



**CANbridge Pharmaceuticals Inc.**  
**北海康成製藥有限公司**

(於開曼群島註冊成立的有限公司)  
(Incorporated in the Cayman Islands with limited liability)

股份代號 Stock Code : **1228**



**2025**  
Interim Report



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# Definitions



In this report, unless the context otherwise requires, the following terms have the following meanings. These terms and their definitions may not correspond to any industry standard definition, and may not be directly comparable to similarly titled terms adopted by other companies operating in the same industries as the Company.

<b>“associate(s)”</b>	has the meaning ascribed to it under the Listing Rules
<b>“Audit Committee”</b>	the audit committee of the Board
<b>“Baheal Medical”</b>	Qingdao Baheal Medical INC. (青島百洋醫藥股份有限公司) a company listed on the Shenzhen Stock Exchange (Stock Code: 301015)
<b>“Baheal Zhihe”</b>	Beijing Baheal Zhihe Medical Achievement Transformation Service Co., Ltd.* (北京百洋智合醫學成果轉化服務有限公司), a limited liability company established under the laws of the PRC, and a wholly-owned subsidiary of Baheal Medical
<b>“Board” or “Board of Directors”</b>	the board of directors of our Company
<b>“CANbridge”, “Group”, “our Group”, “our”, “we” or “us”</b>	the Company, its subsidiaries and consolidated affiliated entities from time to time or, where the context so requires, in respect of the period prior to the Company becoming the holding company of its present subsidiaries and consolidated affiliated entities, such subsidiaries and consolidated affiliated entities as if they were subsidiaries and consolidated affiliated entities of our Company at the relevant time
<b>“CANbridge Life Sciences”</b>	CANbridge Life Sciences Ltd. (北海康成(北京)醫藥科技有限公司), a limited liability company established under the laws of the PRC on June 12, 2012 and one of our Company’s subsidiaries
<b>“CEO” or “Chief Executive Officer”</b>	chief executive officer of our Company
<b>“CG Code”</b>	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
<b>“China” or “PRC”</b>	People’s Republic of China, but for the purpose of this report and for geographical reference only and except where the context requires otherwise, references in this report to “China” and the “PRC” do not apply to Hong Kong, Macau and Taiwan
<b>“Company” or “Our Company”</b>	CANbridge Pharmaceuticals Inc. (北海康成製藥有限公司), an exempted company incorporated in the Cayman Islands with limited liability on January 30, 2018
<b>“connected person(s)”</b>	has the meaning ascribed to it under the Listing Rules
<b>“connected transaction(s)”</b>	has the meaning ascribed to it under the Listing Rules
<b>“Contractual Arrangement(s)”</b>	the contractual arrangements entered into between the WFOE and the VIE



## Definitions

<b>“Core Product”</b>	has the meaning ascribed thereto under Chapter 18A of the Listing Rules
<b>“CSO(s)”</b>	contract sales organization(s)
<b>“Director(s)”</b>	the directors of the Company
<b>“Dr. Xue”</b>	Dr. James Qun Xue, the founder, Chairman of the Board, executive Director and Chief Executive Officer of our Company
<b>“FDA”</b>	the United States Food and Drug Administration, a federal agency of the Department of Health and Human Services
<b>“Global Offering”</b>	the Hong Kong public offering and the international offering of the Shares as described in the Prospectus
<b>“HKD” or “HK\$”</b>	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
<b>“Hong Kong” or “HK”</b>	The Hong Kong Special Administrative Region of the People's Republic of China
<b>“IFRS”</b>	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
<b>“Listing”</b>	the listing of the shares on the Main Board of the Stock Exchange
<b>“Listing Date”</b>	10 December 2021
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
<b>“Model Code”</b>	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules
<b>“NMPA”</b>	the National Medical Products Administration of China(國家藥品監督管理局)
<b>“Nomination and Corporate Governance Committee”</b>	the nomination and corporate governance committee of the Board
<b>“Post-IPO RSU Scheme”</b>	the RSU scheme adopted by our Company on November 18, 2021 and amended on June 27, 2024
<b>“Post-IPO Share Option Scheme”</b>	the share option scheme adopted by our Company on November 18, 2021 and amended on June 27, 2024





## Definitions

<b>“Pre-IPO Equity Incentive Plan” or “2019 Equity Incentive Plan”</b>	the 2019 equity incentive plan adopted by our Company on July 25, 2019, as amended on June 11, 2021
<b>“Prospectus”</b>	the prospectus of the Company dated November 30, 2021
<b>“Registered Shareholder”</b>	Mr. Xue Yintong (薛殷彤), an independent third party of the Group prior to the entering into of the Contractual Arrangements
<b>“Remuneration Committee”</b>	the remuneration committee of the Board
<b>“Reporting Period”</b>	the six months ended June 30, 2025
<b>“RMB”</b>	Renminbi, the lawful currency of China
<b>“SFO”</b>	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
<b>“Share(s)”</b>	ordinary shares in the share capital of our Company with a nominal value of US\$0.00001 each
<b>“Shareholder(s)”</b>	holder(s) of our Share(s)
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“substantial shareholder(s)”</b>	has the meaning ascribed to it under the Listing Rules
<b>“U.S.” or “United States”</b>	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
<b>“USD” or “US\$”</b>	United States dollars, the lawful currency of the United States
<b>“VIE”</b>	CANbridge Care Pharma (Suzhou) Biotechnology Co., Ltd (康成諾愛(蘇州)生物科技股份有限公司), a company incorporated in the PRC with limited liability and wholly-owned by the Registered Shareholder
<b>“WFOE”</b>	CANbridge (Suzhou) Bio-Pharma Co., Ltd (北海康成(蘇州)生物製藥有限公司), a company incorporated in the PRC with limited liability and a subsidiary of the Company
<b>“%”</b>	per cent



# Corporate Information



## BOARD OF DIRECTORS

### Executive Director

Dr. James Qun Xue

*(Chairman and Chief Executive Officer)*

### Non-executive Directors

Ms. Zhao Wei

*(appointed on June 30, 2025)*

Mr. Wang Tingwei

*(appointed on August 27, 2025)*

Dr. Fangxin Li

*(resigned on June 25, 2025)*

### Independent Non-executive Directors

Dr. Richard James Gregory

Mr. James Arthur Geraghty

*(re-elected on June 27, 2025)*

Mr. Peng Kuan Chan

Dr. Lan Hu

*(re-elected on June 27, 2025)*

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Unit 18, 6th Floor, Building 21

No.388 Xinping Street

Suzhou Industrial Park

Suzhou

China

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40th Floor

Dah Sing Financial Centre

No.248 Queen's Road East

Wanchai, Hong Kong

*(with effect from July 11, 2025)*

## LEGAL ADVISER

*As to Hong Kong law:*

Linklaters

11th Floor, Alexandra House

Chater Road

Hong Kong SAR

China

## REGISTERED OFFICE

89 Nexus Way

Camana Bay

Grand Cayman

KY1-9009

Cayman Islands

## PRINCIPAL SHARE REGISTRAR

Ogier Global (Cayman) Limited

89 Nexus Way

Camana Bay

Grand Cayman

KY1-9009

Cayman Islands

## HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited

Shops 1712-1716, 17th Floor

Hopewell Centre

183 Queen's Road East

Wanchai

Hong Kong

## PRINCIPAL BANKS

*In Hong Kong:*

CMB Wing Lung Bank Limited

*In the PRC:*

China Merchants Bank Shanghai Branch



## Corporate Information

### JOINT COMPANY SECRETARIES

Ms. Qian Ma  
Mr. Wai Chiu Wong

### AUTHORIZED REPRESENTATIVES

Dr. James Qun Xue  
Mr. Wai Chiu Wong

### AUDIT COMMITTEE

Mr. Peng Kuan Chan (*Chairperson*)  
Mr. James Arthur Geraghty  
Dr. Richard James Gregory

### REMUNERATION COMMITTEE

Dr. Richard James Gregory (*Chairperson*)  
Dr. Lan Hu  
Ms. Zhao Wei  
(*appointed on June 30, 2025*)

### NOMINATION AND CORPORATE GOVERNANCE COMMITTEE

Dr. James Qun Xue (*Chairperson*)  
Mr. James Arthur Geraghty  
Dr. Richard James Gregory  
(*resigned on June 30, 2025*)  
Mr. Peng Kuan Chan  
Dr. Lan Hu  
(*appointed on June 30, 2025*)  
Mr. Wang Tingwei  
(*appointed on August 27, 2025*)

### STOCK CODE

1228

### AUDITOR

HLB Hodgson Impey Cheng Limited  
(*re-appointed on June 27, 2025*)  
*Certified Public Accountants and*  
*Registered Public Interest Entity Auditor*  
31/F, Gloucester Tower  
The Landmark  
11 Pedder Street  
Central, Hong Kong

### COMPANY WEBSITE

[www.canbridgepharma.com](http://www.canbridgepharma.com)



# Business Highlights

The Group has made significant progress with respect to its drug pipeline and business operations, including the following milestones and achievements:

**Strategic cooperation with Baheal Medical**, in August 2025, we began our strategic cooperation with Baheal Medical pursuant to which (i) we appointed certain subsidiar(ies) of Baheal Medical as our exclusive CSO for the marketing service, and, if requested by such subsidiar(ies) of Baheal Medical, as the sole distributor, for Hunterase®, Livmarli® and Gaurunning® in mainland China, Hong Kong, and Macau (the “**Designated Regions**”), from which we received a strategic engagement fee of RMB50 million; and (ii) a subsidiary of Baheal Medical subscribed 74,971,468 shares in our Company, representing 14.99% of our enlarged total number of issued Shares upon such subscription, under which we received a total consideration of approximately HK\$100 million.

**Hunterase® (idursulfase beta, formerly known as CAN101)**, an enzyme replacement therapy (ERT) for the treatment of Mucopolysaccharidosis type II (MPS II), also known as Hunter syndrome. MPS II is number 73 in the “First National List of Rare Diseases” in China published in May 2018.

- CANbridge commercially launched Hunterase® in China in May 2021 in a non-reimbursed market. Patient identification has accelerated since launch, with 867 patients identified as of June 30, 2025. As of June 30, 2025, we have implemented commercial insurance programs (Huiminbao) in 130 cities, covering a population of 561 million in China.

**Livmarli® (maralixibat oral solution, formerly known as CAN108)**, an oral, minimally absorbed, reversible inhibitor of the ileal bile acid transporter (IBAT) that is under development to treat rare cholestatic liver diseases including Alagille syndrome (ALGS) and progressive familial intrahepatic cholestasis (PFIC). CANbridge has the exclusive rights to develop, commercialize, and under certain conditions, manufacture Livmarli® in Greater China. ALGS is number 5 in the “Second National List of Rare Diseases” in China published in September 2023.

- CANbridge commercially launched Livmarli® in China in January 2024 in a non-reimbursed market. Patient identification has accelerated since launch, with 874 ALGS patients identified as of June 30, 2025. As of June 30, 2025, we have implemented commercial insurance programs (Huiminbao) in 39 cities, covering a population of 196 million in China.
- In May 2024, granted an expanded label by the NMPA. This approval extends the use of Livmarli® for the treatment of cholestatic pruritus in patients with ALGS to include those aged three months and older.





## Business Highlights

**Gaurunning® (velaglucerase-beta for injection, formerly known as CAN103), an ERT for the treatment of Gaucher Disease (GD).** GD is number 31 in the “First National List of Rare Diseases” in China published in May 2018.

- In March 2025, we announced that Gaurunning, with its wholly – owned subsidiary, CANbridge (Shanghai) Life Sciences Ltd. as the holder, successfully passed the pre-approval inspection and pre-marketing GMP compliance inspection for the pilot biological product of divided manufacturing. Gaurunning the first innovative biological product in China to pass the inspection of Divided manufacturing of biological products.
- In May 2025, we announced marketing approval of Gaurunning, a class 1 new drug for treating type I and III Gaucher disease, in China.

**Gene Therapy**, a CANbridge-developed area of excellence, is a therapeutic modality that includes adeno-associated virus (AAV) as a gene delivery vehicle due to its potential to be a one-time, durable treatment for many genetic diseases. Duchenne Muscular Dystrophy (DMD, the most common form of progressive muscular dystrophy) is number 98 in the “First National List of Rare Diseases” in China published in May 2018.

- As of June 30, 2025, we have licensed a dual vector technology called “StitchR” from ScriptR Global for its application towards DMD. The StitchR technology enables delivery of larger gene payloads via two independent AAVs and is the basis for our DMD gene therapy program, which is currently in the research discovery stage. As of June 30, 2025, we have internally generated the proof-of-concept data for DMD pre-clinical studies.

On August 12, 2025, China’s National Healthcare Security Administration (NHSA) has released the “preliminary formal review announcement for the adjustments of the basic medical insurance, maternity insurance, and work injury insurance drug catalogs, as well as the commercial insurance innovative drug catalog”. The three rare – disease products of the Company have all passed the form review of the Innovative Drug Catalogue.

## OUTLOOK FOR THE SECOND HALF OF 2025

Despite the challenges faced in the first half of 2025, we are optimistic about the second half of 2025 as we re-focus on our business and operations after successfully implementing steps to streamline pipeline and enhance capital efficiency. Additionally, the deepening cooperation with Baheal Medical and with the fresh capital that Baheal Medical has brought into CANbridge, we expect to drive improved execution across key business areas, strengthening the Company’s operational foundation for future growth, and deliver better results in the second half of 2025.



## Financial Highlights

- Our revenue decreased by RMB22.5 million or 50.3%, from RMB44.8 million for the six months ended June 30, 2024 to RMB22.2 million for the six months ended June 30, 2025, which was primarily due to the cessation of Nerlynx® sales in Taiwan following the termination of Nerlynx® distribution agreement at the end of 2024, as originally planned by the Company in 2021 for strategically focusing on rare disease. Excluding the Nerlynx® sales in Taiwan, our revenue decreased by RMB1.7 million, or 6.9% as compared with the same period in 2024, which was mainly attributable to active inventory management by CANbridge and destocking of Livmarli® in the channel in the first half of 2025.
- Our other income and gains increased by approximately RMB100.5 million, from RMB3.6 million for the six months ended June 30, 2024 to RMB104.1 million for the six months ended June 30, 2025, primarily due to a gain of RMB101.0 million arising from the US lease termination. The gain arose as the tenant, a wholly-owned subsidiary of the Company, and the US lease property's landlord entered into a termination agreement to early terminate the lease related to the US leased property on February 24, 2025 with effect from February 28, 2025. Since the right-of-use assets related to the US lease property had been fully written off as of December 31, 2024, the lease liabilities and other payables of approximately RMB97.7 million and RMB3.3 million, respectively, were derecognised and credited to profit or loss during the six months ended June 30, 2025.
- Our research and development expenses decreased by approximately RMB155.3 million or 89.6%, from RMB173.3 million for the six months ended June 30, 2024 to RMB18.0 million for the six months ended June 30, 2025, which was mainly attributable to the NDA approval of Gaurunning in the first half of 2025, resulting in a substantial reduction in related development activities and expenditures.
- Our administrative expenses decreased by RMB19.0 million or 53.4%, from RMB35.7 million for the six months ended June 30, 2024 to RMB16.6 million for the six months ended June 30, 2025. Such decrease was primarily attributable to our efforts on the containment of employee costs and other administrative costs during the Reporting Period.
- Our selling and distribution expenses decreased by approximately RMB17.1 million or 43.0%, from RMB39.8 million for the six months ended June 30, 2024 to RMB22.7 million for the six months ended June 30, 2025. The decrease was mainly due to the elimination of Nerlynx® sales activities and related employee costs in the first half of 2025, following the termination of its distribution agreement at the end of 2024, coupled with an increase in the sales effectiveness for rare disease products during the Reporting Period.
- Profit for the Reporting Period increased by approximately RMB306.5 million, turning from a loss of RMB247.3 million for the six months ended June 30, 2024 to a profit of RMB59.2 million for the six months ended June 30, 2025, which was primarily attributable to the increase of other income and gains and decrease of selling and distribution expenses, R&D expenses, and administrative expenses, and partially offset by a decline in revenue. The profit of RMB 59.2 million is not due to the ordinary business and operations of the company and is non-recurring.
- The adjusted loss for the period decreased by RMB178.9 million or 82.7%, from RMB216.2 million for the six months ended June 30, 2024, to RMB37.4 million for the six months ended June 30, 2025. The adjusted loss for the period was arrived at by adjusting the IFRS profit/(loss) for the Reporting Period of RMB59.2 million (for the six months ended June 30, 2024: loss of RMB247.3 million) through excluding the effect of share-based payment expenses, written-off of right-of-use assets and gain/(loss) on lease termination. Please refer to the section headed "Non-IFRS Measures" of this report for details.



# Management Discussion and Analysis

## OVERVIEW


Founded in 2012, CANbridge is a global biopharmaceutical company, with a foundation in China, committed to the research, development and commercialization of transformative therapies to treat rare diseases and oncology. As of June 30, 2025, we have a comprehensive pipeline of 7 drug assets targeting prevalent rare diseases that have high unmet needs and significant market potential. The robust pipelines include 3 marketed products and 1 drug candidate at the late clinical stage. Given the challenging macro environment, including volatile capital markets and limited biotech funding, CANbridge has further prioritized the key programs with significant development and regulatory milestones occurring in the coming year.

