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Shandong Boan Biotechnology Co., Ltd.
山东博安生物技术股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 6955)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

FINANCIAL HIGHLIGHTS

1. Revenue

For the six months ended 30 June 2025, the Group's revenue amounted to approximately RMB393.4 million, as compared to RMB362.9 million for the six months ended 30 June 2024, representing an increase of approximately RMB30.5 million, or 8.4%. The increase was mainly attributable to the sustained growth of sales of products (Boyounuo®, Boyoubei® and Boluojia®) of 15.9% to RMB385.3 million as compared with that for the six months ended 30 June 2024.

2. Cost of Sales

Our cost of sales amounted to RMB110.8 million for the six months ended 30 June 2025, which accounted for approximately 28.2% of our total revenue for the same period (for the six months ended 30 June 2024: 22.1%).

3. Gross Profit

For the six months ended 30 June 2025, the Group recorded a gross profit of approximately RMB282.6 million, which remained stable as compared with that for the six months ended 30 June 2024.

4. Selling and Distribution Expenses

For the six months ended 30 June 2025, the Group's selling and distribution expenses amounted to RMB159.8 million, as compared to RMB134.2 million for the six months ended 30 June 2024, representing an increase of RMB25.6 million, or 19.1%.

5. Research and Development Expenses

For the six months ended 30 June 2025, the Group's recognised research and development ("**R&D**") expenses of approximately RMB58.6 million, representing a decrease of approximately RMB27.2 million as compared with that to the six months ended 30 June 2024.

INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Shandong Boan Biotechnology Co., Ltd. (the "**Company**" or "**Boan Biotech**") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**", "**we**" or "**us**") for the six months ended 30 June 2025 (the "**Period**" or "**Reporting Period**"), together with the comparative figures for the corresponding period of 2024, as follows:

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	For the six months ended 30 June	
		2025	2024
		(Unaudited)	(Unaudited)
		RMB'000	*RMB'000*
REVENUE	*4*	**393,410**	362,942
Cost of sales		**(110,826)**	(80,314)
Gross profit		**282,584**	282,628
Other income and gains		**2,584**	36,140
Research and development costs		**(58,572)**	(85,798)
Administrative expenses		**(23,175)**	(24,308)
Selling and distribution expenses		**(159,793)**	(134,238)
Other expenses		**(3,582)**	(156)
Finance costs		**(19,532)**	(12,596)
PROFIT BEFORE TAX	*5*	**20,514**	61,672
Income tax expense	*6*	**–**	–
PROFIT FOR THE PERIOD		**20,514**	61,672
Attributable to:			
Owners of the parent		**20,514**	61,672
OTHER COMPREHENSIVE INCOME			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**(76)**	(74)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**(76)**	(74)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**20,438**	61,598
Attributable to:			
Owners of the parent		**20,438**	61,598
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted *(RMB)*	*8*	**0.04**	0.12

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		**567,939**	594,765
Advance payments for property, plant and equipment and intangible assets		**63,766**	47,224
Right-of-use assets		**4,035**	10,035
Intangible assets		**1,360,339**	1,242,984
Total non-current assets		**1,996,079**	1,895,008
CURRENT ASSETS			
Inventories		**142,720**	168,251
Trade and notes receivables	*9*	**527,069**	453,604
Prepayments, other receivables and other assets		**96,791**	128,520
Pledged deposits		**12,008**	7,038
Cash and cash equivalents		**659,966**	198,867
Total current assets		**1,438,554**	956,280
CURRENT LIABILITIES			
Lease liabilities		**–**	1,787
Trade and notes payables	*10*	**211,696**	213,594
Other payables and accruals		**147,197**	168,096
Interest-bearing bank and other borrowings		**419,751**	254,047
Due to related parties	*11(c)*	**112,566**	11,157
Total current liabilities		**891,210**	648,681
NET CURRENT ASSETS		**547,344**	307,599
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,543,423**	2,202,607

	As at	
	30 June 2025 (Unaudited) *RMB'000*	31 December 2024 (Audited) *RMB'000*
NON-CURRENT LIABILITIES		
Lease liabilities	**–**	4,807
Interest-bearing bank and other borrowings	**381,515**	424,898
Government grants	**5,254**	5,342
Other non-current liabilities	**123,522**	123,522
Total non-current liabilities	**510,291**	558,569
Net assets	**2,033,132**	1,644,038
EQUITY		
Equity attributable to owners of the parent		
Share capital	**574,334**	535,934
Reserves	**1,458,798**	1,108,104
Total equity	**2,033,132**	1,644,038

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2025

1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

Amendments to IAS 21	*Lack of Exchangeability*

The nature and impact of the amended IFRS Accounting Standard are described below:

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their products and only has one reportable operating segment. Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resource allocation and performance assessment.

4. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Revenue from contracts with customers	**393,410**	362,942

Disaggregated revenue information for revenue from contracts with customers

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Type of goods or services		
Sale of products	**385,275**	332,492
Out-licensing agreements	**5,275**	30,450
Provision of research and development services	**2,860**	–
Total	**393,410**	362,942
Timing of revenue recognition		
Transferred at a point in time	**393,410**	362,942

Geographical market

All of the Group's revenue was generated from customers located in Mainland China during the period.

5. PROFIT BEFORE TAX

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

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Cost of inventories sold	**110,227**	78,776
Write-down of inventories to net realisable value	**599**	1,538
Depreciation of property, plant and equipment	**23,467**	18,661
Depreciation of right-of-use assets	**56**	875
Amortisation of intangible assets	**16,351**	8,776
Auditor's remuneration	**802**	802
Impairment on trade receivables, net	**4,902**	123
Reversal of impairment on other receivables	**(509)**	–
Foreign exchange differences, net	**1,442**	121
Government grants	**(932)**	(35,783)
Bank interest income	**(70)**	(266)

6. INCOME TAX

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

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Current and deferred tax charge for the period	**–**	–

7. DIVIDENDS

No interim dividend was declared by the Company for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 574,333,694 (2024: 509,278,094) outstanding during the period.

The Group had no potentially dilutive ordinary shares outstanding during the six months ended 30 June 2025 and 2024.

9. TRADE AND NOTES RECEIVABLES

	30 June 2025 (Unaudited) *RMB'000*	31 December 2024 (Audited) *RMB'000*
Trade receivables	**504,407**	435,237
Notes receivable	**29,732**	20,535
Subtotal	**534,139**	455,772
Impairment	**(7,070)**	(2,168)
Net carrying amount	**527,069**	453,604

The Group's trading terms with its customers are mainly on credit. The credit period is generally one to three months, depending on the specific payment terms in each contract. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

Included in the Group's trade receivables is an amount due from a related party of RMB249,000 (31 December 2024: RMB249,000), which is repayable on credit terms similar to those offered to the major customers of the Group.

As at 30 June 2025, notes receivable of RMB2,597,000 (31 December 2024: RMB7,043,000) whose fair values approximate to their carrying values were classified as financial assets at fair value through other comprehensive income under IFRS 9. The fair value changes of these notes receivable at fair value through other comprehensive income were insignificant. The remaining notes receivable of RMB27,135,000 (31 December 2024: RMB13,492,000) were measured at amortised cost.

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

	30 June 2025 (Unaudited) *RMB'000*	31 December 2024 (Audited) *RMB'000*
Within 3 months	**251,224**	430,083
3 to 6 months	**17,803**	2,787
6 to 12 months	**228,310**	167
1 to 2 years	**–**	32
Total	**497,337**	433,069

10. TRADE AND NOTES PAYABLES

	30 June 2025 (Unaudited) *RMB'000*	31 December 2024 (Audited) *RMB'000*
Trade payables	**136,110**	125,137
Notes payable	**75,586**	88,457
Total	**211,696**	213,594

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 (Unaudited) *RMB'000*	31 December 2024 (Audited) *RMB'000*
Within 3 months	**91,848**	64,322
3 to 6 months	**1,188**	11,970
6 to 12 months	**11,254**	19,507
1 to 2 years	**22,327**	24,794
Over 2 years	**9,493**	4,544
Total	**136,110**	125,137

The trade payables are non-interest-bearing and are normally settled on 90-day terms.

The maturity of notes payable is within nine months.

At 30 June 2025, notes payable were secured by certain of the deposits amounting to approximately RMB10,008,000 (31 December 2024: RMB7,038,000).

