid to non-controlling shareholders		(53,641)	(10,611)
Interest paid		(30,711)	(38,598)
Net cash flows used in financing activities		(1,436,292)	(1,701,984)
Net decrease in cash and cash equivalents		(5,224,642)	(463,700)
Cash and cash equivalents at beginning of period	13	12,177,199	2,142,651
Effect of foreign exchange rate changes, net		(167,525)	45,026
Cash and cash equivalents at end of period	13	6,785,032	1,723,977

The notes on pages 51 to 80 form part of this interim financial report.

Notes to Unaudited Interim Financial Report

1 CORPORATE INFORMATION

3SBio Inc. (the “**Company**”) was incorporated in the Cayman Islands with limited liability under the Cayman Islands Companies Act. The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**HKEx**”) on 11 June 2015.

The Company is an investment holding company. The Company and its subsidiaries (together, the “**Group**”) were principally engaged in the development, production, marketing and sale of biopharmaceutical products in the People’s Republic of China (the “**PRC**”).

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

2.1 Basis of preparation

The interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standards (“**IAS**”) 34, *Interim Financial Reporting*, issued by the International Accounting Standards Board.

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

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements and the accompanying notes do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants. KPMG’s independent review report to the Board of Directors is included on pages 41 to 42.

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.1 Basis of preparation (continued)

The financial information relating to the financial year ended 31 December 2025 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year, but is derived from those financial statements. The Company's annual consolidated financial statements for the year ended 31 December 2025 are available from the Company's registered office.

The interim condensed consolidated financial information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

2.2 Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the following accounting policy changes that are expected to be reflected in the 2026 annual financial statements.

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

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.2 Changes in accounting policies and disclosures (continued)

Amendments to IFRS 9, Financial instruments and IFRS 7, Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments

The amendments cover three main aspects:

- The amendments clarify when a financial asset or a financial liability is recognised and derecognised. They also introduce an optional exception that permits an entity to derecognise a financial liability before the settlement date when the financial liability is settled in cash using an electronic payment system, provided that specific criteria are met.
- For the assessment of whether a financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, the amendments clarify the assessment of interest and introduce an additional test for the financial assets with contingent features, for example environmental, social or governance (“**ESG**”)-linked features. The amendments also clarify the difference between financial assets with non-recourse features and contractually linked instruments which may then change the applicable assessments.
- The amendments introduce new disclosures for disposals of investments in equity instruments designated at fair value through other comprehensive income (“**FVTOCI**”), and for financial instruments not measured at FVTPL which contain contractual terms that could change the amount of contractual cash flows based on the occurrence or non-occurrence of a contingent event that does not relate directly to changes in basic lending risks and costs.

The amendments do not have material impact on the Group’s consolidated financial statements for the periods presented.

The amendments would also affect the disclosures to be included in the Group’s annual financial statements for the year ending 31 December 2026 in respect of investments in equity instruments designated at FVTOCI. No additional disclosure has been included in this interim financial report.

Notes to Unaudited Interim Financial Report

3 OPERATING SEGMENT INFORMATION

The Group has only one operating segment, which is the development, production, marketing and sale of biopharmaceutical products.

Geographical information

(a) Revenue from external customers

	For the six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Chinese Mainland	3,368,130	4,215,107
United States	1,003,780	6,155
Others	154,075	134,223
Total revenue	4,525,985	4,355,485

The revenue information above is based on the locations of the customers.

(b) Non-current assets

The majority of non-current assets, including property, plant and equipment, right-of-use assets, goodwill, intangible assets and interest in equity-accounted investees, are located in Chinese Mainland.