We are led by a management team with significant industry experience in rare diseases, spanning R&D, clinical development, regulatory affairs, business development and commercialization. As of June 30, 2025, we have streamlined the workforce to 45 full-time employees. Our management team has a track record of successfully achieving approval and commercializing of rare disease therapies across the key markets, including Greater China and the United States (U.S). We leverage this expertise to play an active role in advancing the rare disease industry and shaping the rare disease ecosystem in China. For example, our founder, Dr. Xue, Ph.D., is currently serving as the Deputy Director General of China's Alliance for Rare Disease (CHARD).

Since our inception in 2012, we have built a comprehensive portfolio of therapeutics, consisting of biologics, small molecules and gene therapies that target diseases with validated mechanisms of action. We will continue to prioritize and optimize our pipeline through out-licensing, partnerships and collaborations with academic institutions, as well as with in-house R&D.

In the rare disease area, we have seven biologic and small molecule product candidates. These include MPS II (Hunter syndrome) and other lysosomal storage disorders (LSDs), complement-mediated disorders, hemophilia A, metabolic disorders and rare cholestatic liver diseases including ALGS and Progressive Familial Intrahepatic Cholestasis (PFIC).

- We received marketing approval for Hunterase® (CAN101) for the treatment of MPS II in mainland China in September 2020.
- We received marketing approval for Livmarli® for the treatment of ALGS in mainland China, Hong Kong and Taiwan in 2023
- In 2024, we announced expansion of Livmarli® label to include ALGS patients as young as 3 months in mainland China, marketing approval for the treatment of cholestatic pruritus in PFIC aged 3 months and older in Taiwan and the expansion of Livmarli® label to include ALGS patients as young as 2 Months in Taiwan.
- We announced a positive preliminary CAN106 Phase 1b data for a multiple ascending dose study in PNH patients in China in June 2023. Results showed promising efficacy and safety with a dose- dependent reduction of LDH levels and an increase in hemoglobin levels that demonstrate clinically meaningful hemolysis inhibition and improvement in transfusion-dependent anemia.



## Management Discussion and Analysis


- In May 2025, we announced marketing approval of Gaurunning, a class 1 new drug for treating type I and III Gaucher disease, in China.
- In addition to biologics and small molecules, we are investing in next-generation technology for gene therapy. Gene therapy provides a potentially one-time, durable treatment for rare genetic diseases with limited treatment options. In November 2024, CANbridge and Scriptr announced publication in the journal Science reporting the discovery of the StitchR™ RNA assembly technology and its application for the treatment of muscular dystrophies.

### Market opportunities in the rare disease industry

The global rare disease industry focuses on developing medicines for diseases affecting a small number of people. Rare diseases have unique characteristics that create an efficient market for therapeutic development. Most rare diseases are caused by genetic mutations that lead to a better understanding of the disease, increasing the chance of successful R&D. Sales efforts for rare disease drugs are more targeted due to the limited number of specialists and tertiary care hospitals treating these patients. A favorable regulatory environment, like the Orphan Drug Act and expedited approval pathways in the United States, helps to accelerate the development and commercialization of rare disease drugs. The rare disease markets in developing countries are relatively underpenetrated, due to limited access to rare disease diagnosis and treatments.

The market size of rare disease drugs in China was approximately USD1.3 billion in 2020, significantly lower than in the U.S. and Europe. However, with a similar prevalence rate of rare diseases, the patient pool in China is potentially over four times greater than in the U.S. According to Frost & Sullivan, the rare disease drug market in China is expected to reach USD25.9 billion by 2030, at a CAGR of 34.5%, offering attractive commercial opportunities for pharmaceutical companies. Leading companies like Sanofi, AstraZeneca, and Roche have already launched products in China and other developing countries, recognizing their market potential. CANbridge is uniquely positioned to address the medical needs of global rare disease patients efficiently.

The rare disease industry in China is expected to benefit from various regulatory initiatives. China has simplified the rare disease treatment application process, streamlined the regulatory approval pathway by allowing the submission of clinical data from global trials, and is moving towards a more favorable reimbursement policy. In 2018, China released the First National List of Rare Diseases, encompassing 121 rare conditions. In 2023, the second edition of the list was unveiled, incorporating 86 additional rare diseases. With this latest update, China's rare disease catalog now encompasses a total of 207 rare conditions across both editions.



## Management Discussion and Analysis

On January 17, 2025, NHSA announced 2025 NRDL adjustment to introduce a new Class C category. It will supplement existing Class A and B, covering highly innovative treatments with great clinical value but high prices. Private health insurance will be crucial in selection, negotiation, coverage and payment. Class C treatments are excluded from self-pay rate assessment and some centralized procurement scopes. The adjustment process starts in April, 2025 and aims to end in September, 2025. This indicates a multilevel funding mechanism, facilitating access to innovative treatments and reducing financial burdens.

Gene therapy is emerging as a promising therapeutic approach for rare diseases, with approximately 80% of rare diseases being genetic disorders, according to Frost & Sullivan. These therapies can address the root cause of the disease and offer curative potential. Recent advancements in genetic engineering and viral vector development have led to several approved gene therapy products.

### Strategic cooperation with Baheal Medical

In August 2025, we began our strategic cooperation with Baheal Medical pursuant to which (i) we appointed certain subsidiar(ies) of Baheal Medical as our exclusive CSO for the marketing service, and, if requested by such subsidiar(ies) of Baheal Medical, as the sole distributor, for Hunterase®, Livmarli® and Gaurunning® in mainland China, Hong Kong, and Macau, from which we received a strategic engagement fee of RMB50 million; and (ii) a subsidiary of Baheal Medical subscribed 74,971,468 shares in our Company, representing 14.99% of our enlarged total number of issued shares upon such subscription, under which we received a total consideration of approximately HK\$100 million.

### OUTLOOK FOR THE SECOND HALF OF 2025








Despite the challenges faced in the first half of 2025, we are optimistic about the second half of 2025 as we re-focus on our business and operations after successfully implementing steps to streamline pipeline and enhance capital efficiency. Additionally, the deepening cooperation with Baheal Medical and with the fresh capital that Baheal Medical has brought into CANbridge, we expect to drive improved execution across key business areas, strengthening the Company's operational foundation for future growth, and deliver better results in the second half of 2025.




## PIPELINE

### Our Comprehensive and Diversified Pipeline

CANbridge holds global rights to 4 out of 7 assets, spanning biologics, small molecules, and gene therapy, targeting most prevalent rare diseases and oncology indications, with proven mechanisms and significant market potential.

Candidate	Mechanism	Discovery	IND-enabling	Ph 1	Ph 2/3	NDA	Marketed	Dev Strategy	Partner	Commercial Rights
 Hunterase® (Idursulfase beta)	ERT IDS	Hunter Syndrome (Mucopolysaccharidosis Type II)							GC Pharma	Greater China
 Livmarli® (CAN 108)	IBAT inhibitor	Alagille Syndrome						In China for China	mirum	Greater China
 Omoprubart	Anti-C5 mAb	Paroxysmal Nocturnal Hemoglobinuria							WuXi Biologics / Privus	Global
 CAN 103	ERT GBA	Gaucher Disease						In China for Global	WuXi Biologics / Privus	Global
 CAN 104	ERT GLA	Fabry Disease							WuXi Biologics / Privus	Global
 CAN 105	Anti-Factor IXa/X bsAb	Hemophilia A						In China for Global	WuXi Biologics / Privus	Global
 CAN 204	AAV	DMD						Global for Global	Scripta	Greater China

 Gene Therapy  
 Small Molecule  
 Biologic



## Management Discussion and Analysis

### BUSINESS REVIEW



The Company was listed on the Stock Exchange on December 10, 2021. Since then, the Company has made significant progress with respect to its drug pipeline and business operations, including the following milestones and achievements.

#### **HUNTERASE® (*IDURSULFASE BETA, FORMERLY KNOWN AS CAN101*)**

- Hunterase® is the first ERT approved for the treatment of Hunter syndrome (MPS II) in China. Given that ERT is the standard of care for Hunter syndrome, and that there is currently no other drug treatment available in China, we believe there is a significant market opportunity for Hunterase®.
- CANbridge received the marketing approval from the NMPA for Hunterase® in September 2020 as the first and the only treatment for MPS II in China. Hunterase® is currently marketed in over 10 countries worldwide by GC Pharma. In a head-to-head Phase 1/2 study, Hunterase® demonstrated favorable efficacy as compared to Elaprase®, a drug commonly used to treat Hunter syndrome globally. In a Phase III clinical trial in Chinese MPS II patients, Hunterase® demonstrated favorable efficacy compared to placebo over a period of up to two years with no specific safety concerns.
- CANbridge commercially launched Hunterase® in China in May 2021 in a non-reimbursed market. Patient identification has accelerated since launch, with 867 patients identified as of June 30, 2025. As of June 30, 2025, we have implemented commercial insurance programs (Huiminbao) in 130 cities, covering a population of 561 million in China.
- The Company continues to strengthen integrated commercialization team and with the ability to commercialize multiple rare disease products.

#### **LIVMARLI® (*MARALIXIBAT ORAL SOLUTION, FORMERLY KNOWN AS CAN108*)**

- Livmarli® is an oral, minimally-absorbed, reversible IBAT inhibitor and is under development to treat rare cholestatic liver diseases, including ALGS (approved by FDA) and PFIC. Livmarli® possesses an extensive safety dataset, having been evaluated in more than 1,700 human subjects. Livmarli® has been studied in a number of completed and ongoing clinical trials in ALGS and PFIC with over 200 children treated and some on study for over seven years. A Phase 2b placebo- controlled randomized withdrawal period clinical trial with an open-label extension in children (aged 1-18 years) conducted for ALGS by Mirum Pharmaceuticals, Inc. ("**Mirum**"), our collaboration partner in the U.S., shows that patients receiving Livmarli® experienced significant reductions in serum bile acids and pruritus compared to placebo, improvements in quality of life and xanthomas and accelerated long-term growth. In addition, Mirum has completed a Phase 3 study of Livmarli® in PFIC, which is the largest randomized, placebo-controlled study with 93 patients across a range of genetic PFIC subtypes, including PFIC1, PFIC2, PFIC3, PFIC4, PFIC6 and unidentified mutational status. The results of this Phase 3 study demonstrated that Livmarli®-treated patients had statistically significant improvements in pruritus, serum bile acids, bilirubin and growth as measured by weight z-score in the cohort evaluating the combined genetic subtypes.




## Management Discussion and Analysis


- CANbridge and Mirum have an exclusive license agreement for the development, commercialization and manufacturing, under certain conditions, of Livmarli® in Greater China.
- As of December 31, 2024, Livmarli® received multiple marketing approvals for ALGS in mainland China, Hong Kong, and Taiwan, as well as approval for PFIC in Taiwan. The broad marketing approvals make Livmarli® the first and only approved product marketed for the treatment of cholestatic pruritus in patients with ALGS in these regions.
- In May 2024, we announced expansion of Livmarli® label to include patients as young as 3 months in mainland China.
- In December 2024, we announced marketing approval of Livmarli® in Taiwan for the treatment of cholestatic pruritus in PFIC patients aged 3 months and older.
- In December 2024, we announced expansion of Livmarli® label to include ALGS patients as young as 2 Months in Taiwan.
- CANbridge commercially launched Livmarli® in China in January 2024 in a non-reimbursed market. Patient identification has accelerated since launch, with 874 ALGS patients identified as of June 30, 2025. As of June 30, 2025, we have implemented commercial insurance programs (Huiminbao) in 39 cities, covering a population of 196 million in China.

### **GAURUNNING® (VELAGLUCERASE-BETA FOR INJECTION, FORMERLY KNOWN AS CAN103)**

- Gaurunning, a recombinant, human glucocerebrosidase (acid  $\beta$ -glucosidase), an ERT for the treatment of GD. CANbridge holds global proprietary rights to develop and commercialize the product.
- Gaurunning is the first ERT for Gaucher disease in the clinical trial development stage in China.
- The first patient was dosed in the Gaurunning Phase 1/2 trial in January 2023, which is being developed for the treatment of patients with GD Types I and III in China. Bing Han MD, Ph.D., Chief Physician and Professor in the Department of Hematology at Peking Union Medical College Hospital in Beijing, China, is the principal investigator for the trial. GD, a lysosomal storage disorder, is caused by a genetic enzyme deficiency leading to the accumulation of a cellular sphingolipid called glucocerebroside in macrophages residing in liver, spleen, and bone marrow, resulting in hepatosplenomegaly, anemia, thrombocytopenia, and skeletal disease (infarction, osteoporosis, and pain). In GD Type III, glucocerebroside also accumulates in the central nervous system, causing chronic neurodegeneration and premature death. Gaurunning is an ERT under development by CANbridge, as part of its rare disease partnership with WuXi Biologics (Cayman) Inc. (stock code: 2269.HK), for the long-term treatment of adults and children with Gaucher disease Types I and III. Many GD patients in China do not have access to approved treatments due to cost barriers.





## Management Discussion and Analysis



- In March 2025, we announced that Gaurunning, with its wholly – owned subsidiary, CANbridge (Shanghai) Life Sciences Ltd. as the holder, successfully passed the pre-approval inspection and pre marketing GMP compliance inspection for the pilot biological product of Divided manufacturing. Gaurunning the first innovative biological product in China to pass the inspection of Divided manufacturing of biological products.
- In May 2025, we announced marketing approval of Gaurunning, a class 1 new drug for treating type I and III Gaucher disease, in China.

### CAN106 (OMOPRUBART)

- CAN106 is a novel, long-acting, monoclonal antibody directed against C5 complement that is being developed for the treatment of complement-mediated diseases, including PNH and MG among other approved and new potential indications. Based on clinical data, CAN106 has demonstrated a favorable PK/PD profile, safety and tolerability, indicating that CAN106 has the potential to effectively inhibit C5 in patients with PNH with a convenient four-week dosing frequency.
- CANbridge obtained global rights to develop, manufacture and commercialize CAN106 in PNH, as well as for other complement-mediated diseases that involve activation of the C5 protein, from WuXi Biologics Ireland Limited and Privus Biologics, LLC in 2019 and 2020, respectively.
- CAN106 has received Orphan Drug Designation from the FDA for the treatment of MG, an autoimmune neuromuscular disease that causes muscle weakness. CAN106 is eligible to receive the benefits provided under the Orphan Drug Act, including 50% tax credit for qualifying clinical trials, waivers for regulatory submission fees, eligibility to receive federal research grants, and upon marketing authorization for MG, 7 years of market exclusivity.
- In June 2023, CANbridge announced positive preliminary results from the ongoing Phase 1b study of CAN106 being conducted in China for PNH. The trial is being conducted under the direction of principal investigator, Dr. Bing Han, MD, PhD, Chief Physician and Professor in the Department of Hematology at Peking Union Medical College Hospital in Beijing, China. CAN106 showed dose- proportional exposure and rapid, dose-dependent reductions in free C5 levels within 24 hours, with all subjects in Cohort 3 maintaining values below 0.5 ug/mL, a historical threshold for complete C5 inhibition. CAN106 was safe and well-tolerated at all doses, and all drug-related adverse events were mild or moderate and transient, and none led to discontinuation from the study. There were no drug-related serious adverse events, and no cases of anaphylaxis or meningococcal infection. Currently, CAN106 is the only domestically-developed treatment for PNH that is actively being developed.
- Complement-mediated diseases amenable to treatment with an anti-C5 antibody remain an area of broad interest, demonstrating potential for CAN106 in multiple indications beyond PNH.



## Management Discussion and Analysis

### GENE THERAPY

- In November 2024, CANbridge and Scriptr announced publication in the journal Science reporting the discovery of the StitchR™ RNA assembly technology and its application for the treatment of muscular dystrophies.

### WE MAY NOT BE ABLE TO SUCCESSFULLY DEVELOP AND/OR MARKET OUR CORE PRODUCT CANDIDATE, OR ANY OF OUR PIPELINE PRODUCTS.

#### Manufacturing

In March 2025, we announced that Gaurunning, with its wholly – owned subsidiary, CANbridge (Shanghai) Life Sciences Ltd. as the holder, successfully passed the pre-approval inspection and pre marketing GMP compliance inspection for the pilot biological product of Divided manufacturing. Gaurunning the first innovative biological product in China to pass the inspection of Divided manufacturing of biological products.

We have secured manufacturing capacity for selected in-licensed programs, including from third party collaboration partners such as WuXi Biologics, GC Pharma and Mirum. We aim to balance cost efficiency and quality control of our drug products and/or candidates. In an effort to advance our gene therapy pipelines, we are exploring manufacturing strategy for gene therapy that can help us to achieve high quality and capital efficiency anticipate to use CDMO to enable the further development of our gene therapy products.


#### Commercialization

In August 2025, we entered into a strategic collaboration and exclusive commercial services agreement (“**CSO Agreement**”) with Baheal Zhihe, a subsidiary of Baheal Medical. Pursuant to such agreement, Baheal Zhihe was appointed as the exclusive CSO, and if requested by Baheal Zhihe, its affiliate will be appointed as the sole distributor, for Hunterase®, Livmarli® and Gaurunning® in mainland China, Hong Kong and Macau.

With multiple products currently approved for marketing in multiple geographies, we have established our key operation hubs in both Beijing and Shanghai, with offices in other locations in Greater China. We have set up a commercialization team dedicated to our approved products and late-stage drug candidates that can be quickly expanded in line with our business growth, comprising three major functions, including marketing and sales, medical affairs and patient advocacy assistance and market access, with the mission to execute medical engagement plans for key opinion leader (KOL) development, promote community awareness and explore industry insights for better drug development and marketing strategy.

The management continues to monitor the market to develop the most cost-effective strategy and model for commercializing these upcoming pipeline products.