11. RELATED PARTY TRANSACTIONS

The Group's principal related parties are as follows:

Name	**Relationship with the Company**
Shandong Luye Pharmaceutical Co., Ltd. ("**Shandong Luye**")	The immediate holding company
Mr. Liu Dian Bo	Director of Shandong Luye
Yantai Luye Pharmaceutical Holdings Co., Ltd. ("**Yantai Luye**")	Shareholder of Shandong Luye
Luye Pharma Hong Kong Limited ("**Luye Hong Kong**")	Shareholder of Yantai Luye
Nanjing Luye Pharmaceutical Co., Ltd. ("**Nanjing Luye**")	Controlled by Yantai Luye
Yantai Luye Drugs Trading Co., Ltd. ("**Luye Trading**")	Controlled by Shandong Luye
Nanjing Junshi Management Consulting Co., Ltd. ("**Nanjing Junshi**")	Controlled by Shandong Luye
Nanjing Jimai Biological Technology Co., Ltd. ("**Nanjing Jimai**")	Controlled by Nanjing Luye
Shandong International BiotechnologyDevelopment Co., Ltd. ("**Biotech Park Development**")	Controlled by Mr. Liu Dian Bo
GeneLeap Biotechnology LLC ("**GeneLeap Biotechnology**")	Controlled by Mr. Liu Dian Bo
Yantai Yunyue Winery Management Co., Ltd. ("**Yunyue Winery**")	Controlled by Mr. Liu Dian Bo
Yantai Cellzone Medical Diagnostics Center Co., Ltd. ("**Yantai Cellzone**")	Controlled by Mr. Liu Dian Bo
Shandong Quanzhong Biomedical Technology Co., Ltd. ("**Shandong Quanzhong**")	Associate of Shandong Luye

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

	Notes	For the six months ended 30 June	
		2025	2024
		(Unaudited)	(Unaudited)
		RMB'000	*RMB'000*
Sales of goods to:			
Luye Trading	*(i)*	**–**	494
Lease and property management services from:			
Shandong Luye	*(ii)*	**1,000**	965
Biotech Park Development	*(ii)*	**1,419**	3,699
Luye Trading	*(ii)*	**–**	14
Nanjing Luye	*(ii)*	**320**	582
Testing services from:			
Shandong Luye	*(ii)*	**9**	11
EHS management services from:			
Shandong Luye	*(ii)*	**–**	423
Operation services from:			
Nanjing Luye	*(ii)*	**327**	647
Nanjing Jimai	*(ii)*	**100**	–
Accommodation services from:			
Yunyue Winery	*(ii)*	**–**	34
Advances from:			
Luye Hong Kong	*(iii)*	**–**	1,425
Payments on behalf by:			
Shandong Luye	*(iii)*	**2,127**	5,223
Biotech Park Development	*(iii)*	**–**	1,033
GeneLeap Biotechnology	*(iii)*	**–**	1,233
Repayments to:			
Shandong Luye	*(iii)*	**–**	20,676
Biotech Park Development	*(iii)*	**2,369**	2,607
GeneLeap Biotechnology	*(iii)*	**472**	1,211
Yantai Luye	*(iii)*	**–**	38

Notes:

(i) The transaction price was determined on normal commercial terms, negotiated on arm's length basis, and on similar basis as the Group conducted businesses with major customers.

(ii) The transaction prices were determined on terms mutually agreed between the parties with reference to the actual costs incurred and fees for similar transactions in the market.

(iii) The payments on behalf and advances were unsecured, interest-free and repayable on demand.

(b) Other transactions with related parties:

As at 30 June 2025, Shandong Luye, the Company's immediate holding company, and Yantai Luye, shareholder of Shandong Luye, have guaranteed the Group's bank loans amounting to RMB129,667,000 (31 December 2024: RMB160,208,000).

As at 30 June 2025, Shandong Luye, the Company's immediate holding company, has guaranteed the Group's bank and other borrowings amounting to RMB621,160,000 (31 December 2024: RMB510,809,000).

(c) Outstanding balances with related parties:

	30 June 2025 (Unaudited) *RMB'000*	31 December 2024 (Audited) *RMB'000*
Trade receivables:		
Luye Trading	**249**	249
Prepayments:		
Biotech Park Development	**1,185**	–
Due to related parties:		
Shandong Luye*	**5,820**	2,684
Biotech Park Development	**–**	2,059
Nanjing Luye	**1,129**	482
Yantai Cellzone	**1,164**	1,164
Luye Hong Kong**	**2,821**	2,876
Nanjing Junshi	**1,532**	1,532
Nanjing Jimai	**100**	360
Shandong Quanzhong	**100,000**	–
Total	**112,566**	11,157
Lease liabilities:		
GeneLeap Biotechnology	**–**	6,594

* At 30 June 2025, a balance of RMB2,020,000 was trade in nature (31 December 2024: RMB1,011,000), and a balance of RMB3,800,000 was non-trade in nature (31 December 2024: RMB1,673,000).