Information about major customers

Revenue from individual customer which accounted for 10% or more of the Group's revenue is set out below:

	For the six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Customer A	992,917	N/A

Notes to Unaudited Interim Financial Report

4 REVENUE

Disaggregation of revenue from contracts with customers by major products or service lines and by timing of revenue recognition is as follows:

	For the six months ended 30 June	
	2026 RMB'000	2025 RMB'000
<i>Revenue from contracts with customers within the scope of IFRS 15</i>		
Sale of biopharmaceuticals	3,443,021	4,266,790
Licensing revenue	851,584	–
Contract development and manufacturing operation business	231,380	88,695
Total	4,525,985	4,355,485
<i>Timing of revenue recognition</i>		
At a point in time	4,518,203	4,355,485
Over time	7,782	–
Total	4,525,985	4,355,485

Notes to Unaudited Interim Financial Report

5 OTHER INCOME AND NET (LOSSES)/GAINS

An analysis of other income and net (losses)/gains is as follows:

	For the six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Other income		
Interest income	223,363	83,937
Government grants related to		
– Assets	17,888	14,948
– Income	16,909	28,381
Others	15,358	11,803
Total other income	273,518	139,069
Net (losses)/gains		
Gain on disposal of a subsidiary	–	2,614
Gain on disposal of intangible asset	–	79
Gain on deemed disposal of an equity-accounted investee	35,283	–
Foreign exchange differences, net	(503,308)	9,515
Fair value gains on financial assets at FVTPL, net	78,881	252,879
Fair value gains on derivative financial instruments	64,035	4,133
Fair value losses on financial liabilities at FVTPL	(22,015)	–
Total net (losses)/gains	(347,124)	269,220
Total other income and net (losses)/gains	(73,606)	408,289

Notes to Unaudited Interim Financial Report

6 PROFIT BEFORE TAX

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

	For the six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Depreciation of property, plant and equipment	188,316	163,933
Amortisation of other intangible assets	60,967	57,836
Depreciation of right-of-use assets	12,787	12,837
Amortisation of long-term deferred expenses	5,178	7,089
Employee benefit expenses	869,505	810,218
Equity-settled compensation expenses	47,204	59,856
Other expenses:		
Donation	12,089	4,061
Loss on termination of a lease	—	236
Loss on disposal of property, plant and equipment	923	8,333
Provision/(reversal of provision) for impairment of trade receivables	897	(1,933)
Provision for impairment of prepayments, other receivables and other assets	20,884	5,717
Provision for impairment of prepayments for exclusive distribution rights	31,019	—
Others	28,657	9,052
Total other expenses	94,469	25,466

Notes to Unaudited Interim Financial Report

7 FINANCE COSTS

An analysis of finance costs is as follows:

	For the six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Interest on bank borrowings	29,630	27,824
Interest on bonds payable	—	24,307
Interest on lease liabilities	1,270	871
Total	30,900	53,002

8 INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and/or operated.

Pursuant to the relevant rules and regulations of the Cayman Islands and the British Virgin Islands (“BVI”), the Company and the subsidiaries of the Group incorporated therein are not subject to any income tax in the Cayman Islands and the BVI.

No provision for Hong Kong profits tax has been made for the six months ended 30 June 2026 as the Group had no assessable profits arising in Hong Kong.

Under the relevant PRC income tax law, except for Shenyang Sunshine Pharmaceutical Co., Ltd. (“**Shenyang Sunshine**”), Shenzhen Sciprogen Bio-pharmaceutical Co., Ltd. (“**Sciprogen**”), Zhejiang Sunshine Mandi Pharmaceutical Co., Ltd. (“**Sunshine Mandi**”), National Engineering Research Center of Antibody Medicine (“**NERC**”), Sunshine Guojian Pharmaceutical (Shanghai) Co., Ltd. (“**Sunshine Guojian**”) and Guangdong Sunshine Pharmaceutical Co., Ltd. (“**Guangdong Sunshine**”) which are qualified as High and New Technology Enterprises and entitled to a preferential income tax rate of 15% during the certified period, the PRC subsidiaries of the Group are subject to income tax at a rate of 25% on their respective taxable income.

In accordance with the relevant Italian tax regulations, Sirton Pharmaceuticals S.p.A. (“**Sirton**”) is subject to income tax at a rate of 27.9%.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Chinese Mainland. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. However, a lower withholding tax rate may be applied if there is a tax treaty between the PRC and the jurisdiction of the foreign investors.