# Management Discussion and Analysis

## FINANCIAL REVIEW

### Overview

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

### Revenue

Our revenue decreased by RMB22.5 million from RMB44.8 million for the six months ended June 30, 2024 to RMB22.2 million for the six months ended June 30, 2025, which was primarily due to the cessation of Nerlynx® sales in Taiwan following the termination of Nerlynx® distribution agreement at the end of 2024, as originally planned by the Company in 2021 for strategically focusing on rare disease. Excluding the Nerlynx® sales in Taiwan, our revenue decreased by RMB1.7 million, or 6.9% as compared with the same period in 2024, which was mainly attributable to active inventory management by CANbridge and destocking of Livmarli® in the channel in the first half of 2025.

### Cost of Sales

Our cost of sales decreased by RMB8.5 million from RMB15.4 million for the six months ended June 30, 2024 to RMB6.8 million for the six months ended June 30, 2025, which was primarily attributable to the decrease in costs incurred as a result of the decreased sales of commercialized products.

### Gross Profit and Gross Profit Margin

Our gross profit decreased by RMB14.0 million from RMB29.4 million for the six months ended June 30, 2024 to RMB15.4 million for the six months ended June 30, 2025. Our gross profit margin for the six months ended June 30, 2025 was 69.3% (for the six months ended June 30, 2024: 65.7%).

### Other Income and Gains

Our other income and gains increased by RMB100.5 million from RMB3.6 million for the six months ended June 30, 2024 to RMB104.1 million for the six months ended June 30, 2025, primarily due to a gain of RMB101.0 million arising from the US lease termination. The gain arose as the tenant, a wholly owned subsidiary of the Company, and the US lease property's landlord entered into a termination agreement to early terminate the lease related to the US leased property on February 24, 2025 with effect from February 28, 2025. Since the right-of-use assets related to the US lease property had been fully written off as of December 31, 2024, the lease liabilities and other payables of approximately RMB97.7 million and RMB3.3 million, respectively, were derecognised and credited to profit or loss during the six months ended 30 June 2025.

### Selling and Distribution Expenses

Our selling and distribution expenses decreased by RMB17.1 million from RMB39.8 million for the six months ended June 30, 2024 to RMB22.7 million for the six months ended June 30, 2025. The decrease was mainly due to the elimination of Nerlynx® sales activities and related employee costs in the first half of 2025, following the termination of its distribution agreement at the end of 2024, coupled with an increase in the sales effectiveness for rare disease products during the reporting period.

## Management Discussion and Analysis

### Administrative Expenses

Our administrative expenses decreased by RMB19.0 million from RMB35.7 million for the six months ended June 30, 2024 to RMB16.6 million for the six months ended June 30, 2025. Such decrease was primarily attributable to our efforts on the containment of employee costs and other administrative costs during the Reporting Period.

### Research and Development Expenses

Our research and development expenses decreased by RMB155.3 million from RMB173.3 million for the six months ended June 30, 2024 to RMB18.0 million for the six months ended June 30, 2025, which was mainly attributable to the NDA approval of Gaurunning in the first half of 2025, resulting in a substantial reduction in related development activities and expenditures.

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
<b>Research and development expenses</b>		
Staff costs	8,629	16,764
Testing and clinical trial expenses	6,818	141,799
License fees	–	2,305
Depreciation and amortization	14	6,388
Other expenses	2,529	6,000
Total	17,990	173,256

### Other expenses

Our other expenses decreased from RMB27.0 million for the six months ended June 30, 2024 to RMB1.3 million for the six months ended June 30, 2025, which was primarily due to a RMB26.3 million provision for impairment of right-of-use assets in the six months ended June 30, 2024, as compared with a provision of RMB703,000 recognised in the same period of 2025.

### Finance Costs

Our finance costs decreased from RMB4.6 million for the six months ended June 30, 2024 to RMB1.8 million for the six months ended June 30, 2025. Such decrease was primarily due to the decrease of bank loan interest expenses and interest on lease liabilities.

### Non-IFRS Measures

In addition to the Group's consolidated financial statements, which are presented in accordance with IFRSs, the Company also uses adjusted loss for the period as an additional financial measure, which is not required by, or presented in accordance with IFRSs. We present this financial measure because it is used by our management to evaluate our financial performance by eliminating the impacts of items that we do not consider indicative of our performance results. The Company believes that these adjusted measures provide additional information to investors and others, helping them to understand and evaluate our consolidated results of operations in the same manner as our management, and thus, facilitate comparisons of operating performance from period to period and company to company to the extent applicable.

## Management Discussion and Analysis

We define adjusted loss for the period as profit/(loss) for the period excluding the effect of share-based payment expenses, written-off of right-of-use assets and the gain on the lease termination. The term adjusted loss for the period is not defined under the IFRSs. The use of this non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, the Group's results of operations or financial condition as reported under IFRSs.

The table below sets forth a reconciliation of the adjusted loss for the period during the periods indicated:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Profit/(loss) for the period	59,238	(247,269)
Add:		
Share-based payment expenses	3,746 <sup>(1)</sup>	4,755
Written-off of right-of-use assets	703 <sup>(2)</sup>	26,270
Less:		
Gain/(loss) on lease termination	101,037 <sup>(3)</sup>	(19)
Adjusted loss for the period	(37,350)	(216,225)

Note:

- (1) This represents the compensation for employee services, settled by issuing shares, share options, linked to share price. Such expenses are accounted for under IFRS 2 and are recognized in the profit and loss statement over the vesting period, based on the fair value at grant date. This item is adjusted as it is non-cash, and is not expected to result in the Group's future cash inflow or outflow.
- (2) This represents the lease properties were terminated early or is no longer expected to provide future economic benefits to the Group. This item is adjusted as it is non-cash, and is not expected to result in the Group's future cash inflow or outflow.
- (3) This represents the recognition of a financial gain/(loss) that occurs when a lease is ended early and the difference between the carrying amounts of the right-of-use asset and the lease liability. The item is adjusted as it is non-cash, and is not expected to result in the Group's future cash inflow or outflow.


### Capital Management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize the Company's Shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to Shareholders, return capital to Shareholders or issue new shares. There is no material seasonality of borrowing requirements for the Group.

### Liquidity and Financial Resources

Our cash and bank balances as of June 30, 2025 were RMB2.0 million, of which RMB1.0 million, RMB0.5 million, RMB5,000 and RMB0.5 million, were denominated in RMB, USD, HKD and TWD, respectively. As compared to RMB10.5 million as of December 31, 2024, the decrease of cash and bank balances was primarily attributable to the net cash outflows used in operations. Our primary uses of cash are to fund research and development efforts, milestone payments and working capital and for other general corporate purposes.



## Management Discussion and Analysis

### Funding and Treasury Policy

The Group adopts a prudent funding and treasury policy, aiming to maintain an optimal financial position and minimal financial risks. The Group regularly reviews its funding requirements to maintain adequate financial resources in order to support its business operations as well as its research and development, business operation and expansion plans. For the six months ended June 30, 2025, we funded our operations primarily through revenue generated from sales of commercialized products and debt financing.

We closely monitor the uses of cash and cash equivalents to ensure that our financial resources have been used in the most cost-effective and efficient way. We also consider and will endeavor to seek various funding sources depending on the Group's funding needs.

### Bank Loans and Other Borrowings

Our bank loans and other borrowings as of June 30, 2025 were RMB32.2 million (December 31, 2024: RMB30.4 million). All of our bank loans and other borrowings as of June 30, 2025 were denominated in RMB and carried fixed nominal interest rates ranging from 3.35% to 6.00% per annum.

### Current Ratio

Current ratio (calculated by current assets divided by current liabilities) of the Group as of June 30, 2025 was 8.6% (December 31, 2024: 9.4%). The decrease in current ratio was primarily due to the decrease in cash and bank balances, and the increase in trade payables as of June 30, 2024.

### Gearing Ratio

The gearing ratio (calculated by total interest-bearing borrowings divided by total assets) of the Group as of June 30, 2025 was 30.5% (December 31, 2024: 26.0%).

### Foreign Currency Risk

We have transactional currency exposures. Certain of our cash and bank balances, trade receivables and other receivables and trade and other payables are denominated in non-functional currencies and exposed to foreign currency risk.


We currently do not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

### Contingent Liabilities

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

### Capital Expenditure and Commitments

The Group's capital expenditures during the six months ended June 30, 2025 were primarily related to the purchase of property, plant and equipment. During the six months ended June 30, 2025, the Group incurred RMB145,000 in relation to capital expenditures.



## Management Discussion and Analysis

### Charges on Group Assets

As of June 30, 2025, restricted bank deposits of RMB491,000 was frozen due to certain legal disputes. Saved as disclosed above, as of June 30, 2025, the Group did not have other charges over its assets.

### Significant Investment Held

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

### Material Acquisition and Disposal of Subsidiaries, Associates and Joint Ventures

The Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures during the Reporting Period. Save as otherwise disclosed in the Prospectus and the below paragraph headed “Contractual Arrangements” of this section, the Group does not have any specific future plans on material investments or capital assets as of the date of this report.

### Share Schemes

#### *Pre-IPO Equity Incentive Plan*

The Company adopted the 2019 equity incentive plan (the “**Pre-IPO Equity Incentive Plan**”) on July 25, 2019, which was amended on June 11, 2021.

The maximum number of the ordinary shares in the share capital of the Company (the “**Shares**”) that may be subject to the awards granted and sold under the Pre-IPO Equity Incentive Plan is 54,549,230 Shares and share options (including those have subsequently lapse or been fully exercised) to subscribe for 55,708,000 Shares thereof had been granted. No share options were granted under the Pre-IPO Equity Incentive Plan after the Company’s listing (i.e. no share options were granted during the Reporting Period) and accordingly the Company does not intend to amend the Pre-IPO Equity Incentive Plan in light of Chapter 17 of the Listing Rules.


During the Reporting Period, no options were exercised, and 6,244,823 options lapsed. As of June 30, 2025, the Company had 23,287,760 options outstanding.

#### *Post-IPO RSU Scheme*

The Company has conditionally adopted the post-IPO RSU scheme by Shareholders’ resolution dated November 18, 2021 (the “**Post-IPO RSU Scheme**”), which was amended on June 27, 2024. Further details of the Post-IPO RSU Scheme are set out in page 33 of this report.

The maximum number of Shares which may be allotted and issued in respect of all restricted share units (“**RSUs**”) that may be granted under the Post-IPO RSU Scheme, when aggregated with the maximum number of Shares in respect of which options or awards may be granted under any other share scheme over Shares, shall not exceed 10 per cent of the issued capital of the same class of the Company as of June 27, 2024 (or of the date on which the refreshing of the 10 per cent limit is approved by the Shareholders). Awards lapsed in accordance with the terms of the Post-IPO RSU Scheme shall not be counted for the purpose of calculating such limit.





## Management Discussion and Analysis

During the Reporting Period, no RSUs were granted by the Company under the Post-IPO RSU Scheme. Accordingly, the maximum number of RSUs available for grant under the Post-IPO RSU Scheme (i.e. maximum number of Shares which may be allotted and issued), taking into account the number of Shares in respect of which options or awards already granted under any other share scheme over Shares, was 42,483,832, representing approximately 10% of the total number of Shares in issue (excluding treasury shares) as at June 30, 2025. The maximum number of RSUs available for grant under the Post-IPO RSU Scheme to Service Providers (i.e. maximum number of Shares which may be allotted and issued), taking into account the number of Shares in respect of which options or awards already granted under any other share scheme over Shares to Service Providers, was 4,248,383, representing approximately 1% of the total number of Shares in issue (excluding treasury shares) as at June 30, 2025.

During the Reporting Period, no RSUs were granted by the Company under the Post-IPO RSU Scheme, while 776,400 RSUs vested and 581,400 RSUs were settled and 1,301,600 RSUs lapsed. As of June 30, 2025, the Company had 4,911,750 RSUs outstanding.

### **Post-IPO Share Option Scheme**

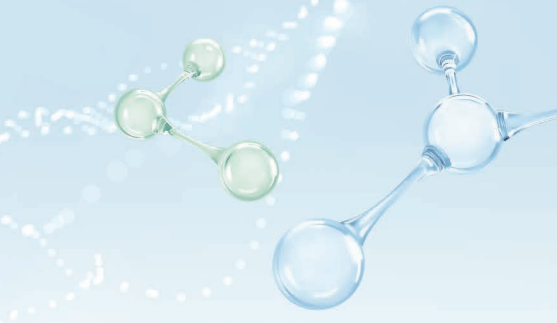

The Company has conditionally adopted the post-IPO share option scheme by the Shareholders' resolution dated November 18, 2021 (the "**Post-IPO Share Option Scheme**"), which was amended on June 27, 2024. Further details of the Post-IPO Share Option Scheme are set out in page 38 of this report.

The maximum number of the Shares which may be allotted and issued in respect of all options that may be granted under the Post-IPO Share Option Scheme, when aggregated with the maximum number of Shares in respect of which options or awards may be granted under any other share scheme over Shares, shall not exceed 10% of the issued capital of the same class of the Company as of June 27, 2024 (or of the date on which the refreshing of the 10 per cent limit is approved by the Shareholders).

During the Reporting Period, no share options were granted by the Company under the Post-IPO Share Option Scheme. Accordingly, the maximum number of options available for grant under the Post-IPO Share Option Scheme (i.e. maximum number of Shares which may be allotted and issued), taking into account the number of Shares in respect of which options or awards already granted under any other share scheme over Shares, was 42,483,832, representing approximately 10% of the total number of Shares in issue (excluding treasury shares) as at June 30, 2025. The maximum number of Options available for grant under the Post-IPO Share Option Scheme to Service Providers (i.e. maximum number of Shares which may be allotted and issued), taking into account the number of Shares in respect of which options or awards already granted under any other share scheme over Shares to Service providers, was 4,248,383, representing approximately 1% of the total number of Shares in issue (excluding treasury shares) as at June 30, 2025.

During the Reporting Period, no share options were exercised, and 4,602,421 share options lapsed. As of June 30, 2025, the Company had 10,603,750 share options outstanding.

As no RSUs or Options were granted under the Post-IPO RSU Scheme and the Post-IPO Share Option Scheme during the Reporting Period, the disclosure required under Rule 17.07(3) of the Listing Rule is not applicable.



## Management Discussion and Analysis

### Contractual Arrangements

On June 10, 2022, the Company's wholly-owned subsidiary CANbridge (Suzhou) Bio-Pharma Co., Ltd (北海康成(蘇州)生物製藥有限公司) (the **"WFOE"**) entered into contractual arrangements (the **"Contractual Arrangements"**) with CANbridge Care Pharma (Suzhou) Biotechnology Co., Ltd (康成諾愛(蘇州)生物科技有限公司) (the **"VIE"**), a company incorporated in the PRC, to gain the economic benefit and control of the VIE. The VIE will engage in businesses which involve research, development and commercialization of gene therapy and related products. Foreign investment activities in the PRC are mainly governed by the Foreign Investment Law 《(外商投資法)》, the Provisions for Guiding the Foreign Investment Direction 《(指導外商投資方向規定)》, the Industry Guidelines on Encouraged Foreign Investment (2022) 《(鼓勵外商投資產業目錄(2022年版))》 and the Special Administrative Measures (Negative List) for the Access of Foreign Investments (2021) 《(外商投資准入特別管理措施(負面清單)(2021年版))》 (the **"Negative List"**) (collectively, the **"Relevant PRC Regulations"**), pursuant to which the industries listed therein are divided into four categories in terms of foreign investment, namely, "encouraged", "permitted", "restricted" and "prohibited". Foreign investors shall not invest in any industry forbidden by the Negative List for access of foreign investment. The development and application of gene therapeutic technologies and products falls under the "prohibited" category of the Negative List in the PRC according to the Relevant PRC Regulations. As such, foreign investment is prohibited in the development and application of human stem cells and genes diagnosis and treatment technologies. Details of the Contractual Arrangements are disclosed in the announcement of the Company dated July 8, 2022.

Through the Contractual Arrangements, the WFOE has effective control over the finance and operation of the VIE, and can enjoy the economic interests and benefits generated by the VIE. Upon the entering into of the Contractual Arrangements, the financial results of the VIE are consolidated into the consolidated financial statements of the Group and the VIE is treated as a subsidiary of the Company.

Since the date of the VIE Announcement and up to the date of this report, the Company is not aware of any noncompliance of the Contractual Arrangements with the relevant PRC laws, rules and regulations (including but not limited to the FIL). The foreign investment restriction in the development and application of genes diagnosis and treatment technologies is now relaxed in designated free-trade zones, including Beijing, Shanghai, Guangdong, and Hainan, according to the Notice on Carrying Out Programs to Expand Opening-Up in the Healthcare Sector 《關於在醫療領域開展擴大開放試點工作的通知》 issued on September 8, 2024. However, since the VIE has no operations within any of these free-trade zones and the new regulations have only recently been implemented with unclear practical execution details, the Group will maintain the current Contractual Arrangements for now. The Company will continue to monitor the developments of the relevant laws, decision, regulations, rules and administration measures in this regard, and will make further announcements in respect thereof in accordance with the Listing Rules as and when necessary.

### Use of Proceeds from the Global Offering

The Shares were listed on the Stock Exchange on December 10, 2021 and the Company obtained net proceeds of HKD604.0 million (after deducting the underwriting fees, commissions and estimated expenses payable by the Company in connection with the Global Offering). On May 6, 2024, the Board resolved to reallocate the unutilized net proceeds received from the Global Offering. Please refer to the Company's announcement titled "Change in Use of Proceeds from the Global Offering" dated May 6, 2024 for details. As disclosed in the 2024 annual report published by the Company on April 30, 2025, the net proceeds from the Global Offering had been fully utilized as at December 31, 2024.