** The balances were non-trade in nature.

Except as disclosed above, other outstanding balances with related parties were trade in nature.

The balances with related parties except for lease liabilities are unsecured, interest-free and have no fixed terms of repayment.

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

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Salaries, allowances and benefits in kind	**4,219**	5,150
Performance related bonuses	**1,130**	1,884
Pension scheme contributions	**335**	438
Share-based payment expense	**4,775**	7,626
Total compensation paid to key management personnel	**10,459**	15,098

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

Boan Biotech is a fully-integrated biopharmaceutical company that specializes in developing, manufacturing, and commercializing biologics, with a focus on oncology, autoimmune diseases, ophthalmology, and metabolic diseases. Our drug discovery activities revolve around multiple platforms, including: Human Antibody Transgenic Mouse and Phage Display Technology Platform, Bispecific T-cell Engager Technology Platform, Antibody Drug Conjugate ("**ADC**") Technology Platform and Cell Therapy Platform.

We operate across the entire value chain of the industry covering antibody discovery, cell line development, upstream and downstream process development, analytical and bio-analytical method development, technology transfer, non-clinical research, clinical research, regulatory affairs and registration, and commercial production. In the cell therapy field, we focus on a new generation of enhanced and regulated CAR-T technology, developing safer, more effective, and affordable treatments for patients.

Our portfolio includes four products approved for marketing. Our pipeline includes one investigational drug under review for its marketing application, multiple novel biologics as drug candidates protected for their international intellectual property rights, and biosimilar candidates. In addition to the People's Republic of China ("**China**" or "**Chinese Mainland**"), we are also developing biopharmaceutical products in overseas markets, including the United States ("**U.S.**"), the European Union ("**EU**"), and Japan. With a differentiated portfolio and well-established commercial capabilities, we operate across the industry's value chain from R&D to manufacturing and commercialization, laying a solid foundation for long-term, high-quality growth in the future.

2025 Interim Review

From the beginning of 2025, we have made significant achievements in all aspects of pipeline development, sales and marketing, manufacturing, and business collaboration.

During the Reporting Period, we recorded an increase in revenue of 8.4% to RMB393.4 million and an increase in sales of products of 15.9% to RMB385.3 million as compared to that of 2024, which demonstrated our continued capability to bring our biologics portfolio to market and maintain market share. As of the date of this announcement, three of our products (Boyounuo®, Boyoubei® and Boluojia®) have been successfully marketed in Chinese Mainland (excluding Hong Kong, Macau and Taiwan regions of China). These products have been sold to over 3,112 target hospitals and institutions in China. A number of post-marketing clinical observational studies have been carried out on these three products. In addition, our Boyouping®, the dulaglutide injection for glycemic control in adults with type 2 diabetes, has been approved for marketing in Chinese Mainland in August 2025. Boyouping® is the first and only biosimilar to Trulicity® approved for marketing in the world. In China, no other dulaglutide biosimilar is in the Biologics License Application ("**BLA**") stage yet and we granted Shanghai Pharmaceutical Co., Ltd. ("**Shaphar**") the exclusive right to commercialize Boyouping® in the Chinese Mainland in June 2025. We and Shaphar will work together to enhance both the accessibility and the market coverage of Boyouping®. As a leading

distributor of pharmaceuticals in China, Shaphar has established a nationwide distribution network covering over 70,000 healthcare institutions and over 100,000 retail channels across 25 provinces, with a sales & marketing team of nearly 1,000 people. With its strong expertise in integrated sales & marketing across channels as well as its extensive distribution network, Boyouping® will be distributed to hospitals, retail pharmacy chains, and Direct-to-Patient ("**DTP**") pharmacies throughout China at the fastest speed possible. In addition, the exclusive promotion rights of our 60mg and 120mg denosumab injection (Boyoubei® and Boluojia®) in Hong Kong and Macau have been granted to Kexing Biopharm Co., Ltd. ("**Kexing**") in January 2025 and Boyounuo®, Boyoubei® and Boluojia® have been approved for marketing in Macau in 2025. We believe that with the approvals of new products in Chinese Mainland and other regions or countries, the accumulation of more clinical data, the coverage of wider hospitals or distribution channels and various external collaborations with experienced partners, our sales of products will maintain high growth.