Notes to Unaudited Interim Financial Report

8 INCOME TAX (continued)

An analysis of the provision for tax in the interim condensed consolidated financial information is as follows:

	For the six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Current	243,465	199,935
Deferred	(19,659)	33,188
Total tax charge for the period	223,806	233,123

Many countries and jurisdictions have enacted new tax laws to implement the Pillar Two model rules published by the Organization for Economic Cooperation and Development (“OECD”) effective from 1 January 2024. The OECD’s Pillar Two initiative introduced a 15% global minimum tax applied on a jurisdiction-by-jurisdiction basis.

The Group is within the scope of the Pillar Two model rules. The Group has applied the temporary mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes. The Group considers the current impact of the adoption of a global minimum effective tax is not material.

9 DIVIDENDS

	For the six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Final dividend in respect of the previous financial year, approved during the following interim period, of Hong Kong Dollar (“HK\$”) 25 cents per share (six months ended 30 June 2025 – HK\$25 cents per share)	549,319	547,149

A final dividend in respect of the year ended 31 December 2025 of HK\$25 cents per share was proposed pursuant to a resolution passed by the board of directors of the Company on 30 March 2026 and was approved at the annual general meeting of the Company on 25 June 2026. The dividend had not been paid to the shareholders of the Company during the six months ended 30 June 2026.

Notes to Unaudited Interim Financial Report

10 EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY SHAREHOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit attributable to ordinary equity shareholders of the Company of RMB1,146,595,000 for the six months ended 30 June 2026 (for the six months ended 30 June 2025: RMB1,358,204,000) and the weighted average number of ordinary shares of 2,537,746,000 (for the six months ended 30 June 2025: 2,397,137,000) of the Company outstanding during the period.

The calculation of the diluted earnings per share amount is based on the profit for the period attributable to ordinary equity shareholders of the Company, adjusted to reflect the effect of dilutive restricted shares issued by the subsidiaries of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the period, as used in the basic earnings per share calculation, and adjusted to reflect the effects of dilutive potential ordinary shares under share options and awarded shares.

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

	For the six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Earnings		
Profit attributable to ordinary equity shareholders of the Company, used in the basic earnings per share calculation	1,146,595	1,358,204
Effect of dilutive potential ordinary shares:		
Adjustment in relation to restricted shares issued by the subsidiaries of the Company	(1,664)	—
Earnings for the purpose of diluted earnings per share	1,144,931	1,358,204

10 EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY SHAREHOLDERS OF THE COMPANY (continued)

	Number of shares For the six months ended 30 June	
	2026 '000	2025 '000
Shares		
Weighted average number of ordinary shares outstanding during the reporting period used in the basic earnings per share calculation	2,537,746	2,397,137
Effect of dilution – weighted average number of ordinary shares:		
Share options	6,691	4,903
Awarded shares	38,374	43,107
Total	2,582,811	2,445,147

11 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired items of property, plant and equipment with a cost of RMB203,342,000 (six months ended 30 June 2025: RMB167,631,000). Items of property, plant and equipment with a net book value of RMB2,432,000 (six months ended 30 June 2025: RMB11,726,000) were disposed of during the six months ended 30 June 2026, resulting in a loss on disposal of RMB687,000 (six months ended 30 June 2025: RMB8,333,000).