# Other Information

## INTERIM DIVIDEND

The Board has resolved not to declare the payment of an interim dividend for the six months ended June 30, 2025 (six months ended June 30, 2024: nil).

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

As of June 30, 2025, interests or short positions of Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code, were as follows:

### Long Positions in the Shares

Name of Director	Nature of Interest	Number of Shares	Approximate percentage of shareholding in the total Shares in issue of the Company*
Dr. Xue	Interest in controlled corporation <sup>(1)</sup>	26,042,380	6.13%
	Founder of a discretionary trust <sup>(2)</sup>	15,000,000	3.53%
	Beneficial interest <sup>(3)</sup>	15,144,031	3.56%
James Arthur Geraghty	Beneficial interest <sup>(4)</sup>	1,950,000	0.46%
Richard James Gregory	Beneficial interest <sup>(5)</sup>	300,000	0.07%
Peng Kuan Chan	Beneficial interest <sup>(6)</sup>	250,000	0.06%

Notes:

\* The calculation is based on the total number of 424,838,320 Shares issued as of June 30, 2025.

(1) CTX Pharma Holdings Limited directly holds 26,042,380 Shares and is wholly-owned by Dr. Xue.

(2) 15,000,000 Shares are held by JQX 2021 Gift Trust (a trust set up by Dr. Xue as settlor, the spouse of Dr. Xue as trustee and Dr. Xue's family members as the beneficiaries, the "Family Trust"). Under the terms of the Family Trust, Dr. Xue has the power to exercise all the voting rights attached to the Shares. Accordingly, Dr. Xue is deemed interested in the Shares held by the Family Trust.

(3) Dr. Xue beneficially holds 733,050 Shares under his own name and 106,091 Shares via a nominee which were derived from the exercising of Share Options under Pre-IPO Equity Incentive Plan and the settlement of RSUs under Post-IPO RSU Scheme respectively. As of June 30, 2025, Dr. Xue held the following outstanding options and RSUs: (i) Share Options that represent 8,861,140 Shares as adjusted after the Share Subdivision, under the Pre-IPO Equity Incentive Plan; (ii) 2,800,000 share options under the Post-IPO Share Option Scheme; and (iii) 2,643,750 RSUs under the Post-IPO RSU Scheme.

(4) Mr. James Arthur Geraghty beneficially holds 700,000 Shares under his own name which were derived from the exercising of Share Options under Pre-IPO Equity Incentive Plan. Pursuant to the Pre-IPO Equity Incentive Plan, Mr. James Arthur Geraghty was granted with Shares Options that represent 1,250,000 Shares.

(5) Pursuant to the Pre-IPO Equity Incentive Plan, Dr. Richard James Gregory was granted with Shares Options that represent 300,000 Shares.

(6) Pursuant to the Pre-IPO Equity Incentive Plan, Mr. Peng Kuan Chan was granted with Shares Options that represent 250,000 Shares.

## Other Information

Save as disclosed above, so far as the Directors are aware, as of June 30, 2025, none of our Directors or chief executives had interest and/or short position in the Shares, underlying Shares and debentures of the Company or our associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

## INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as the Directors or chief executive of the Company are aware, as of June 30, 2025, the following persons (other than the Directors and chief executive of the Company) had interests and/or short positions in the Shares or underlying Shares which were required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO, or had interests or short positions in 5% or more of the relevant class of Shares which were required to be entered in the register kept by the Company under section 336 of the SFO:

### Long Position in the Shares

Name of Shareholder	Nature of Interest	Number of Shares	Approximate percentage of shareholding in the total Shares in issue of the Company*
CTX Pharma Holdings Limited <sup>(1)</sup>	Beneficial interest	26,042,380	6.13%
WuXi AppTech Co., Ltd. (無錫藥明康德新藥開發股份有限公司) ("Wuxi AppTech") <sup>(2)</sup>	Interest in controlled corporation	40,346,960	9.50%
Athos Capital Limited <sup>(3)</sup>	Investment manager	42,148,590	9.92%
Athos Asia Event Driven Master Fund <sup>(3)</sup>	Beneficial interest	31,526,816	7.42%
Friedrich Bela Schulte-Hillen <sup>(3)</sup>	Interest in controlled corporation	42,148,590	9.92%
Matthew Love Moskey <sup>(3)</sup>	Interest in controlled corporation	42,148,590	9.92%



## Other Information

### Notes:

- \* The calculation is based on the total number of 424,838,320 Shares issued as of June 30, 2025.
- (1) CTX Pharma Holdings Limited is an exempted company with limited liability incorporated in the British Virgin Islands and holds 26,042,380 Shares. CTX Pharma Holdings Limited is wholly-owned by Dr. Xue.
- (2) WuXi AppTec (HongKong) Limited, company incorporated in Hong Kong on March 26, 2012 holding 20,554,860 Shares, is a wholly-owned subsidiary of WuXi AppTec. Moreover, WuXi PharmaTech Healthcare Fund I L.P. is an exempted limited partnership established in the Cayman Islands directly holding 19,792,100 Shares. All limited partnership interests of WuXi PharmaTech Healthcare Fund I L.P. are held by Wuxi AppTec and the general partner of WuXi PharmaTech Healthcare Fund I L.P. is a wholly-owned subsidiary of WuXi AppTec. Accordingly, Wuxi AppTec is deemed interested in the Shares held by each of WuXi AppTec (HongKong) Limited and WuXi PharmaTech Healthcare Fund I L.P..
- (3) Athos Capital Limited, a company incorporated in Hong Kong, serves as investment manager of Athos Asia Event Driven Master Fund, an exempted limited partnership established in Cayman Islands, directly holding 31,526,816 Shares, FMAP ACL Limited, a limited company established in Cayman Islands, directly holding 6,381,000 Shares, KLS Athos Event Driven Fund, an exempted limited partnership established in Cayman Islands, directly holding 210,198 Shares, and New Holland Tactical Alpha Fund LP, an exempted limited partnership incorporated in Cayman Islands, holding 4,030,576 Shares. Based on the disclosure of interests forms submitted by the Shareholders, Mr. Moskey Matthew Love has 66% of the interest in Athos Capital Limited. Mr. Schulte-Hillen Friedrich Bela has 34% of the interest in Athos Capital Limited.

Except as disclosed in this section, as far as the Directors are aware, as of June 30, 2025, no person owns interests and short positions in the Shares and underlying Shares which shall be disclosed in accordance with Divisions 2 and 3 of Part XV of the SFO, or interests or short positions in 5% or above of relevant class of Shares that the Company must record in the register according to section 336 of the SFO.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Reporting Period (including sale of treasury shares (as defined under the Listing Rules)). As at June 30, 2025, the Company did not hold any treasury shares.

## PRE-IPO EQUITY INCENTIVE PLAN

In April 2016, the board of directors of CANbridge Life Sciences approved an equity incentive plan, under which 1,250,000 shares of CANbridge Life Sciences were reserved for granting options to its employees (the **"CANbridge Beijing Equity Incentive Plan"**).

Pursuant to a resolution passed by the Board on July 25, 2019, the 2019 equity incentive plan (the **"Pre-IPO Equity Incentive Plan"**) was adopted to inherit and replace the CANbridge Beijing Equity Incentive Plan and Shares were granted under the Pre-IPO Equity Incentive Plan to replace the Shares of CANbridge Life Sciences previously granted. The Pre-IPO Equity Incentive Plan was amended on 11 June 2021.





## Other Information

### (a) Summary of principal terms of the Pre-IPO Equity Incentive Plan

**Purpose.** The purpose of the Pre-IPO Equity Incentive Plan is to provide incentives to Directors and employees of the Company or any other third party that the Board considers as contributed or will contribute to the Company. The Pre-IPO Equity Incentive Plan allow our Company to provide such persons with opportunities to (i) acquire Shares of the Company pursuant to options granted, (ii) receive restricted share units and (iii) purchase restricted shares (collectively, the “Awards”).

**Eligible Participants.** Any Director and employee of the Company, or any advisor, consultant, distributor, contractor, customer, supplier, agent, business partner, joint venture business partner, service provider or other third parties who the Board considers, in its sole discretion, has contributed or will contribute to the Company are eligible to participate in the Pre-IPO Equity Incentive Plan. Reference factors for the selection of participants include: (i) the Company’s long-term development strategy; (ii) the status of the Company’s business development; (iii) the Company’s human resources strategy; (iv) the functional characteristics of the participant’s position; (v) the length of service of the participant; and (vi) the job performance of the participant.

**Duration.** Unless terminated sooner in accordance with the terms of the Pre-IPO Equity Incentive Plan, the Pre-IPO Equity Incentive Plan will continue in effect, with regard to the making of Awards, for a term of ten years from its effective date on 25 July 2019, with a remaining life of approximately 5 years and 11 months as of the date of this report. Awards granted during the term of the Pre-IPO Equity Incentive Plan may continue to be valid and exercisable in accordance with their terms of grant.

**Maximum Number of Shares.** As at the Listing Date, the maximum number of Shares that may be subject to the Awards granted and sold under the 2019 Equity Incentive Plan is 54,549,230 Shares and Share Options (including those have subsequently lapsed or been fully exercised) to subscribe for 55,708,000 Shares thereof had been granted. No Share Options were granted for the Reporting Period and no grant was made under the Pre-IPO Equity Incentive Plan which requires review by the Remuneration Committee for the Reporting Period. During the six month ended June 30, 2025, no Share Options were exercised and Share Options corresponding to 6,244,823 Shares lapsed. As at June 30, 2025, (i) Share Options to subscribe for 25,033,790 Shares lapsed in accordance with the Pre-IPO Equity Incentive Plan; (ii) no Share Options had been cancelled; (iii) Share Options corresponding to 7,386,450 Shares had been exercised; and (iv) Share Options corresponding to the remaining 23,287,760 Shares were outstanding. No Shares or Award remain available for grant under the Pre-IPO Equity Incentive Plan as of June 30, 2025. At all times during the term of the Pre-IPO Equity Incentive Plan and while any Awards are outstanding, the Company will retain as authorized and unissued Shares at least the number of Shares from time to time required to satisfy the terms of the Pre-IPO Equity Incentive Plan and such Awards, or otherwise assure itself of its ability to perform its obligations thereunder.

As of the date of this report, 23,287,760 Shares underlying outstanding Awards granted under the Pre-IPO Equity Incentive Plan are available for issue. This represented approximately 4.66% of the total number of Shares in issue as of the date of this report.

## Other Information

The Pre-IPO Equity incentive Plan has no maximum entitlement of each individual participant nor service provider sublimit under Chapter 17 of the Listing Rules.

**Administration.** The Pre-IPO Equity Incentive Plan will be administered by the Board. The Board will be responsible for the approval, amendment to and termination of the Pre-IPO Equity Incentive Plan, as well as other major decisions such as determining the types of Awards to be granted, determining the number of Shares or restricted share units to be covered by each Award granted, approving the forms of Award agreements, determining the performance review targets for the eligible participants and determining the terms and conditions of any Award. A committee will be appointed by the Board to be responsible for the actual implementation of the Pre-IPO Equity Incentive Plan.

**Awards.** Grant of Awards shall be made in accordance with the Pre-IPO Equity Incentive Plan and in compliance with applicable laws and regulations. Each recipient of an Award shall enter into an Award agreement and any other agreements as determined by the Board. The date of grant of an Award shall be determined by the Company and the recipient at the execution of the Award agreement. The term of each option, restricted share unit or other Award will be stated in the Award agreement.

**(i) Options.** Subject to terms stating otherwise in the relevant Award agreement or as otherwise determined by the Board, the exercise price for Shares to be issued upon exercise of an option granted under the Pre-IPO Equity Incentive Plan is as below:

### ***For the pool of 1,250,000 Shares reserved under the 2019 Equity Incentive Plan to substitute the shares of CANbridge Life Sciences previously granted under the CANbridge Beijing Equity Incentive Plan***

Time of Grant	Exercise Price
Within 2014	RMB1 or fair market value or otherwise determined by the Board
Within 2015	RMB1.5 or fair market value or otherwise determined by the Board
Within 2016	No less than the corresponding portion of the Company's net asset by the end of 2015 or fair market value or otherwise determined by the Board
Within 2017	No less than the corresponding portion of the Company's net asset by the end of 2016 or fair market value or otherwise determined by the Board
Within 2018	No less than the corresponding portion of the Company's net asset by the end of 2017 or fair market value or otherwise determined by the Board
Within 2019 or onwards	No less than the corresponding portion of the Company's net asset by the end of 2018 or fair market value or otherwise determined by the Board

### ***For the remaining pool of 4,204,923 Shares under the 2019 Equity Incentive Plan***

Time of Grant	Exercise Price
Within 2019 or onwards	No less than 50% of the last round financing of the Company or fair market value or otherwise determined by the Board



## Other Information

**(ii) Restricted share units and restricted shares.** Under the 2019 Equity Incentive Plan, unless otherwise determined by the Board, for awards or restricted share units and restricted shares made within 2019 or onwards, the price to be paid for the granting of restricted share units and the purchase price of restricted shares will be no less than 50% of the last round financing of the Company or fair market value or otherwise determined by the Board.

The consideration to be paid for Shares to be issued upon exercise of an option granted, the granting of a restricted share unit, or the purchase of restricted shares, including the method of payment, will be determined by the Board.

**Vesting.** Options granted will become vested and exercisable, any restricted share units granted will vest and be settled, and any restricted shares issued pursuant to the Pre-IPO Equity Incentive Plan will be released and no longer be subject to forfeiture or a right of repurchase by the Company, according to the terms set out in the Pre-IPO Equity Incentive Plan, and under such conditions as determined by the Board and set forth in an Award agreement.

### **(b) Outstanding Share Options granted under the Pre-IPO Equity Incentive Plan**

As of the Listing Date, our Company had granted Share Options under the Pre-IPO Equity Incentive Plan to 172 grantees to subscribe for an aggregate of 55,708,000 Shares (including grantees whose Shares Options have subsequently lapsed or been exercised). No Share Options were granted for the Reporting Period. During the Reporting Period, no Share Options were exercised and Share Options corresponding to 6,244,823 Shares lapsed. As at June 30, 2025, Share Options to subscribe for 25,033,790 Shares lapsed in accordance with the Pre-IPO Equity Incentive Plan and Share Options corresponding to 7,386,450 Shares had been exercised. No Share Options had been cancelled as of June 30, 2025. Accordingly, as of June 30, 2025, Share Options to acquire an aggregate of 23,287,760 Shares, representing approximately 4.66% of the total issued share of the Company, were outstanding under the Pre-IPO Equity Incentive Plan.

## Other Information

As of June 30, 2025, the grantees of outstanding Share Options under the Pre-IPO Equity Incentive Plan include Dr. Xue being our Chairman of the Board, executive Director and Chief Executive Officer and 3 independent non-executive Directors, 8 consultants and 127 other employees of our Group. Below is a list of grantees of outstanding Share Options (excluding lapsed and exercised Share Options) under the Pre-IPO Equity Incentive Plan. During the Reporting Period, no Share Option under the Pre-IPO Equity Incentive Plan has been granted to other connected persons of the Company and no consideration was paid for the Share Options granted.

Name of grantee	Position held within our Group	Exercise price (per Share)	Number of Shares underlying the outstanding Share Options as of January 1, 2025	Date of grant <sup>(Note 4)</sup>	Vesting Period <sup>(Note 4)</sup>	Exercise period	Number of Share Options exercised from January 1, 2025 to June 30, 2025	Number of Share Options cancelled from January 1, 2025 to June 30, 2025	Number of Share Options lapsed from January 1, 2025 to June 30, 2025	Number of Shares underlying the outstanding Share Options as of June 30, 2025
<b>DIRECTORS</b>										
Dr. Xue	Chairman of the Board, executive Director and	USD0.185	0	October 17, 2018	<i>(Note 1)</i>	January 1, 2023 to December 31, 2023	-	-	-	0
	Chief Executive Officer	USD0.52	3,861,140	October 17, 2018	<i>(Note 1)</i>	<i>(Note 5)</i>	-	-	-	3,861,140
		USD1.179	5,000,000	June 11, 2021	<i>(Note 1)</i>	<i>(Note 5)</i>	-	-	-	5,000,000
James Arthur Geraghty	Independent non-executive	USD0.589	1,000,000	July 25, 2019	<i>(Note 1)</i>	<i>(Note 5)</i>	-	-	-	1,000,000
	Director	USD1.179	250,000	June 11, 2021	<i>(Note 1)</i>	<i>(Note 5)</i>	-	-	-	250,000
Richard James Gregory	Independent non-executive	USD0.706	300,000	April 7, 2020	<i>(Note 2)</i>	<i>(Note 5)</i>	-	-	-	300,000
	Director						-	-	-	
Peng Kuan Chan	Independent non-executive Director	USD0.753	250,000	June 11, 2021	<i>(Note 1)</i>	<i>(Note 5)</i>	-	-	-	250,000
<b>8 consultants</b>										
		0-USD1.179	2,930,210	May 1, 2013 – November 8, 2021	<i>(Note 1)</i>	<i>(Note 5)</i>	-	-	-	2,930,210
<b>127 other employees of the Group</b>										
		RMB0.1 – USD1.179	15,941,233	August 7, 2013 – November 8, 2021	Six months from date of grant to five years from date of grant	<i>(Note 5)</i>	-	-	6,244,823	9,696,410
<b>Total:</b>			29,532,583				-	-	6,244,823	23,287,760



## Other Information

### Notes:

1. The vesting schedule for these Share Options is: (i) 25% to be vested one year from the date of grant and (ii) 75% to be vested in equal monthly installments over the subsequent 36 months thereafter.
2. The vesting schedule for these Share Options is: 100% to be vested in equal monthly installments over the 36 months from the date of grant.
3. The vesting period refers to the period that the Share Options are vested.
4. The share closing price immediately before the date of grant of the Share options are not applicable as the Share Options were granted before the Listing Date.
5. The exercise period for these Share Options is within 10 years from the relevant vesting date.
6. As no Share Options were exercised, the disclosure requirement under Rule 17.07(1)(d) of the Listing Rules is not applicable.