For the progress of pipeline products in China, the BLA of BA9101 has been accepted by the Centre for Drug Evaluation ("**CDE**") of the National Medical Products Administration ("**NMPA**") in China in July 2024. The phase 3 clinical study of BA1104 is also progressing well. We also have 5 pipeline products (BA2101, BA1106, BA1301, BA1302 and BA1202) progressing well in their phase 1/2 clinical trials in China. Among them, the early research findings about BA1106 have been presented at the 2025 Annual Meeting of the American Association for Cancer Research ("**AACR**") and the dose escalation clinical trial of BA1106 in combination with BA1104 have begun patient enrollment in June 2025.

For the progress of pipeline products in overseas, the international multi-center phase 3 clinical study for our Denosumab Injection (BA6101 and BA1102) initiated in Europe, the U.S., and Japan is progressing well. Regarding BA1104 (Nivolumab Injection), we have held a Biological Product Development ("**BPD**") type 2b meeting with the Food and Drug Administration ("**FDA**"). The FDA has agreed on a "streamlined" clinical approach for BA1104, which means only one pharmacokinetics ("**PK**") similarity study (phase 1) is sufficient to support the submission of BLA in the U.S., and the comparative clinical study ("**CCS**", phase 3) is not needed. In comparison to a traditional approach with separate phase 1 and phase 3 trials, this "streamlined" single clinical trial approach is projected to significantly reduce clinical development costs and shorten the clinical development timeline. In March 2025, BA1302 was granted the Orphan Drug Designations ("**ODD**") by the FDA for the treatment of squamous non-small-cell lung cancer ("**sqNSCLC**") and pancreatic cancer respectively. In June 2025, BA1302 has been approved to initiate clinical trials by the FDA.

We continued to consolidate our R&D capabilities and industry influence. As of 30 June 2025, our R&D team had 254 experienced employees covering biopharmaceutical discovery research, biotechnology research, biopharmaceutical analysis research, biological activity research, non-clinical research, pilot process research, clinical research, regulatory affairs, project management and intellectual property and other R&D functions. From the beginning of 2025 to the date of this announcement, we have been granted 9 new patents and 3 new pending patent applications worldwide. As of the date of this announcement, we have been granted 50 patents and have 43 pending patent applications worldwide.

We have sufficient production capacity to meet the current commercial needs of our products. As of the date of this announcement, we have commercial production capacity of 9,000L and pilot production capacity of 2,000L. During the Reporting Period, we achieved significant improvements in quality and efficiency by enhancing and upgrading the production processes of existing products, continuously advancing digital manufacturing, and implementing domestic substitutions to reduce production costs. We have also built an electronic data environment for production, document management, training, warehousing and other aspects, promoting the integration of production data, flexible manufacturing, and intelligent management, improving production efficiency and production operation flexibility, optimizing production costs, and ensuring drug quality and patient safety. In June 2025, the Department of Industry and Information Technology of Shandong Province released the "2025 Provincial Quality Benchmarking Typical Experience List", and we have been successfully selected into the list for its "intelligent quality management practice based on multi-system integration", marking that our practical achievements in the field of quality management have been recognized by provincial authorities.

We are actively exploring external business development and licensing-out arrangements. In addition to the collaboration of Boyouping® with Shaphar and denosumab in Hong Kong and Macau with Kexing, we have also granted Kexing the exclusive right to market and distribute our aflibercept intravitreous injection (BA9101) in all countries and regions in the world except for the Chinese Mainland, the EU, the United Kingdom ("**U.K.**"), the U.S., and Japan in June 2025. Furthermore, we have started discussions with a number of pharmaceutical companies (including multinational corporations ("**MNCs**")) or investment institutions for the licensing or co-development of our innovative drug pipelines, and explored international commercialization cooperation with our overseas partners for our products that have been marketed or completed clinical trials in China.

In May 2025, we have been included in the MSCI Global Small-Cap Index, reflecting the authoritative index compiler's recognition of our high growth, and also helping us to obtain close attention and key allocation of global funds, injecting strong impetus into our future development.

Apart from the abovementioned achievements, we also believe the following strengths and progress have contributed towards our success and differentiated us from other biopharmaceutical companies.

Risk-Balanced Product Pipeline

We, through years of efforts and dedication, have incubated a robust and risk-balanced portfolio, which brings us clear short-term commercial visibility and allows us to pursue long-term sustainable growth. Specifically, our portfolio, including four products approved for marketing, one candidates under BLA review and six candidates under clinical trials, as of the date of this announcement, focuses on popular key therapeutic areas including oncology, metabolism, autoimmunity, and ophthalmology, which entail significant unmet needs and potential in China and overseas markets.