Notes to Unaudited Interim Financial Report

12 TRADE AND BILL RECEIVABLES

	30 June 2026 RMB'000	31 December 2025 RMB'000
Trade receivables	1,149,382	1,069,403
Bill receivables	58,477	68,209
Total	1,207,859	1,137,612
Provision for impairment of trade receivables	(56,968)	(56,099)
Net carrying amount	1,150,891	1,081,513

The Group's trading terms with its customers are mainly on credit. The credit period is generally two months, extending up to three months for major customers. The Group seeks to maintain strict control over its outstanding receivables and overdue balances, which are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

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

	30 June 2026 RMB'000	31 December 2025 RMB'000
Within 1 month	584,724	452,382
1 to 3 months	403,129	497,356
3 to 6 months	85,310	30,934
6 months to 1 year	19,155	29,139
1 to 2 years	6,585	11,842
Over 2 years	50,479	47,750
Total	1,149,382	1,069,403

13 CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

	30 June 2026 RMB'000	31 December 2025 RMB'000
Cash at bank and on hand	6,785,032	11,945,380
Restricted cash	–	231,819
Pledged deposits	135,127	132,188
Non-pledged time deposits	7,244,643	4,224,845
Subtotal	14,164,802	16,534,232
Less:		
Pledged deposits	(135,127)	(132,188)
Cash and bank balances	14,029,675	16,402,044
Less:		
Non-pledged time deposits – current portion	(5,549,072)	(3,551,534)
Non-pledged time deposits – non-current portion	(1,695,571)	(673,311)
Cash and cash equivalents	6,785,032	12,177,199

The RMB is not freely convertible into other currencies. However, under Chinese Mainland's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

The bank balances and deposits are deposited with creditworthy banks with no recent history of default.

The carrying amounts of the cash and cash equivalents approximated to their fair values as at the end of the reporting period. Deposits of approximately RMB135,127,000 (31 December 2025: RMB132,188,000) have been pledged to secure letters of credit, bank acceptance bills and pending lawsuits and arbitration as at 30 June 2026.

Notes to Unaudited Interim Financial Report

14 TRADE AND BILL PAYABLES

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

	30 June 2026 RMB'000	31 December 2025 RMB'000
Within 3 months	192,738	215,196
3 to 6 months	35,932	18,023
Over 6 months	7,608	11,454
Total	236,278	244,673

The trade and bill payables are non-interest-bearing and repayable within the normal operating cycle or on demand.

15 OTHER PAYABLES AND ACCRUALS

	30 June 2026 RMB'000	31 December 2025 RMB'000
Accrued selling and marketing expenses	853,451	948,451
Accrued salaries, bonuses and welfare expenses	198,061	169,958
Taxes payable (other than income tax)	75,654	49,749
Payable to vendors of property, plant and equipment, other intangible assets and research and development service fee	132,562	211,579
Dividends payable	549,319	–
Others	210,768	179,104
Financial liabilities measured at amortised cost	2,019,815	1,558,841
Contract liabilities	97,904	211,528
Total	2,117,719	1,770,369

Other payables are non-interest-bearing.

Notes to Unaudited Interim Financial Report

16 SHARE CAPITAL

	30 June 2026 RMB'000	31 December 2025 RMB'000
Issued and fully paid:		
2,538,084,412 (31 December 2025: 2,538,005,412)		
ordinary shares	156	156

A summary of movements in the Company's issued share capital for the six months ended 30 June 2026 is as follows:

	Number of shares in issue	Share capital RMB'000	Share premium RMB'000
Ordinary shares of USD0.00001 each at 31 December 2025 and 1 January 2026	2,538,005,412	156	5,759,181
Share options exercised	79,000	—*	768
2025 final dividend declared (Note 9)**	—	—	(549,319)
Ordinary shares of USD0.00001 each at 30 June 2026	2,538,084,412	156	5,210,630

* The increase in share capital resulting from the share option exercises in the six months ended 30 June 2026 was less than RMB1,000.

** The Company declared the 2025 final dividend out of the Company's share premium account.

17 SHARE INCENTIVE SCHEMES

Share option scheme adopted by the Company

The Company has adopted a share option scheme (as amended in 2025), pursuant to which, a total of 20,000,000 share options, each of which entitles the holders to subscribe for one ordinary share of the Company at an exercise price of HK\$7.62, being the weighted average closing price of the Company's ordinary shares immediately before the grant.

During the six months ended 30 June 2026, 79,000 share options (six months ended 30 June 2025: 4,012,500) were exercised.