### **(c) Restricted share units and restricted shares**

As of June 30, 2025, no restricted share units or restricted shares have been granted under the Pre-IPO Equity Incentive Plan.

### **(d) General**

Given that during the Reporting Period, the Company did not grant any Awards under the Pre-IPO Equity Incentive Plan, no share may be issued in respect of any Awards under the Pre-IPO Equity Incentive Plan during the Reporting Period and as such, the disclosure requirement under Rule 17.07(3) of the Listing Rules is not applicable.

Further details of the Pre-IPO Equity Incentive Plan are set out in the Prospectus.





## Other Information

### POST-IPO RSU SCHEME

The Company has conditionally adopted the Post-IPO RSU Scheme by Shareholders' resolutions dated November 18, 2021, which was amended on June 27, 2024. As of the date of this report, the Company has appointed a trustee (the "**RSU Trustee**") to administer the Post-IPO RSU Scheme with respect to the grant of any Award (as defined below), by way of restricted share unit(s) ("**RSU(s)**"), which may vest in the form of Shares (the "**Award Shares**") or the actual selling price of the Award Shares in cash in accordance with the Post-IPO RSU Scheme.

Where applicable and in accordance with the relevant requirements under the Listing Rules, the Company may use treasury shares to satisfy RSUs granted under the Post-IPO RSU Scheme.

A summary of the principal terms of the Post-IPO RSU Scheme is set out as follows.

#### 1. Eligible Persons to the Post-IPO RSU Scheme

Any individual, being an employee, a director (including executive Directors, non-executive Directors and independent non-executive Directors) or a service provider of a member of the Group who the Board considers, in its sole discretion, to have contributed or will contribute to the Group is eligible to receive an award granted by the Board (an "**Award**") (an "**Eligible Person**" and, collectively "**Eligible Persons**", for the purpose of this section), by way of RSUs, which may vest in the form of Award Shares or the actual selling price of the Award Shares of RSUs in cash in accordance with the Post-IPO RSU Scheme.

Service provider means any service provider (in particular scientists, medical doctors, other consultants, professionals and/or advisors engaged by the Group pursuant to the applicable contractual arrangements) who provides services to the Group on a continuing or recurring basis in its ordinary and usual course of business (including the research, development, commercialisation, marketing and/or strategic planning of drug products) which are in the interests of the long-term growth of the Group, but shall exclude placing agents, financial advisors providing advisory services for fundraising, mergers or acquisitions, or professional service providers such as the Auditor who provide assurance, or are required to perform their services with impartiality and objectivity ("**Service Providers**, each a "**Service Provider**", for the purpose of this section).

#### 2. Purpose of the Post-IPO RSU Scheme

The purpose of the Post-IPO RSU Scheme is to align the interests of Eligible Persons' with those of our Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares, and to encourage and retain Eligible Persons to make contributions to the long-term growth and profits of our Group.



## Other Information

### 3. Awards

An Award gives a selected participant a conditional right, when the RSU vests, to obtain the Award Share or, if in the absolute discretion of the Board, it is not practicable for the selected participant to receive the Award in Shares, the cash equivalent from the sale of the Award Shares. For the avoidance of doubt, the Board at its discretion may from time to time determine that any dividends declared and paid by our Company in relation to the Award Shares be paid to the selected participant even though the Award Shares have not yet vested.

Unless the Board decides otherwise and specifies the same in the award letter, no consideration is payable for the grant of an Award.

### 4. Scheme Limit

The maximum number of Shares which may be allotted and issued in respect of all Awards that may be granted under the Post-IPO RSU Scheme, when aggregated with the maximum number of Shares in respect of which options or awards may be granted under any other share scheme over Shares, shall not exceed 10 per cent of the issued capital of the same class of the Company as of June 27, 2024 (or of the date on which the refreshing of the 10 per cent limit is approved by the shareholders of the Company) (the “**Post-IPO RSU Scheme Limit**”). Awards lapsed in accordance with the terms of the Post-IPO RSU Scheme shall not be counted for the purpose of calculating the Post-IPO RSU Scheme Limit.

Subject to the above, the total number of Shares which may be allotted and issued in respect of all Awards that may be granted to Service Providers under the Post-IPO RSU Scheme, when aggregated with the maximum number of Shares in respect of which options or awards may be granted under any other share scheme over Shares to Service Providers, shall not exceed 1% of the issued share capital of the same class of the Company (excluding any treasury shares) as of June 27, 2024 (or of the date on which the refreshing of the limit is approved by the shareholders of the Company).

No Award may be granted to any one person if such grant would result in the total number of Shares issued or to be issued in respect of all options and awards granted to such person under the Post-IPO RSU Scheme and any other share scheme over Shares (excluding any options and awards lapsed in accordance with the Post-IPO RSU Scheme or the rules of any other share schemes) in the 12-month period up to and including the date of the latest grant in aggregate to exceed 1% of the Shares in issue (excluding any treasury shares) from time to time, without Shareholders' approval. During the Reporting Period and since the Post-IPO RSU Scheme was amended on June 27, 2024, no RSUs were granted by the Company under the Post-IPO RSU Scheme. Accordingly, the maximum number of RSUs available for grant under the Post-IPO RSU Scheme (i.e. maximum number of Shares which may be allotted and issued) as at January 1, 2025 and June 30, 2025, taking into account the number of Shares in respect of which options or awards already granted under any other share scheme over Shares, was 42,483,832, representing approximately 10% of the total number of Shares in issue (excluding treasury shares) as at June 30, 2025. The maximum number of RSUs available for grant under the Post-IPO RSU Scheme to Service Providers (i.e. maximum number of Shares which may be allotted and issued) as at January 1, 2025 and June 30, 2025, taking into account the number of Shares in respect of which options or awards already granted under any other share scheme over Shares to Service Providers, was 4,248,383, representing approximately 1% of the total number of Shares in issue (excluding treasury shares) as at June 30, 2025.



## Other Information

During the Reporting Period, no RSUs were granted under the Post-IPO RSU Scheme, while 776,400 RSUs vested and 581,400 RSUs were settled, and 1,301,600 RSUs lapsed. As of June 30, 2025, the Company had 4,911,750 RSUs outstanding.

### 5. Vesting of Awards

The Board may from time to time while the Post-IPO RSU Scheme is in force and subject to all applicable laws, determine such vesting criteria and conditions or periods for the Award to be vested. If the vesting date is not a business day, the vesting date shall, subject to any trading halt or suspension in the Shares, be the business day immediately thereafter.

In accordance with the Listing Rules, the vesting period shall not be less than 12 months, save that the vesting period may be less than 12 months in the following circumstances:

- (i) grants of selected participants who are new joiners to the Group in order to replace any incentives that are lapsed and/or forfeited when leaving the previous employers;
- (ii) where vesting of the Award is accelerated in accordance with the provisions of the Post-IPO RSU Scheme;
- (iii) where the grants of Award contains performance-based vesting conditions, and vesting takes place as a result of the satisfaction of such performance-based vesting conditions;
- (iv) grants of Awards that are made in batches during a year for administrative and/or compliance reasons, where the vesting period is then adjusted to reflect the time from which a grant would have been made; and grants of Awards with a mixed or accelerated vesting schedule (e.g. where vesting will take place evenly over a period of not less than 12 months).



## Other Information

### 6. Termination

The Post-IPO RSU Scheme shall be valid and effective for the period of ten years commencing on the date when the Post-IPO RSU Scheme becomes unconditional (i.e. December 10, 2021) (subject to any early termination below) with a remaining life of approximately 6 years and 3 months as of the date of this report. The Post-IPO RSU Scheme shall terminate on the earlier of:

- (i) the end of the period of ten years commencing on the date on which this scheme is adopted except in respect of any non-vested Award Shares granted hereunder prior to the expiration of the Post-IPO RSU Scheme, for the purpose of giving effect to the vesting in the form of such Award Shares or otherwise as may be required in accordance with the provisions of the Post-IPO RSU Scheme; and
- (ii) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any selected participant under the rules of the Post-IPO RSU Scheme, provided further that for the avoidance of doubt, the change in the subsisting rights of a selected participant in this paragraph refers solely to any change in the rights in respect of the RSUs already granted to a selected participant.

### 7. Administration of the Post-IPO RSU Scheme

The Post-IPO RSU Scheme shall be subject to the administration of the Board in accordance with the Post-IPO RSU Scheme and, where applicable, the Trust Deed. The authority to administer the Post-IPO RSU Scheme may be delegated by the Board to a committee of the Board or any person(s) as deemed appropriate at the sole discretion of the Board. A decision of the Board or the committee of the Board or person(s) to which the Board has delegated its authority shall be final and binding on all persons affected thereby. The Remuneration Committee is responsible for reviewing and approving matters relating to share schemes under Chapter 17 of the Listing Rules, including but not limited to the Post-IPO RSU Scheme.

As of January 1, 2025 (i.e. the beginning of the Reporting Period), there were 6,794,750 outstanding RSUs granted.

## Other Information

The details of the movement in the RSUs under the Post-IPO RSU Scheme during the Reporting Period are set out below:

		Closing price of shares immediately before the date on which the RSUs were granted	outstanding as of 1 January 2025	granted during the Reporting Period	vested during the Reporting Period <sup>(Note 4)</sup>	lapsed during the Reporting Period	cancelled during the Reporting Period	outstanding as of June 30, 2025	Vesting period	Performance targets	Fair value of RSUs at the date of grant <sup>(Note 4)</sup> HK\$'000
Directors or chief executive and their associates											
Dr. Xue	November 11, 2022	HK\$2.68	843,750	–	37,500 <sup>(Note 5)</sup>	–	–	843,750	4 years	Notes 1 and 2	732
	April 9, 2024	HK\$0.305	1,800,000	–	157,500 <sup>(Note 5)</sup>	–	–	1,800,000	4 years	Notes 1 and 2	242
Other employee participants											
	November 11, 2022	HK\$2.68	1,395,000	–	45,000	558,000	–	792,000	4 years	Notes 1 and 2	1,219
	February 7, 2024	HK\$0.41	2,756,000	–	536,400	743,600	–	1,476,000	4 years	Notes 1 and 2	500
Total:			6,794,750	–	776,400	1,301,600	–	4,911,750			

Notes:

- The vesting of the RSUs granted are subject to the individual performance review as set out in the respective grant documents.
- The vesting of the RSUs granted are subject to certain milestones or performance targets relating to the business development of the Group.
- In respect of Dr Xue, each tranche of 6,250 RSUs vested on January 11, February 11, March 11, April 11, May 11, and June 11, 2025. The closing price of the Shares immediately before such dates of vesting is HK\$0.120, HK\$0.139, HK\$0.153, HK\$0.136, HK\$0.135 and HK\$0.179 respectively and the weighted average closing price of Shares immediately before vesting was HK\$0.144. In addition, 135,000 RSUs vested on April 9, 2025, 11,250 RSUs vested on May 9, and 11,250 RSUs vested on June 9. The closing price of the Shares immediately before such dates of vesting is HK\$0.140, HK\$0.140 and HK\$0.149 respectively and the weighted average closing price of Shares immediately before vesting was HK\$0.141.  
  
In respect of other employees, 456,400 RSUs vested on February 7, 2025, 45,000 RSUs vested on May 11, 2025, and 80,000 RSUs vested on May 16, 2025. The closing price of the Shares immediately before such dates of vesting is HK\$0.136, HK\$0.135 and HK\$0.136 respectively and the weighted average closing price of Shares immediately before vesting was HK\$0.136.
- The fair value of RSUs at the date of grant was calculated in accordance with the accounting standards and policies adopted for preparing its financial statements based on the closing price of grant date.
- These RSUs vested but not yet settled.

Further details of the Post-IPO RSU Scheme are set out in the Company's circular dated June 6, 2024.





## Other Information

### POST-IPO SHARE OPTION SCHEME

A summary of the principal terms of the Post-IPO Share Option Scheme conditionally approved and adopted by resolutions of our Shareholders on November 18, 2021 and as amended on June 27, 2024 is as follows.

#### 1. Purpose

The purpose of the Post-IPO Share Option Scheme is to align the interests of Eligible Persons with those of our Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares, and to encourage and retain Eligible Persons to make contributions to the long-term growth and profits of our Group.

#### 2. Grantees

Any individual, being an employee, a director (including executive directors, non-executive directors and independent non-executive directors), or a service provider of any member of our Group who the Board may in its absolute discretion select to grant a right to subscribe for such number of Shares (an “**Option**”) as the Board may determine at the Subscription Price (as defined below) (“**Eligible Person**”, for the purpose of this section), who accepts the offer or grant of an Option in accordance with the terms of the Post-IPO Share Option Scheme.

Service provider means any service provider (in particular scientists, medical doctors, other consultants, professionals and/or advisors engaged by the Group pursuant to the applicable contractual arrangements) who provides services to the Group on a continuing or recurring basis in its ordinary and usual course of business (including the research, development, commercialisation, marketing and/or strategic planning of drug products) which are in the interests of the long-term growth of the Group, but shall exclude placing agents, financial advisors providing advisory services for fundraising, mergers or acquisitions, or professional service providers such as the Auditor who provide assurance, or are required to perform their services with impartiality and objectivity (“**Service Providers**, each a “**Service Provider**”, for the purpose of this section).

#### 3. Maximum number of Shares for subscription

The maximum number of Shares which may be allotted and issued in respect of all Options that may be granted under the Post-IPO Share Option Scheme when aggregated with the maximum number of Shares in respect of which options or awards may be granted under any other share scheme over Shares, shall not exceed 10 per cent of the issued share capital of the same class of the Company (excluding any treasury shares) as of June 27, 2024 (or of the date on which the refreshing of the 10 per cent limit is approved by the shareholders of the Company) (the “**Post-IPO Share Option Scheme Limit**”). Options lapsed in accordance with the terms of the Post-IPO Share Option Scheme shall not be counted for the purpose of calculating the 10 per cent limit. No Option may be granted under the Post-IPO Share Option Scheme if this will result in the limit being exceeded.

Subject to the above, the total number of Shares which may be allotted and issued in respect of all Options that may be granted to Service Providers under the Post-IPO Share Option Scheme, when aggregated with the maximum number of Shares in respect of which options or awards may be granted under any other share scheme over Shares to Service Providers, shall not exceed 1 per cent of the issued capital of the same class of the Company (excluding any treasury shares) as of June 27, 2024 (or of the date on which the refreshing of the limit is approved by the shareholders of the Company).



## Other Information

No Option may be granted to any one person if such grant would result in the total number of Shares issued or to be issued in respect of all options and awards granted to such person under the Post-IPO Share Option Scheme and any other share scheme over Shares (excluding any options and awards lapsed in accordance with the Post-IPO Share Option Scheme or the rules of any other share schemes) in the 12-month period up to and including the date of the latest grant in aggregate to exceed 1% of the Shares in issue (excluding any treasury shares) from time to time, without Shareholders' approval. During the Reporting Period and since the Post-IPO Share Option Scheme was amended on June 27, 2024, no Options were granted by the Company under the Post-IPO Share Option Scheme. Accordingly, the maximum number of Options available for grant under the Post-IPO Share Option Scheme (i.e. maximum number of Shares which may be allotted and issued) as at January 1, 2025 and June 30, 2025, taking into account the number of Shares in respect of which options or awards already granted under any other share scheme over Shares, was 42,483,832, representing approximately 10% of the total number of Shares in issue (excluding treasury shares) as at June 30, 2025. The maximum number of Options available for grant under the Post-IPO Share Option Scheme to Service Providers (i.e. maximum number of Shares which may be allotted and issued) as at January 1, 2025 and June 30, 2025, taking into account the number of Shares in respect of which options or awards already granted under any other share scheme over Shares to Service Providers, was 4,248,383, representing approximately 1% of the total number of Shares in issue (excluding treasury shares) as at June 30, 2025.

The maximum number of Shares shall be adjusted, in such manner as the auditor of the Company shall certify in writing to the Board to be fair and reasonable, in the event of any alteration in the capital structure of the Company whether by way of capitalization of profits or reserves, rights issue, consolidation, subdivision or reduction of the share capital of the Company provided that no such adjustment shall be made in the event of an issue of Shares as consideration in respect of a transaction to which the Company is a party.

During the Reporting Period, no share options were granted under the Post-IPO Share Option Scheme and no share options were exercised, and 4,602,421 share options lapsed. As of June 30, 2025, the Company had 10,603,750 share options outstanding.