Share award scheme adopted by the Company

Pursuant to the share award scheme (as amended in 2025), the Company may grant its own shares to the eligible persons at nil consideration. The awarded shares are subject to vesting conditions and will lapse if the vesting conditions are not met.

During the six months ended 30 June 2026, no awarded shares (six months ended 30 June 2025: nil) were granted to the employees of the Group and no awarded shares (six months ended 30 June 2025: nil) were vested.

Restricted share incentive plan adopted by Sunshine Guojian

As part of the Group's initiatives to recognise the contributions of the selected participants, attract suitable personnel and provide the selected participants with a direct economic interest in attaining a long-term relationship between the Group and the selected participants, the board of directors of Sunshine Guojian approved the adoption of a restricted share incentive plan. The restricted shares are subject to vesting conditions, and will lapse if the vesting conditions are not met.

During the six months ended 30 June 2026, no restricted shares (six months ended 30 June 2025: 1,157,000 restricted shares with exercise price of RMB11.83 per share) were granted to the employees of Sunshine Guojian and no restricted shares (six months ended 30 June 2025: nil) were vested under the restricted share incentive plan.

Equity incentive plan adopted by Mandi Inc. ("Mandi")

On 10 November 2025, as part of the Group's initiatives to incentivise the performance of its directors, senior management and employees, the board of directors of Mandi has resolved to issue 640 restricted shares to selected participants as a recognition and reward of the selected participants' contributions to operation and development of the business of Mandi.

During the six months ended 30 June 2026, no restricted shares (six months ended 30 June 2025: nil) were vested.

18 NON-CURRENT PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

During the six months ended 30 June 2026, the Group provided a loan of RMB260 million to a third party. The loan bears an interest of 6% p.a. and will be repaid by instalment in 7 years.

19 CONTINGENT LIABILITIES

Arbitration of Sunshine Guojian

In July 2021, Aohai Biotechnology (Shanghai) Co., Ltd. (“**Aohai**”) filed an arbitration application with Shanghai International Economic and Trade Arbitration Commission for a dispute with regard to its collaboration with Sunshine Guojian and the application has been accepted. Aohai requested to terminate its cooperation agreement with Sunshine Guojian signed in December 2015 with a compensation of RMB131.4 million. In August 2021, Sunshine Guojian received the dispute notice with a compensation of RMB131.1 million. In December 2022, Aohai altered the dispute application with a compensation of RMB401.02 million. At the date of approval of the interim financial report, the arbitration is still in progress.

The directors of the Company have made an overall analysis and considered that the possibility of compensation is remote. There is no significant impact on the interim financial report as at 30 June 2026.

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20 COMMITMENTS

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

	30 June 2026 RMB'000	31 December 2025 RMB'000
Contracted, but not provided for:		
Plant and machinery	328,386	151,644

21 RELATED PARTY TRANSACTIONS

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

Company	Relationship with the Group
Shenyang Sunshine Logistics Co., Ltd. ("Shenyang Sunshine Logistics")	Joint venture
Tieling Staff Hospital ("Tieling Staff Hospital")	Associate
Dalian Huansheng Medical Management Co., Ltd. ("Dalian Huansheng")	The legal representative of Dalian Huansheng is the director of the Company
Zhejiang Sunshine Pharmaceutical Co., Ltd. ("Zhejiang Sunshine")	Under control of certain middle management personnel of the Company
Shanghai Huansheng Enterprise Consulting Co., Ltd. ("Shanghai Huansheng")	A non-controlling shareholder of Liaoning Sansheng Private Investment Fund Partnership (Limited Partnership)
Shanghai Sunshine Guojian Biotechnology Research Institute ("Guojian Biotechnology")	A private non-enterprise unit set up by Sunshine Guojian

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21 RELATED PARTY TRANSACTIONS (continued)

- (a) The Group had the following other transactions with related parties during the period:

	For the six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Lease from Shenyang Sunshine Logistics	1,793	1,922
Services received from Dalian Huansheng	2,130	2,464
Lease to Guojian Biotechnology	28	28
Sales of products to Tieling Staff Hospital	357	455

- (b) The Group had the following loans with related parties during the period:

	For the six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Extension of loans to Dalian Huansheng	—	10,000
Loans to Shanghai Huansheng	—	2,500
Interest income on loans to related parties	1,099	10,823

Notes to Unaudited Interim Financial Report

21 RELATED PARTY TRANSACTIONS (continued)

- (c) Outstanding balances with related parties:

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

	Notes	30 June 2026 RMB'000	31 December 2025 RMB'000
Due from related parties, net of loss allowance			
Dalian Huansheng	(i)	11,880	11,880
Shanghai Huansheng	(ii)	1,100	6,875
Tieling Staff Hospital	(iii)	403	16,086
Zhejiang Sunshine	(iv)	—	—
		13,383	34,841

Notes:

- (i) It represents loans to Dalian Huansheng with the principal amount of RMB10,000,000 and RMB12,000,000 at an annual interest rate of 3.29% and 2.11%, respectively. The maturity dates are 26 May 2028 and 30 November 2026, respectively.
- (ii) It represents loans to Shanghai Huansheng with the principal amount of RMB10,000,000 and RMB2,500,000 at an annual interest rate of 2.50% and 2.50%, respectively. The maturity dates of these loans are 14 September 2026 and 21 May 2027, respectively.
- (iii) It represents loans to Tieling Staff Hospital with the principal amount of RMB27,200,000 and RMB7,880,000 at an annual interest rate of 4.50% and 3.29%, respectively. The maturity dates of these loans are 31 December 2027 and 31 December 2029, respectively.
- (iv) It represents loans to Zhejiang Sunshine with the principal amount of RMB30,000,000 and RMB55,000,000 at an annual interest rate of 3.48% and 3.15%, respectively. The maturity dates of these loans are 7 August 2028 and 16 December 2028, respectively.

21 RELATED PARTY TRANSACTIONS (continued)

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

	For the six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Salaries, allowances and benefits in kind	4,206	5,231
Pension scheme contributions	321	347
Equity-settled compensation expenses	3,028	9,714
Total	7,555	15,292

22 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

(a) Financial assets and liabilities measured at fair value

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

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

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22 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

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

(i) Fair value hierarchy

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

Assets measured at fair value:

As at 30 June 2026

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Equity investments measured at fair value				
Listed equity investments	97,454	–	–	97,454
Unlisted equity investments	–	339,073	452,561	791,634
Financial assets measured at FVTPL				
Treasury or cash management products	–	5,126,837	–	5,126,837
Derivative financial instruments	–	58,393	–	58,393
Total	97,454	5,524,303	452,561	6,074,318

22 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

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

(i) Fair value hierarchy (continued)

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments: (continued)

Assets measured at fair value: (continued)

As at 31 December 2025

	Quoted prices in active markets (Level 1) RMB'000	Fair value measurement using Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Equity investments measured at fair value				
Listed equity investments	147,797	–	–	147,797
Unlisted equity investments	–	627,125	–	627,125
Financial assets measured at FVTPL				
Treasury or cash management products	586,247	3,271,418	–	3,857,665
Derivative financial instruments	–	11,786	–	11,786
Total	734,044	3,910,329	–	4,644,373

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22 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

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

(i) Fair value hierarchy (continued)

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments: (continued)

Liabilities measured at fair value:

As at 30 June 2026

	Quoted prices in active markets (Level 1) RMB'000	Fair value measurement using Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Derivative financial instruments	–	16,971	–	16,971
Financial liabilities at FVTPL	–	–	361,557	361,557
Total	–	16,971	361,557	378,528

As at 31 December 2025

	Quoted prices in active markets (Level 1) RMB'000	Fair value measurement using Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Financial liabilities at FVTPL	–	–	352,266	352,266

During the six months ended 30 June 2026, the level of fair value hierarchy of certain unlisted equity investments was transferred from Level 2 into Level 3 as these equity investments have no recent transaction price as of 30 June 2026 and adopted valuation technique using significant unobservable inputs.