### 4. Vesting of options

Subject to the Post-IPO Share Option Scheme, the Listing Rules and any applicable law and regulations, any options will become vested and exercisable and no longer be subject to becoming lapsed or cancelled or the repurchase right of the Company, according to the terms of the Post-IPO Share Option Scheme at such times and under such conditions as determined by the Board and set forth in the letter containing the offer or grant of the relevant option. In accordance with the Listing Rules, the vesting period (namely, the period between the date of commencement of the Post-IPO Share Option Scheme and the date on which the Option Period commences) shall not be less than 12 months, save that the vesting period may be less than 12 months in the following circumstances:



## Other Information

- (i) grants of Options to Eligible Persons who are new joiners to the Group in order to replace any incentives that are lapsed and/or forfeited when leaving the previous employers;
- (ii) where vesting of the Options granted is accelerated in accordance with the provisions of the Post-IPO Share Option Scheme;
- (iii) where the grants of Options contains performance-based vesting conditions, and vesting takes place as a result of the satisfaction of such performance-based vesting conditions;
- (iv) grants of Options that are made in batches during a year for administrative and/or compliance reasons, where the vesting period is then adjusted to reflect the time from which a grant would have been made; and

grants of Options with a mixed or accelerated vesting schedule (e.g. where vesting will take place evenly over a period of not less than 12 months), for the avoidance of doubt, any non-statutory long leave of absence, as the Board may determine, shall be deducted from period of service for the purpose of counting vesting period.

### 5. Subscription Price

No consideration is payable on application or acceptance of the Option granted under the Post-IPO Share Option Scheme. The amount payable for each Share to be subscribed for under an option (“**Subscription Price**”) in the event of the Option being exercised shall be determined by the Board at its absolute discretion and notified to any grantee which shall be not less than the highest of:

- (i) the closing price of a Share as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant which must be a business day; and
- (ii) the average closing price of our Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant.

provided that, for the purpose of determining the Subscription Price where the Shares have been listed on the Stock Exchange for less than five business days, the issue price of the Shares in the Company’s Global Offering of the Shares shall be used as the closing price of the Shares for any business day falling within the period before the listing of the Shares on the Stock Exchange.

### 6. Time of exercise of an Option

Subject as provided in the Post-IPO Share Option Scheme and any conditions specified by the Board, an Option may, subject to the terms and conditions upon which such option is granted, be exercised in whole or in part by the grantee giving notice in writing to our Company in such form as the Board may from time to time determine stating that the option is thereby exercised and the number of Shares in respect of which it is exercised.



## Other Information

### 7. Lapse of Option

Any Option shall lapse automatically and not be exercisable on the earliest of:

- (a) the expiry of the Option Period or other applicable exercisable periods under the Post-IPO Share Option Scheme;
- (b) the date of the commencement of the winding-up of the Company;
- (c) the date on which the Grantee ceases to be an Eligible Person of the Company by reason of the summary termination of his employment or office or service on any one or more of the grounds that he has been guilty of gross misconduct, or has been convicted of any criminal offense involving his integrity or honesty that seriously impair the interests or benefits of the relevant member of the Group or (if so determined by the Board in its absolute discretion) on any other ground on which the relevant member of the Group would be entitled to terminate his employment or office summarily at common law or pursuant to any applicable laws or under the Grantee's service contract with the relevant member of the Group;
- (d) where the Grantee is an Eligible Person of a member of the Group (other than the Company), the date on which such member of the Group ceases to be a member of the Group;
- (e) the date on which the Grantee commits a breach of selling, transferring, charging, assigning mortgage, encumber or creating any interest (whether legal or beneficial) in favour of any third party over or in relation to any Option; or
- (f) the occurrence or non-occurrence of any event, expiry of any period, or nonsatisfaction of any condition, as specified in the letter containing the offer or grant of the relevant Option.

### 8. Duration

The Post-IPO Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date when the Post-IPO Share Option Scheme becomes unconditional (i.e. 10 December 2021), after which period no further Options will be granted by the provisions of the Post-IPO Share Option Scheme, but the provisions of this Post-IPO Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of the Post-IPO Share Option Scheme. The Post-IPO Share Option Scheme has a remaining life of approximately 6 years and 3 months as of the date of this report.

### 9. Termination

The Company by an ordinary resolution in general meeting or the Board may at any time terminate the operation of the Post-IPO Share Option Scheme and in such event no further Options will be offered but the provisions of the Post-IPO Share Option Scheme shall remain in full force in all other respects. All Options granted but unexercised prior to such termination shall continue to be valid and exercisable in accordance with their terms of issue after the termination of the Post-IPO Share Option Scheme.

## Other Information

### 10. Administration of the Post-IPO Share Option Scheme

The Post-IPO Share Option Scheme shall be subject to the administration of the Board who may delegate all or part of such administration to a committee or any other authorised agent(s) as deemed appropriate at the sole discretion of the Board. The Remuneration Committee is responsible for reviewing and approving matters relating to share schemes under Chapter 17 of the Listing Rules, including but not limited to the Post-IPO Share Option Scheme.

As of January 1, 2025 (i.e. the beginning of the Reporting Period), there was 15,206,171 outstanding Options granted under the Post-IPO Share Option Scheme.

The details of the movement in the Options under the Post-IPO Share Option Scheme during the Reporting Period are set out below:

		Closing price of shares immediately before the date on which the Options were granted <sup>(Note 3)</sup>												Fair value of Options at the date of grant <sup>(Note 4)</sup>
Name of Participant or Category of Participant	Date of grant	outstanding as of January 1, 2025	granted during the Reporting Period	vested during the Reporting Period	lapsed during the Reporting Period	cancelled during the Reporting Period	exercised during the Reporting Period	outstanding as of June 30, 2025	Exercise price	Vesting period	Performance targets	Exercise period	at the date of grant <sup>(Note 4)</sup>	
HK\$'000														
Directors or chief executive and their associates														
Dr. Xue	November 11, 2022	HK\$2.68	1,000,000	–	37,500	–	–	1,000,000	HK\$2.68	4 years	Notes 1 and 2	Note 3	867	
	9 April 2024	HK\$0.305	1,800,000	–	157,500	–	–	1,800,000	HK\$0.315	4 years	Notes 1 and 2	Note 3	242	
Other employee participants														
	June 27, 2022	HK\$3.81	1,919,421	–	125,000	1,274,421	–	645,000	HK\$3.90	4 years	Note 1	Note 3	3,756	
	November 11, 2022	HK\$2.68	3,191,750	–	66,879	1,066,250	–	2,125,500	HK\$2.68	4 years	Notes 1 and 2	Note 3	2,777	
	February 7, 2024	HK\$0.41	7,295,000	–	1,411,918	2,261,750	–	5,033,250	HK\$0.41	4 years	Notes 1 and 2	Note 3	1,351	
Total:			15,206,171	–	1,798,797	4,602,421	–	10,603,750						

#### Notes:

- The vesting of the Options granted are subject to the individual performance review as set out in the respective grant documents.
- The vesting of the Options granted are subject to certain milestones or performance targets relating to business development of the Group.
- The grantees may exercise the Options in whole or in part since the Options become vested and exercisable until the tenth anniversary of the date of grant so long as the grantee remains an eligible grantee.
- The fair value of Options at the date of grant was calculated in accordance with the accounting standards and policies adopted for preparing its financial statements based on the binomial model as at the date of grant, taking into account the terms and conditions upon which the options were granted.
- As no Share Options were exercised, the disclosure requirement under Rule 17.07(1)(d) of the Listing Rules is not applicable.





## Other Information

Among the Options granted by the Company to the grantees under the Post-IPO Share Option Scheme, 1,800,000 Options were granted to Dr. Xue, the chairman of the Board, an executive Director and the chief executive officer of the Company, and hence, a connected person of the Company. The grant of Options to Dr. Xue was approved by the independent non-executive Directors in accordance with Rule 17.04(1) of the Listing Rules. Dr. Xue had abstained from voting on the resolutions relating to the Options granted to himself and had not been counted towards the quorum of the Board meeting in respect of such resolutions.

### Others

Save as disclosed above, as of June 30, 2025, no outstanding awards, RSUs or share options was granted under the Pre-IPO Equity Incentive Scheme, the Post-IPO RSU Scheme and the Post-IPO Share Option Scheme to

- (i) the Directors, chief executive or substantial Shareholders of the Company, or their respective associates;
- (ii) participant with options and awards granted and to be granted in excess of the 1% individual limit; or
- (iii) related entity participant or service provider with options and awards granted and to be granted in any 12-month period exceeding 0.1% of the issued Shares.

Further details of the Post-IPO Share Option Scheme are set out in the Company's circular dated June 6, 2024.

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining high standard of corporate governance to safeguard the interests of the Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability. The Company has complied and adopted the principles and the code provisions of the CG Code as set out in Appendix C1 to the Listing Rules as its own code of corporate governance.

The Board is of the view that the Company has complied with the principles and all applicable code provisions of the CG Code during the Reporting Period, save for the deviation from C.2.1 of the CG Code as disclosed below.

We have not separated the roles of the Chairman of the Board and the Chief Executive Officer. Dr. Xue has served as chairman of the board and general manager of CANbridge Life Sciences Ltd. since June 2012 and as Chairman of the Board, Director and Chief Executive Officer since the inception of our Company in January 2018. Dr. Xue is the founder of the Group and has extensive experience in the business operations and management of our Group. Our Board believes that, in view of his experience, personal profile and his roles in our Company, Dr. Xue is the Director best suited to identify strategic opportunities and focus of the Board due to his extensive understanding of our business as our Chief Executive Officer. Our Board also believes that the combined role of Chairman of the Board and Chief Executive Officer can promote the effective execution of strategic initiatives and facilitate the flow of information between management and the Board. Our Directors consider that the balance of power and authority will not be impaired due to this arrangement. In addition, all major decisions are made in consultation with members of the Board, including the relevant Board committees, and four independent non-executive Directors.



## Other Information

The Board will review the corporate governance structure and practices from time to time and shall make necessary arrangements when the Board considers appropriate.

### COMPLIANCE WITH MODEL CODE

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code set out in Appendix C3 to the Listing Rules. Specific enquiries have been made to all the Directors and they have confirmed that they have complied with the Model Code during the Reporting Period.

### AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Audit Committee has three members comprising Mr. Peng Kuan Chan (chairperson), Mr. James Arthur Geraghty and Dr. Richard James Gregory, with its terms of reference in compliance with the Listing Rules.

The Audit Committee has considered and reviewed the unaudited interim results (including this report) of the Group for the six months ended June 30, 2025 and the accounting principles and practices adopted by the Group, and has discussed with management on issues in relation to, among others, financial reporting. The Audit Committee is of the opinion that the unaudited interim results of the Group for the six months ended June 30, 2025 are in compliance with the relevant accounting standards, laws and regulations.

Further, the Group's unaudited interim condensed consolidated financial information for the six months ended June 30, 2025 has been reviewed by HLB Hodgson Impey Cheng Limited ("**HLB**"), the Company's auditor, in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" ("**HKSRE 2410**") issued by the Hong Kong Institute of Certified Public Accountants.

### LEGAL PROCEEDINGS

During the Reporting Period, as far as the Company is aware, the Company and its subsidiaries were not involved in any material litigation or arbitration and no material litigation or claim of material importance that was pending or threatened against or by the Company.

### CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

The Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.



## Other Information

### CHANGE IN INFORMATION OF DIRECTORS

#### Change in Directors and Composition of Board Committees

With effect from June 25, 2025, Dr. Fangxin Li has resigned as a non-executive Director and a member of the remuneration committee of the Board due to changes in his work arrangements. For details, please refer to the relevant announcement of the Company dated June 25, 2025.

In compliance with the provisions of the articles of association of the Company, Dr. Lan Hu and Mr. James Arthur Geraghty, being independent non-executive Directors of the Company, retired by rotation at the annual general meeting and were re-elected as independent non-executive Directors in the annual general meeting held on June 27, 2025. For details, please refer to the relevant announcement of the Company dated June 27, 2025.

With effect from June 30, 2025, (a) Ms. Zhao Wei has been appointed as a non-executive Director and a member of the remuneration committee of the Board, and (b) Dr. Richard James Gregory has resigned as a member of the nomination and corporate governance committee of the Board and Dr. Lan Hu has been appointed as a member of the nomination and corporate governance committee of the Board in compliance with the Listing Rules. For details, please refer to the relevant announcement of the Company dated June 30, 2025.

With effect from August 27, 2025, Mr. Wang Tingwei has been appointed as a non-executive Director and a member of the nomination and corporate governance committee of the Board in compliance with the Listing Rules. For details, please refer to the relevant announcement of the Company dated August 27, 2025.

As of the date of this report, save as disclosed in this report, there was no information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

### EMPLOYEE AND REMUNERATION POLICY

As of June 30, 2025, the Group had 45 employees (December 31, 2024: 67 employees). The Group's employees' remuneration consists of salaries, bonuses, share-based incentive plans, an employees' provident fund, and social security contributions and other welfare payments. In accordance with applicable laws in China and other relevant jurisdictions, we have made contributions to social security insurance funds (including pension plans, unemployment insurance, work-related injury insurance, medical insurance and maternity insurance) and housing funds for the employees of the Group.

We conduct new staff training regularly to guide new employees and help them adapt to the new working environment. In addition, we provide on-line and in-person formal and comprehensive company-level and department-level training to our employees periodically in addition to on-the-job training. We also encourage our employees to attend external seminars and workshops to enrich their technical knowledge and develop competencies and skills.

During the Reporting Period, the total staff costs (including Director's emoluments) were approximately RMB27.7 million (December 31, 2024: RMB54.1 million).



## Other Information

### KEY EVENTS AFTER THE REPORTING PERIOD

1. On August 11, 2025, two subsidiaries of the Group (the **“Relevant Subsidiaries”**) and Baheal Zhihe entered into the CSO Agreement pursuant to which the Relevant Subsidiaries appointed Baheal Zhihe as the exclusive CSO for the commercial service, and if requested by Baheal Zhihe, appoint its affiliate as the sole distributor, for Hunterase®, Livmarli® and Gaurunning® in the Designated Regions, from which the Relevant Subsidiaries received a strategic engagement fee of RMB50 million from Baheal Zhihe. For further details, please refer to the Company’s announcement dated August 27, 2025.
2. On August 12, 2025, the Company entered into a subscription agreement with Baheal Wellness Industry International Trading Limited (百洋健康產業國際商貿有限公司) (the **“Subscriber”**), a subsidiary of Baheal Medical, pursuant to which the Company conditionally agreed to issue, and the Subscriber conditionally agreed to subscribe for, 74,971,468 shares in the Company at the subscription price of HK\$1.34 per subscription share (the **“Subscription”**). Closing of the Subscription took place on August 27, 2025. The net proceeds received by the Company under the Subscription was approximately HK\$98,661,000 after deducting the relevant expenses incurred in relation to the Subscription. The Company intends to use the net proceeds from the Subscription for (i) research and development of commercialized products, (ii) marketing and promotion activities, (iii) repayment of loan facilities and borrowings, and (iv) daily operations of the Group.

For the details of the Subscription, please refer to the Company’s announcements dated August 12, 2025 and August 27, 2025.

3. On August 27, 2025, the Board announced that Mr. Wang Tingwei was appointed as a non executive Director and a member of the Nomination Committee with effect from August 27, 2025.

Except as disclosed above, as of the date of this report, the Company has no key events after the Reporting Period that need to be brought to the attention of the Shareholders.

By Order of the Board  
**CANbridge Pharmaceuticals Inc.**  
北海康成製藥有限公司  
**Dr. James Qun Xue**  
*Chairman*

Hong Kong, August 31, 2025

# Independent Review Report



國衛會計師事務所有限公司  
HODGSON IMPEY CHENG LIMITED

31/F Gloucester Tower  
The Landmark  
11 Pedder Street  
Central  
Hong Kong

## TO THE SHAREHOLDERS OF CANBRIDGE PHARMACEUTICALS INC.

(Incorporated in Cayman Islands with limited liability)

### INTRODUCTION

We have reviewed the condensed consolidated financial statements of CANbridge Pharmaceuticals INC. (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 49 to 75, which comprise the condensed consolidated statement of financial position as of 30 June 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) issued by the International Accounting Standards Board (“IASB”). The directors of the Company are responsible for the preparation and presentation of the condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on the condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### SCOPE OF REVIEW

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

### CONCLUSION

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





## Independent Review Report

### OTHER MATTER

The comparatives in the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six months period ended 30 June 2024, and the related explanatory notes have not been reviewed in accordance with HKSRE 2410 or audited.

### MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 2 to the condensed consolidated financial statements, which indicates that as of 30 June 2025, the Group had net current liabilities and net liabilities of RMB462,681,000 and RMB409,080,000 respectively. As of 30 June 2025, the Group have cash and bank balances of RMB1,960,000, which is insufficient to fully repay the interest-bearing bank and other borrowings of RMB24,173,000 maturing within the next 12 months. These conditions, along with other matters as set forth in Note 2 to the condensed consolidated financial statements, indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

**HLB Hodgson Impey Cheng Limited**

*Certified Public Accountants*

**Kwok Tsz Chun**

Practising Certificate Number: P06901

Hong Kong, 31 August 2025

# Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

		Six months ended 30 June	
	Notes	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
<b>Revenue</b>	4	<b>22,248</b>	44,794
Cost of sales		<b>(6,828)</b>	(15,357)
<b>Gross profit</b>		<b>15,420</b>	29,437
Other income and gains, net	5	<b>104,145</b>	3,598
Selling and distribution expenses		<b>(22,674)</b>	(39,780)
Administrative expenses		<b>(16,627)</b>	(35,661)
Research and development expenses		<b>(17,990)</b>	(173,256)
Finance costs		<b>(1,769)</b>	(4,569)
Other expenses		<b>(1,267)</b>	(27,038)
<b>Profit/(Loss) before tax</b>	6	<b>59,238</b>	(247,269)
Taxation	7	<b>–</b>	–
<b>Profit/(Loss) for the period</b>		<b>59,238</b>	(247,269)
<b>Other comprehensive income/(expense)</b>			
<i>Other comprehensive income/(expense) that may be reclassified to profit or loss in subsequent periods</i>			
Exchange differences on translation of foreign operations, net		<b>1,783</b>	(11,465)
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</i>			
Exchange differences on translation of the Company		<b>641</b>	13,490
<b>Other comprehensive income for the period, net of tax</b>		<b>2,424</b>	2,025
<b>Total comprehensive income/(expense) for the period attributable to owners of the Company</b>		<b>61,662</b>	(245,244)
<b>Earnings/(Loss) per share attributable to owners of the Company</b>			
– Basic and diluted (RMB per share)	9	<b>0.14</b>	(0.58)

# Interim Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	10	169	952
Right-of-use assets	11	561	2,687
Intangible assets		61,293	67,822
Total non-current assets		62,023	71,461
<b>Current assets</b>			
Inventories		24,694	7,903
Trade receivables	12	7,168	16,723
Prepayments, other receivables and other assets		9,657	10,224
Cash and bank balances	13	1,960	10,502
Total current assets		43,479	45,352
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables	14	392,950	370,458
Other payables and accruals		86,666	85,066
Interest-bearing bank and other borrowings		24,173	15,327
Lease liabilities	11	2,371	11,759
Total current liabilities		506,160	482,610
Net current liabilities		(462,681)	(437,258)
Total assets less current liabilities		(400,658)	(365,797)

# Interim Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
<b>Non-current liabilities</b>			
Interest-bearing bank and other borrowings		8,000	15,042
Lease liabilities	11	422	93,649
Total non-current liabilities		8,422	108,691
<b>Net liabilities</b>		(409,080)	(474,488)
<b>EQUITY</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital	15	28	28
Reserves		(409,108)	(474,516)
Total deficit		(409,080)	(474,488)

Director: Dr. James Qun Xue

# Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to the equity holders of the Company							
	Share Capital RMB'000	Treasury shares RMB'000	Share premium RMB'000	Contributed surplus reserve RMB'000	Share-based payments reserve RMB'000	Exchange reserve RMB'000	Accumulated losses RMB'000	Total deficit RMB'000
As at 1 January 2025 (audited)	28	-	3,464,200	9,581	88,764	173,023	(4,210,084)	(474,488)
Profit for the period	-	-	-	-	-	-	59,238	59,238
Exchange realignment	-	-	-	-	-	2,424	-	2,424
Total comprehensive income for the period	-	-	-	-	-	2,424	59,238	61,662
Exercise of restricted share award	-	-*	-*	-	-*	-	-	-
Share options forfeited/cancelled	-	-	-	-	(4,331)	-	4,331	-
Share-based payments	-	-	-	-	3,746	-	-	3,746
As at 30 June 2025 (unaudited)	28	-*	3,464,200	9,581	88,179	175,447	(4,146,515)	(409,080)

	Attributable to the equity holders of the Company							
	Share Capital RMB'000	Treasury shares RMB'000	Share premium RMB'000	Contributed surplus reserve RMB'000	Share-based payments reserve RMB'000	Exchange reserve RMB'000	Accumulated losses RMB'000	Total deficit RMB'000
As at 1 January 2024 (audited)	28	-*	3,463,496	9,581	103,717	172,832	(3,789,442)	(39,788)
Loss for the period	-	-	-	-	-	-	(247,269)	(247,269)
Exchange realignment	-	-	-	-	-	2,025	-	2,025
Total comprehensive income/(expense) for the period	-	-	-	-	-	2,025	(247,269)	(245,244)
Issue of shares from exercise of share options and restricted share award	-	-*	18,544	-	(18,505)	-	-	39
Share-based payments	-	-	-	-	4,755	-	-	4,755
As at 30 June 2024 (unaudited)	28	-*	3,482,040	9,581	89,967	174,857	(4,036,711)	(280,238)

\* The amount is less than RMB1,000.



# Interim Condensed Consolidated Statements of Cash Flows

For the six months ended 30 June 2025

		Six months ended 30 June	
	Notes	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
<b>Cash flows from operating activities</b>			
<b>Profit/(Loss) before tax</b>		<b>59,238</b>	(247,269)
Adjustments for:			
Finance costs		<b>1,768</b>	4,569
Interest income		<b>(4)</b>	(441)
Foreign exchange differences, net		<b>(1,802)</b>	3,588
(Gain)/loss on disposal of item of property, plant and equipment		<b>(936)</b>	450
Loss on disposal of intangible assets		<b>–</b>	88
(Gain)/loss on lease termination		<b>(101,037)</b>	19
Depreciation of property, plant and equipment		<b>184</b>	1,056
Amortisation of intangible assets		<b>5,326</b>	5,244
Depreciation of right-of-use assets		<b>903</b>	7,415
Impairment of inventories		<b>61</b>	57
Impairment of right-of-use assets		<b>703</b>	26,270
Written off of the property, plant and equipment		<b>501</b>	–
Gain on disposal of assets classified as held for sale		<b>–</b>	(6,495)
Share-based payment expenses		<b>3,746</b>	4,755
		<b>(27,792)</b>	(200,694)
Increase in inventories		<b>(16,852)</b>	(3,947)
Decrease in trade receivables		<b>9,319</b>	2,764
Decrease/(increase) in prepayments, other receivables and other assets		<b>613</b>	(936)
Increase in trade payables		<b>25,678</b>	109,183
Increase/(decrease) in other payables and accruals		<b>3,761</b>	(15,110)
Cash used in operations		<b>(8,830)</b>	(108,740)
Interest received		<b>4</b>	441
Net cash flows used in operating activities		<b>(8,826)</b>	(108,299)

# Interim Condensed Consolidated Statements of Cash Flows

For the six months ended 30 June 2025

		Six months ended 30 June	
	Notes	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
<b>Cash flows from investing activities</b>			
Advance received for disposal of non-current assets classified as held for sale		–	14,005
Proceeds on disposal of property, plant and equipment		1,013	12
Purchase of property, plant and equipment		(6)	(14)
Net cash flows generated from investing activities		1,007	14,003
<b>Cash flows from financing activities</b>			
Proceeds from exercise of share options		–	39
Proceeds from bank and other borrowings		20,025	27,932
Repayment of bank and other borrowings		(18,441)	(12,461)
Interest paid on bank loans		(328)	(997)
Payment of lease liabilities		(1,934)	(9,006)
Increase in deposits pledged for lease		–	6,405
Net cash flows (used in)/generated from financing activities		(678)	11,912
<b>Net decrease in cash and bank balances</b>		<b>(8,497)</b>	<b>(82,384)</b>
<b>Cash and bank balances at 1 January</b>		<b>10,502</b>	<b>124,901</b>
Effect of foreign exchange rate changes, net		(45)	396
<b>Cash and bank balances at 30 June</b>		<b>1,960</b>	<b>42,913</b>
		<b>30 June 2025 (Unaudited) RMB'000</b>	<b>30 June 2024 (Unaudited) RMB'000</b>
<b>Analysis of balances of cash and bank balances</b>			
Cash and bank balances at stated in the condensed consolidated statement of financial position	13	1,960	49,098
Pledged deposits	13	–	(6,185)
Restricted bank deposits	13	(491)	–
Cash and cash equivalents as stated in the condensed consolidated statement of cash flow		1,469	42,913

# Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 1. GENERAL INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 30 January 2018. The registered office address of the Company is 89 Nexus Way, Camana Bay, Grand Cayman, KY1-9009, Cayman Islands.

The Company is an investment holding company. The Group was principally engaged in the research and development and commercialisation of medical products.

The shares of the Company have been listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) effective from 10 December 2021.

The financial statements are presented in Renminbi (“RMB”), which is the currency of the primary economic environment in which the major entities of the Group operate. The functional currency of the Company is US dollar.

## 2. BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### Statement of compliance

The condensed consolidated interim financial information for the six months ended 30 June 2025 has been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting”. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2024, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

### Going concern assessment

The condensed consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern, which assumes that the Group will be able to meet its obligations and continue its operations for the next twelve months after 30 June 2025, notwithstanding that as at 30 June 2025, the Group had net current liabilities and net liabilities of approximately RMB462,681,000 and RMB409,080,000 respectively and as of 30 June 2025, the Group have cash and bank balances of RMB1,960,000, which is insufficient to fully repay the interest-bearing bank and other borrowings of RMB24,173,000 maturing within the next 12 months. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern.

In view of these circumstances, the Directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain measures have been and will continue to be taken to mitigate the liquidity pressure and to improve the Group’s financial position which include, but not limited to, the following:

# Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 2. BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### Going concern assessment *(Continued)*

1. on August 11, 2025, two subsidiaries of the Group (the “Relevant Subsidiaries”) and Beijing Baheal Zhihe Medical Achievement Transformation Service Co., Ltd.\* (北京百洋智合醫學成果轉化服務有限公司) (“Baheal Zhihe”) entered into a strategic collaboration and exclusive commercial services agreement (the “CSO Agreement”) pursuant to which the Relevant Subsidiaries appointed Baheal Zhihe as the exclusive CSO for the commercial service, and if requested by Baheal Zhihe, appoint its affiliate as the sole distributor, for Hunterase®, Livmarli® and Gaurunning® in mainland China, Hong Kong and macau (the “Designated Region”), from which the Relevant Subsidiaries received a strategic engagement fee of RMB50 million from Baheal Zhihe. For further details, please refer to the Company’s announcement dated August 27, 2025;
2. on August 12, 2025, the Company entered into the subscription agreement with Baheal Wellness Industry International Trading Limited (百洋健康產業國際商貿有限公司) (the “Subscriber”), pursuant to which the Company conditionally agreed to issue, and the Subscriber conditionally agreed to subscribe for, 74,971,468 shares in the Company at the subscription price of HK\$1.34 per subscription share. Closing of the subscription took place on August 27, 2025. The net proceeds received by the Company under the subscription was approximately HK\$98,661,000 after deducting the relevant expenses incurred in relation to the subscription. For further details, please refer to the Company’s announcement dated August 27, 2025;
3. during the six-month ended June 30, 2025, the Group early terminated certain leases to reduce the Group’s operating costs and mitigate the Group’s short-term liquidity pressure. Furthermore, the Group has terminated or served termination notices for the license agreements for CAN203, CAN201, CAN202 and CAN107 to help alleviate its liquidity pressure from having to pay substantial milestone payments and/or license fees in the future, as well as achieving non-dilutive financing by monetizing the pipelines. The Group will continue to take active measures to control selling and administrative costs and research and development costs, such as further reprioritisation of pipelines, containment and reduction of employee costs and operating costs, etc.;
4. in March 2025, the Group obtained RMB20 million back-up facilities from a bank in China. The Group will continue to seek approval of backup facilities from certain banks and the Company is also in the process of obtaining further draw-down of bank borrowings. As at the date of this interim report, discussions are on-going but no binding agreements have been entered into, save for the back-up facilities obtained in March 2025;
5. the Group has been and will continue to actively negotiate with banks for renewal and extension of existing bank borrowings that will become due during the next twelve months after June 30, 2025. Discussions regarding the renewal and extension of existing bank borrowings as well as new bank borrowings are on-going but no binding agreements have been entered into;
6. the Group will also continue to actively negotiate with the suppliers to extend the repayment dates of the overdue payables based on amicable relationships with the suppliers;



# Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 2. BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### Going concern assessment *(Continued)*

7. the Group has been and will continue to actively negotiate with certain third parties to license out its pipeline assets to streamline its operations further and improve liquidity position. As at the date of this interim report, discussions are on-going but no binding agreements have been entered into;
8. the Group will further improve the profitability with two commercialised products, namely Hunterase and Livmarli® to generate cash inflow for the Group; and
9. since Gaurunning been granted marketing approval by the National Medical Products Administration (the “NMPA”) of the People’s Republic of China (the “PRC”) for treatment of type I and III Gaucher disease on May 15, 2025, the Company will accelerate the commercialization of Gaurunning and enhance the profitability.

Assuming that the above-mentioned plans and measures will succeed and having reviewed the Group’s cash flow projections prepared by management, which cover a period of twelve months from June 30, 2025, the Board are of the opinion that, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from June 30, 2025. Accordingly, the Directors are satisfied that it is appropriate to prepare the condensed consolidated financial statements on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group is able to achieve its plans and measures as described above and continue to operate as a going concern. Whether the Group will be able to continue as a going concern would depend upon the following:

1. the successful obtaining of financing capital investments in the Group;
2. the successful and timely implementation of the plans to control costs and reduce expenditures;
3. the successful obtaining of continuous support from the banks for provision of new bank loans and renewal and extension of existing bank borrowings;
4. the successful negotiation with the suppliers to extend the repayment dates of overdue payables;
5. the successful signing of binding agreement with third parties to license out certain of its products or pipelines; and
6. the successful increase of profitability of commercialised products.

Should the Group be unable to achieve the above-mentioned plans and measures and operate as a going concern, adjustments would have to be made to write down the carrying values of the Group’s assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.



# Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 3. APPLICATION OF NEW AND AMENDMENTS TO IFRSs

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

### New and amendments to IFRS Accounting Standards that are mandatorily effective for the current period

In the reporting period, the Group has applied the following new and amendments to IFRS Accounting Standards issued by the IASB for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2025 for the preparation of the Group's condensed consolidated interim financial statements:

Amendments to IAS 21

Lack of Exchangeability

The application of the amendments to IFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior period and/or on the disclosures set out in these condensed consolidated interim financial statements.

## 4. OPERATING SEGMENT INFORMATION AND REVENUE

For management purpose, the Group has only one reportable operating segment, which is the development, production, marketing and sale of medical products.

### Geographical information

#### Revenue from external customers

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Chinese Mainland	22,248	23,905
Other regions	–	20,889
Total revenue	22,248	44,794

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

# Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 4. OPERATING SEGMENT INFORMATION AND REVENUE (CONTINUED)

### Geographical information *(Continued)*

#### Non-current assets

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Chinese Mainland	773	5,088
Other countries/regions	61,250	141,651
Total non-current assets	62,023	146,739

The non-current asset information above is based on the locations of the assets.

### Information about major customers

Revenue from customers which contributed over 10% of the Group's revenue for the six months ended 30 June 2025 and 2024 is as following:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Customer A	16,131	15,253
Customer B	6,073	8,652
Customer C*	—*	20,889

\* The corresponding revenue does not contribute over 10% of the Group's revenue for the respective period.

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue from contracts with customers	22,248	44,794

# Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 4. OPERATING SEGMENT INFORMATION AND REVENUE (CONTINUED)

Information about major customers *(Continued)*

### Disaggregated revenue information

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (unaudited)
<b>Type of goods</b>		
Sales of medical products	22,248	44,794
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	22,248	44,794

### Performance obligation

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 30 to 90 days from the invoice date.

## 5. OTHER INCOME AND GAIN, NET

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>Other incomes</b>		
Bank interest income	4	441
Government grants	250	–
Others	116	807
Total other incomes	370	1,248
<b>Other gain, net</b>		
Foreign exchange difference, net	1,802	(3,588)
Gain on lease termination, net	101,037	(19)
Gain/(loss) on disposal of property, plant and equipment	936	(450)
Loss on disposal of intangible assets	–	(88)
Gain on disposal of non-current assets classified as held for sale	–	6,495
Total other gains, net	103,775	2,350
Total other income and gain, net	104,145	3,598

## Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 6. PROFIT/(LOSS) BEFORE TAX

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

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Employee benefit expenses (including directors' and chief executive's remuneration:		
Wages, salaries, bonus and welfare	20,600	44,447
Pension scheme contributions	2,410	2,233
Staff welfare expenses	915	2,659
Share-based payment expenses	3,746	4,718
	27,671	54,057
Cost of inventories sold	6,828	15,357
Research and development costs (excluded related employee benefit expenses, depreciation and amortisation)	9,347	150,104
Depreciation of property, plant and equipment	184	1,056
Depreciation of right-of-use assets	903	7,415
Amortisation of intangible assets	5,326	5,244
Short-term lease payment	37	1
Foreign exchange differences, net	(1,802)	3,588
Written-off of the right-of-use assets	703	26,270
Written-off of the property, plant and equipment	501	–
Impairment of inventories	61	57

# Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 7. 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 operate.

No provision of profit tax has been made in the condensed consolidated financial statements as no assessable profit was derived from the jurisdictions in which member of the Group and dominated and operated for both periods.

### Cayman Islands

Under the current laws of the Cayman Islands, the Company is not subject to tax on income or capital gains. In addition, upon payments of dividends by the Company to its shareholders, no Cayman Islands withholding tax is imposed.

### Hong Kong

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

### Taiwan

The subsidiary incorporated in Taiwan is subject to income tax at a rate of 20% (2024: 20%) on the estimated assessable profits arising in Taiwan during the period.

### Chinese Mainland

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the "CIT Law"), the subsidiaries which operate in Chinese Mainland are subject to CIT at a rate of 25% (2024: 25%) on the taxable income.

### United States of America

The subsidiary incorporated in Delaware, the United States was subject to statutory United States federal corporate income tax at a rate of 21% (2024: 21%) during the period.

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 became effective on 1 January 2008 and applies to earnings after 31 December 2007. 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 Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 8. DIVIDENDS

The directors of the Company do not recommend the payment of an interim dividend for the six months ended 30 June 2025 (2024: Nil).

### 9. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

The calculation of the basic earnings/(loss) per share amounts is based on the profit/(loss) for the six-month period attributable to the owners of the Company and the weighted average number of ordinary shares 424,838,320 (2024: 424,378,752) in issue during the period.