22 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

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

(ii) Valuation techniques and inputs used in Level 2 fair value measurements

The fair values of listed equity investments are based on quoted market prices.

The fair values of unlisted equity investments have been estimated using valuation methodologies with observable market input or by reference to the recent transaction price or the latest round of financing price having considered that the investees are in normal operation without significant business milestone events.

Treasury or cash management products represent wealth management products issued by banks and other financial institutions. The Group has estimated the fair value of these investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

(iii) Information about Level 3 fair value measurements

	Valuation techniques	Significant unobservable inputs	Range
Unlisted equity investments	Market approach	Discount for lack of marketability (“DLOM”)	16.0%
	Cost approach	Expected return rate	20.0%
Financial liabilities at FVTPL	Discounted cash flow method and equity allocation model	Discount rate	12.8%
		Expected volatility	37.22%

The Group used discounted cash flow method and equity allocation model to determine the fair value of the financial liabilities at FVTPL. As at 30 June 2026, it is estimated that with all other variables held constant, a decrease/increase in discount rate by 1% would have decreased/increased the Group’s profit by RMB25,699,000/20,840,000, and a decrease/increase in expected volatility by 5% would have increased/decreased the Group’s profit by RMB1,006,000/1,046,000.

22 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

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

(iii) Information about Level 3 fair value measurements (continued)

The movement during the period in the balance of Level 3 fair value measurements is as follows:

	Unlisted equity investment RMB'000
At 1 January 2026	–
Transfer from Level 2	397,892
Transfer from interests in equity-accounted investees	74,164
Additional investments	4,321
Net unrealised losses recognised in profit or loss during the period	(812)
Distributions received	(19,647)
Net unrealised gains recognised in other comprehensive income during the period	3,895
Exchange adjustments	(7,252)
At 30 June 2026	452,561
	Redemption liabilities RMB'000
At 1 January 2026	(352,266)
Changes in fair value recognised in profit or loss during the period	(22,015)
Exchange differences	12,724
At 30 June 2026	(361,557)
Total losses for the period included in profit or loss for assets and liabilities held at the end of the reporting period	(22,827)

22 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

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

(iii) Information about Level 3 fair value measurements (continued)

Any gains or losses arising from the remeasurement of the Group's unlisted equity securities held for strategic purposes are recognised in the fair value reserve (non-recycling) in other comprehensive income. Upon disposal of the equity securities, the amount accumulated in other comprehensive income is transferred directly to retained earnings.

Net unrealised losses of unlisted equity investments and changes in fair value of financial liabilities are presented in the "Other income and net gains/(losses)" line item in the consolidated statement of profit or loss.

(b) Financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair values as at 31 December 2025 and 30 June 2026.

23 EVENT AFTER THE REPORTING PERIOD

On 20 August 2026, the board of directors and the board of supervisors of Sunshine Guojian reviewed and approved the 2026 profit distribution plan, which included a cash dividend of RMB37,641,000 (equivalent to a cash dividend of RMB0.042 per share). This profit distribution plan was still subject to the approval of the general meeting of Sunshine Guojian.

24 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS, AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2026

A number of amendments and new standards are not yet mandatory for annual periods beginning 1 January 2026. Earlier application is permitted; however, the Group has not early adopted any new or amended standards in preparing this interim financial report.

The following updates the information provided in the last annual financial statements about the possible impacts of IFRS 18 which may have a significant impact on the Group's consolidated financial statements when adopted.

IFRS 18, *Presentation and disclosure in financial statements*

IFRS 18 will replace IAS 1, *Presentation of financial statements*, and is first effective for annual reporting periods beginning on or after 1 January 2027.

IFRS 18 introduces new requirements for presentation and disclosure in financial statements, including new categories and defined subtotals in the statement of profit or loss, enhanced requirements for aggregation and disaggregation of information, and specific disclosures about management-defined performance measures. The Group is assessing the expected impact that the initial application of HKFRS 18 will have on its consolidated financial statements.

The Group expects that the adoption of IFRS 18 will not change the Group's net assets or net profit. However, it is expected to affect the presentation of the Group's consolidated statement of profit or loss and related note disclosures. Based on the work performed to date, the Group's assessment on the expected impact of the initial application of IFRS 18 is summarised below. The assessment remains subject to change as the Group continues its implementation work.

24 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS, AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2026 (continued)

IFRS 18, *Presentation and disclosure in financial statements* (continued)

(a) Structure of the statement of profit or loss

IFRS 18 requires entities to classify income and expenses into specified categories in the statement of profit or loss, including operating, investing, and financing categories. It also requires entities to present two newly defined subtotals, which are “operating profit” and “profit or loss before financing and income taxes”. The operating profit subtotal is expected to differ from the current profit from operations subtotal presented by the Group. Based on the work performed to date, the Group also expects the following changes to the consolidated statement of profit or loss:

- Dividend, interest income, and net fair value gains on financial assets at FVTPL, which are currently presented in the Group’s other income and net gains/(losses) subtotal, as well as the share of profits less losses of associates and a joint venture are expected to be classified in the investing category. The income and expenses classified in the investing category, together with the subtotal “operating profit”, will form the new subtotal “profit or loss before financing and income taxes”;
- The Group is assessing the classification of income and expenses as currently included in the finance cost line item and expects that this line item will be disaggregated into “income and expenses on liabilities arising solely from raising of finance” and “interest expenses on other liabilities” in the financing category;
- The Group is required to assess the classification of foreign exchange differences in the same category as the income and expenses from the items that gave rise to the differences, unless doing so would involve undue cost or effort; and
- The Group currently presents operating expenses by function. The Group is assessing whether its current presentation, or a mixed presentation by nature and function, will provide the most useful structured summary of its operating expenses under IFRS 18. If the Group continues to present one or more operating expense line item by function, information about five specific expenses by nature will be provided in a single note to the financial statements.

Notes to Unaudited Interim Financial Report

24 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS, AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2026 (continued)

IFRS 18, *Presentation and disclosure in financial statements* (continued)

(b) Management-defined performance measures (“MPM”)

MPMs are subtotals of income and expenses used in public communications outside the financial statements that communicate management’s view of an aspect of the financial performance of the entity as a whole to users. Based on the Group’s current assessment, “adjusted EBITDA”, which excludes share-based payment expenses, fair value gains or losses on financial instruments at FVTPL and non-operating foreign exchange differences, is identified as a MPM since it is currently being reported by the Group in its management commentary, press releases, and investor presentations. The Group is also developing a process to identify its public communications and assess whether other measures reported in those communications meet the definition of an MPM.

The Group will be required to disclose specific information about MPMs in a single note in the financial statements. The MPMs disclosed by the Group following adoption of IFRS 18 will be determined based on public communications issued by the Group relating to the same reporting period.

(c) Principles of aggregation and disaggregation

IFRS 18 provides enhanced principles on how to group information in the financial statements, including the primary financial statements and the notes. It also introduces guidance on labelling and describing items presented in the primary financial statements or disclosed in the notes.

The Group has been consistently applied the principles of aggregating and disaggregating the items on the basis of similar and dissimilar characteristics. The Group is also assessing line items currently labelled as “other” across the primary financial statements and the notes and expects to use more informative labels where material information would otherwise be obscured.

IFRS 18 also introduces consequential amendments to IAS 7, *Statement of cash flows*. The Group is assessing the impact of those amendments, including the requirement to use the newly defined operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method and the classification of interest and dividend cash flows.

The actual impact of applying IFRS 18 may change as the Group continues to assess the new requirements and finalises any changes to its reporting processes, controls and accounting policies before the date of initial application.

25 APPROVAL OF ISSUANCE OF THE UNAUDITED INTERIM FINANCIAL REPORT

The unaudited interim financial report was approved and authorised for issue by the board of directors on 20 August 2026.