The computation of diluted earnings/(loss) per share does not assume the exercise of the Company's share options because the exercise price of those options was higher than the average market price for the six months ended 30 June 2025 and 2024.

The calculations of basic and diluted earnings/(loss) per share are based on:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Earnings/(Loss) for the purpose of basic and diluted earnings/(loss) per share	59,238	(247,269)
Number of shares		
Number of shares		
Weighted average number of ordinary shares in issue	424,838,320	424,824,445

### 10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired assets at a cost of RMB6,000 (six months ended 30 June 2024: RMB14,000).

During the six months ended 30 June 2025, the Group disposed of and wrote-off the property, plant and equipment with a carrying amount of RMB599,000 (six months ended 30 June 2024: RMB653,000). The net gain on disposal of property, plant and equipment of RMB936,000 (net loss on disposal of RMB450,000) and a written-off of property, plant and equipment of amount RMB501,000 were recognised in the profit or loss during the six months ended 30 June 2025.

# Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 11. LEASE

### The Group as a lessee

The Group has lease contracts for various items of office and equipment used in its operations. The office and equipment generally have lease terms between 2 and 3 years.

#### (a) Right of use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

	Lease properties RMB'000	Equipment RMB'000	Total RMB'000
<b>At 1 January 2025 (Audited)</b>	<b>2,687</b>	<b>–</b>	<b>2,687</b>
Addition	139	–	139
Depreciation charge	(903)	–	(903)
Disposals	(664)	–	(664)
Written-off	(703)	–	(703)
Exchange realignment	5	–	5
<b>At 30 June 2025 (Unaudited)</b>	<b>561</b>	<b>–</b>	<b>561</b>
At 1 January 2024 (Audited)	95,418	4,409	99,827
Addition	1,225	–	1,225
Depreciation charge	(5,079)	(2,336)	(7,415)
Disposal	(212)	–	(212)
Impairment	(25,560)	(710)	(26,270)
Exchange realignment	(147)	590	443
At 30 June 2024 (Unaudited)	65,645	1,953	67,598

# Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 11. LEASE (CONTINUED)

The Group as a lessee (Continued)

### (b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the period are as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
<b>Lease liabilities payables:</b>		
Within one year	2,371	11,759
More than one year but not exceeding two years	422	17,857
More than two years but not exceeding five years	–	21,048
More than five years	–	54,744
	2,793	105,408
Less: Amount due for settlement within 12 months shown under current liabilities	(2,371)	(11,759)
Amount due for settlement after 12 months shown under non-current liabilities	422	93,649

During the six-month period 30 June 2025, the Company's wholly-owned subsidiaries entered into several lease termination agreements with the respective landlords to early terminate lease properties located in the US and the PRC. As of the termination dates, the carrying amounts of the related right-of-use assets, lease liabilities, and other payables were approximately RMB664,000, RMB98,399,000, and RMB3,302,000, respectively. A gain on lease termination of approximately RMB101,037,000 was recognized in profit or loss during the six months ended 30 June 2025.

# Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 12. TRADE RECEIVABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade receivables	7,168	16,723
Impairment	–	–
Net carrying amount	7,168	16,723

The credit period is generally 30 to 90 days.

The ageing analysis of trade receivables, based on invoice dates, as at 30 June 2025 and 31 December 2024 are as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 3 months	7,168	16,723

## 13. CASH AND BANK BALANCES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Cash and bank balance	1,960	10,502
Less:		
Restricted bank deposit*	(491)	(469)
Cash and cash equivalents	1,469	10,033

\* The restricted bank deposits of RMB469,000 was frozen due to a labor dispute.

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

# Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 14. TRADE PAYABLES

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

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 6 months	78,384	108,294
Over 6 months	314,566	262,164
	392,950	370,458

The trade payables are non-interest-bearing and are normally settled in less than six months or based on the specific agreement with certain suppliers.

## 15. SHARE CAPITAL

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Authorised:		
5,000,000,000 ordinary shares of 0.00001 USD each (31 December 2024: 5,000,000,000 ordinary shares) (USD'000)	50	50
Issued and fully paid:		
424,838,320 ordinary shares of 0.00001 USD each (31 December 2024: 424,838,320 ordinary shares) (RMB'000)	28	28

## 16. SHARE OPTION SCHEME

The Company operates share-based payment schemes (the "Scheme(s)") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the Company's directors, the Group's employees and consultants.

### The 2016 Plan

A share incentive plan (the "2016 Plan") became effective in April 2016 when the board of directors of CANbridge Beijing approved the 2016 Plan. The maximum aggregate number of shares that may be issued under this plan is 1,250,000 ordinary shares of CANbridge Beijing. The 2016 Plan permits the awards of share options through a limited liability partnership (the "LLP"). The participants will indirectly hold share options of CANbridge Beijing through direct holding of the LLP's interest. As part of the red-chip restructuring of the Company and its subsidiaries, the New Plan (see definition below) was adopted to replace the 2016 Plan and the shares were granted to replace the shares of CANbridge Beijing previously granted.



# Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 16. SHARE OPTION SCHEME (CONTINUED)

### The New Plan

A new share incentive plan (the “New Plan”) became effective on 25 July 2019 when the Board and the shareholders approved the New Plan. The New Plan will continue in effect for a term of ten years unless sooner terminated. The maximum number of shares that may be subject to the awards granted and sold under this New Plan is 2,855,650 shares, which comprises 1,250,000 shares reserved under the New Plan to substitute the shares of CANbridge Beijing previously granted under the 2016 Plan and 1,605,650 additional shares.

In July 2021, as approved by the board of directors, the Company amended the New Plan to increase the maximum number of shares that may be subject to the awards to 5,454,923.

The share options have vesting terms in schedule from the grant date over 4 to 5 years on the condition that the directors and employees remain in service and fulfil certain performance conditions of individuals.

### Post-IPO Share Option Plan and Post-IPO RSU Plan

The Company adopted the post-IPO share option scheme (the “Post-IPO Share Option Plan”) and post-IPO share award scheme (the “Post-IPO RSU Plan”), as approved by resolutions of shareholders on 18 November 2021 and amended on 27 June 2024 for the purpose of aligning the interests of eligible persons to make contributions to the long-term growth and profits of the Group. Eligible persons may include any individual, being an employee, director, officer, consultant or advisor of any member of the Group or any affiliate (including nominees and/or trustees of any employee benefit trust established for them). The Post-IPO Share Option Plan and Post-IPO RSU Plan will continue in effect for a term of ten years.

The maximum number of shares may be granted under the Post-IPO Share Option Plan, when aggregated with the maximum number of shares in respect of which options may be granted under any other option scheme shall not exceed 10% of the issued share capital of the Company as of 27 June 2024 (or of the date on which the refreshing of the 10% limit is approved by the shareholders of the Company). The maximum number of shares underlying all grants made pursuant to the Post-IPO RSU Plan shall not exceed 5% of the issued share capital of the Company as of 27 June 2024 (or of the date on which the refreshing of the 10% limit is approved by the shareholders of the Company).

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors (excluding any independent non-executive director who is a proposed recipient of the grant of option). In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue (excluding any treasury shares) at any time, within any 12-month period, are subject to shareholders’ approval in advance in a general meeting.

The offer of a grant of share options shall be accepted within the time period specified in the offer. The exercise period of the share options granted is determinable by the Board. This period must expire no later than ten years from the relevant date of grant.

# Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 16. SHARE OPTION SCHEME (CONTINUED)

### Post-IPO Share Option Plan and Post-IPO RSU Plan *(Continued)*

The exercise price of share options is determinable by the directors, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of offer of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of grant.

For those awards, evaluations are made as of each reporting period to assess the likelihood of performance criteria being met. Share-based payment expenses are then adjusted to reflect the revision of original estimates.

There are no cash settlement alternatives. The group does not have a past practice of cash settlement for these share options. The Group accounts for the Schemes as equity-settled plans.

Share options do not confer rights on the holders to dividends or to vote at the shareholders' meetings.

### Share options

During the six months ended 30 June 2025, there were no share options granted.

During the six months ended 30 June 2024, the Company granted a total of 12,815,000 options under the Post-IPO Share Option Plan to 29 employees. The vesting schedule of 9,125,000 options granted would be subject to a service-based vesting condition, which would be satisfied over a four-year term as well as its individual performance review. The vesting schedule of the 3,690,000 options granted would be subject to the performance-based conditions including the achievement or attainment of the performance targets by the Company within four years from the date of grant.

The following share options were outstanding under the New Plan and the Post-IPO Share Option Plan at the end of the reporting period:

	Number of share option	Weighted average exercise price per share option RMB
<b>At 1 January 2025</b>	<b>44,923,554</b>	<b>4.40</b>
Forfeited during the period	(11,032,044)	3.80
<b>At 30 June 2025</b>	<b>33,891,510</b>	<b>4.47</b>

# Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 16. SHARE OPTION SCHEME (CONTINUED)

### Share options (Continued)

	Number of share option	Weighted average exercise price per share option RMB
At 1 January 2024	48,608,855	4.69
Granted during the period	12,815,000	0.35
Forfeited during the period	(7,518,724)	3.87
Exercised during the period	(276,200)	0.15
At 30 June 2024	53,628,931	3.83

The exercise prices and exercise periods of the share options outstanding as at 30 June 2025 and 2024 are as follows:

#### Six months ended 30 June 2025

Number of options	Exercise price	Exercise price in HKD	Exercise period
150,000	RMB0.15	0.18	2017–2026
100,000	RMB0.54	0.65	2017–2029
250,000	RMB0.54	0.65	2020–2033
10,000	RMB0.62	0.76	2017–2027
60,000	RMB1.27	1.54	2019–2030
400,000	US\$0.19	1.44	2019–2032
5,664,140	US\$0.52	4.04	2019–2030
1,880,210	US\$0.59	4.57	2020–2033
300,000	US\$0.71	5.48	2020–2034
8,527,410	US\$0.75	5.84	2021–2035
5,946,000	US\$1.18	9.15	2022–2036
649,000	HKD\$3.90	3.90	2023–2026
3,125,500	HKD\$2.68	2.68	2023–2026
5,029,250	HKD\$0.41	0.41	2025–2028
1,800,000	HKD\$0.32	0.32	2025–2028
33,891,510			

# Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 16. SHARE OPTION SCHEME (CONTINUED)

### Share options *(Continued)*

Six months ended 30 June 2024

Number of options	Exercise price	Exercise price in HKD	Exercise period
150,000	RMB0.15	0.18	2017–2026
100,000	RMB0.54	0.65	2017–2029
250,000	RMB0.54	0.65	2020–2033
10,000	RMB0.62	0.76	2017–2027
120,000	RMB1.27	1.54	2019–2030
400,000	US\$0.19	1.44	2019–2032
8,878,680	US\$0.52	4.04	2019–2030
2,880,210	US\$0.59	4.57	2020–2033
300,000	US\$0.71	5.48	2020–2034
10,595,130	US\$0.75	5.84	2021–2035
8,968,786	US\$1.18	9.15	2022–2036
2,809,000	HKD\$3.90	3.90	2023–2026
5,502,125	HKD\$2.68	2.68	2023–2026
9,965,000	HKD\$0.41	0.41	2025–2028
2,700,000	HKD\$0.32	0.32	2025–2028
53,628,931			

### Fair value of share options

The fair value of equity-settled share options granted was estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the key assumptions that the model used.

	2024
Expected volatility (%)	46.23-46.64
Risk-free interest rate (%)	3.65-3.88
Expected life of options (year)	0.42-9.83
Weighted average share price (US\$ per share)	0.04-0.05

The risk-free interest rate was based on the yield of the Hong Kong Bond as of each valuation date. The volatility was estimated based on historical volatility of comparable companies as of the valuation date. The expected life of the options is based on the historical data over the past years and is not necessarily indicative of the exercise patterns that may occur.

The Group recognised share-based payment expenses of RMB2,982,000 in relation to share options for the six months ended 30 June 2025 (six months ended 30 June 2024: RMB3,765,000).

# Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 16. SHARE OPTION SCHEME (CONTINUED)

### Fair value of share options *(Continued)*

As at 30 June 2025, the Company had 33,891,510 share options outstanding under the New Plan and the Post-IPO Share Option Plan. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 33,891,510 additional ordinary shares of the Company and additional share capital of RMB3,000.

### Restricted share units

During the six months ended 30 June 2025, there were no RSUs granted.

During the six months ended 30 June 2024, the Company granted a total of 6,336,000 RSUs under the Post-IPO RSU Plan to 21 employees. The RSUs granted to employees are accounted for as equity awards and measured at their granted date fair values.

The vesting schedule of the RSUs granted would be subject to both the service-based conditions and the performance-based conditions. The time-based conditions would be satisfied over four years from the date of grant. The performance-based RSUs shall vest in the grantee conditional upon the achievement or attainment of the performance targets by the Company within four years from the date of grant.

The Group recognized share-based payments expenses of RMB764,000 in relation to RSUs for the six months ended 30 June 2025 (six months ended 30 June 2024: RMB990,000).

The following RSUs were outstanding under the Post-IPO RSU Plan during the reporting period:

#### For the six months ended 30 June 2025

	Number of RSUs
<b>At 1 January 2025 (audited)</b>	<b>6,794,750</b>
Forfeited during the period	(1,301,600)
Exercised during the period	(581,400)
<b>At 30 June 2025 (unaudited)</b>	<b>4,911,750</b>

For the six months ended 30 June 2024

	Number of RSUs
At 1 January 2024 (audited)	4,612,750
Granted during the period	6,336,000
Forfeited during the period	(750,875)
Exercised during the period	(199,250)
<b>At 30 June 2024 (unaudited)</b>	<b>9,998,625</b>



# Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 17. RELATED PARTY TRANSACTIONS

### a) Name and relationship

The directors of the Group are of the view that the following companies are related parties that had transactions or balances with the Group during the period:

Name of related parties	Relationship with the Group
Shanghai Medkey Med-Tech Development Co., Ltd.	An entity controlled by one of the Company's major shareholders
WuXi AppTec (Suzhou) Co., Ltd.	An entity controlled by one of the Company's major shareholders
WuXi AppTec (Nantong) Co., Ltd.	An entity controlled by one of the Company's major shareholders
WuXi AppTec (Shanghai) Co., Ltd.	An entity controlled by one of the Company's major shareholders

### b) The Group had the following transactions with related parties during the period:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Purchase of services:		
WuXi AppTec (Suzhou) Co., Ltd.	–	251
Shanghai Medkey Med-Tech Development Co. Ltd.	–	1,008
WuXi AppTec (Shanghai) Co., Ltd.	99	544

note: WuXi AppTec (Suzhou) Co., Ltd., Shanghai Medkey Med-Tech Development Co., Ltd., WuXi AppTec (Shanghai) Co., Ltd. and WuXi AppTec (Nantong) Co., Ltd provided Contract Research Organization ("CRO") services to the Group.

The transactions were carried out in accordance with mutually agreed terms and conditions

### c) Outstanding balances with related parties

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Amounts due to related parties:		
WuXi AppTec (Suzhou) Co., Ltd.	2,285	2,285
Shanghai Medkey Med-Tech Development Co. Ltd.	1,484	1,484
WuXi AppTec (Shanghai) Co., Ltd.	3,484	3,379

This balance is unsecured, interest-free and has no fixed terms of repayment.

# Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 17. RELATED PARTY TRANSACTIONS (CONTINUED)

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

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Salaries, allowances and benefits in kind	2,570	2,539
Pension scheme contribution	169	93
Bonus	—	—
Share-based payments	813	1,405
Total compensation paid to key management personnel	3,552	4,037

## 18. EVENTS AFTER THE REPORTING PERIOD

- On August 11, 2025, two subsidiaries of the Group (the “Relevant Subsidiaries”) and Baheal Zhihe entered into the CSO Agreement pursuant to which the Relevant Subsidiaries appointed Baheal Zhihe as the exclusive CSO for the commercial service, and if requested by Baheal Zhihe, appoint its affiliate as the sole distributor, for Hunterase®, Livmarli® and Gaurunning® in the Designated Regions, from which the Relevant Subsidiaries received a strategic engagement fee of RMB50 million from Baheal Zhihe. For further details, please refer to the Company’s announcement dated August 27, 2025.
- On August 12, 2025, the Company entered into a subscription agreement with Baheal Wellness Industry International Trading Limited (百洋健康產業國際商貿有限公司) (the “Subscriber”), a subsidiary of Baheal Medical, pursuant to which the Company conditionally agreed to issue, and the Subscriber conditionally agreed to subscribe for, 74,971,468 shares in the Company at the subscription price of HK\$1.34 per subscription share (the “Subscription”). Closing of the Subscription took place on August 27, 2025. The net proceeds received by the Company under the Subscription was approximately HK\$98,661,000 after deducting the relevant expenses incurred in relation to the Subscription. The Company intends to use the net proceeds from the Subscription for (i) research and development of commercialized products, (ii) marketing and promotion activities, (iii) repayment of loan facilities and borrowings, and (iv) daily operations of the Group. For the details of the Subscription, please refer to the Company’s announcements dated August 12, 2025 and August 27, 2025.
- On August 27, 2025, the Board announced that Mr. Wang Tingwei was appointed as a non-executive Director and a member of the Nomination Committee with effect from August 27, 2025.



## Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

### 19. COMPARATIVE

Certain comparative amount have been reclassified to conform with current period presentation.

### 20. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

The unaudited interim condensed consolidated financial information was approved and authorised for issue by the board of directors on 31 August 2025.