The following table summarizes our Commercialized Products and drug candidate pipeline under development in China and worldwide across various therapeutic areas as of the date of this announcement:

	Therapeutic area	Product (reference drug)	Target	Indication	Territory	Clinical trial region	Pre-clinical / IND / Phase 1a / Phase 1b/2 / Phase 3 / BLA filed / Launched
Innovative Antibody Portfolio	Oncology	BA1106	CD25	Gastric cancer, HCC, lung cancer, etc.	Global	China	
		BA1202	CEA/CD3 (2:1)	CRC, pancreatic duct adenocarcinoma, etc.	Global	China	
		BA1301	Claudin 18.2 ADC	Gastric cancer, pancreatic cancer, and esophageal cancer	Global	China	
		BA1302	CD228 ADC	Melanoma, lung cancer, breast cancer, pancreatic cancer, etc.	Global	China	
						US	*IND approved*
		BA1304	EGFR/B7H3 ADC	Lung cancer, esophageal cancer, CRC, etc.	Global	China	
		PR201	PD-1/IL-2	NSCLC, CRC, melanoma, etc.	Global	China	
	Autoimmune	BA2101	IL4R (Long-Acting)	Atopic dermatitis, asthma, COPD etc.	Global	China	*Mainland Rights for Respiratory Disease Indications of BA2101 given to Joincare*
		PR203	TL1A/IL-23	Inflammatory bowel disease, etc.	Global	China	
Biosimilar Portfolio	Oncology	Boyounuo® (BA1101, an Avastin® biosimilar)	VEGF	mCRC, advanced metastatic or recurrent NSCLC, recurrent glioblastoma, epithelial ovarian, fallopian tube or primary peritoneal cancer, cervical cancer and hepatocellular carcinoma	Global	China	
						Brazil	*BLA accepted*
		Boluojia® (BA1102, Xgeva® biosimilar)	RANKL	Bone metastases from solid tumors, and GCTB	Global	China	*Promotion rights in HK&Macau given to Kexing*
						Overseas	*Patient enrollment of phase 3 completed, rights in Brazil licensed to partner*
		BA1104 (Opdivo® biosimilar)	PD-1	Melanoma, NSCLC, malignant pleural mesothelioma, RCC, cHL, SCCHN, urothelial carcinoma, colorectal cancer, HCC, esophageal cancer, gastric cancer, gastroesophageal junction cancer, and esophageal adenocarcinoma	Global	China	
						Overseas	*Completed communication with FDA and waived Phase 3*
	Metabolism	Boyoubei® (BA6101, Prolia® biosimilar)	RANKL	Osteoporosis	Global	China	*Promotion rights of mainland given to Qingdao Conson, promotion rights of HK&Macau given to Kexing*
						Overseas	*Patient enrollment of phase 3 completed, rights in Brazil licensed to partner*
		Boyouping® (BA5101,Trulicity® biosimilar)	GLP-1	Type 2 diabetes	Global	China	
						Overseas	*IND approved by FDA*
	Ophthalmology	Boyoujing® (BA9101, Eylea® biosimilar)	VEGF	wAMD, RVO, DME, and DR	Global	China	*BLA accepted; Promotion Rights given to OcuMension Therapeutics*
						Overseas	

Commercialized products

Boyounuo® (BA1101, bevacizumab injection): *an anti-VEGF humanized monoclonal antibody injection and a biosimilar to Avastin® independently developed by us.*

It has been approved for marketing by the NMPA in China in April 2021. As of the date of this announcement, Boyounuo® has been approved for 6 indications (mCRC, advanced metastatic or recurrent non-small cell lung cancer, recurrent glioblastoma, epithelial ovarian, fallopian tube or primary peritoneal cancer, cervical cancer and hepatocellular carcinoma) and all its indications has been included in the NRDL.

- In May 2025, Boyounuo® has been approved for marketing in Macau.

- Apart from China, it is also under BLA review in Brazil.

Boyoubei® (BA6101, 60mg denosumab injection): *a human immunoglobulin G2 monoclonal antibody of the RANK ligand and the first biosimilar to Prolia® independently developed by us.*

It has been approved for marketing by the NMPA in China for the treatment of postmenopausal women with osteoporosis at high risk for fracture in November 2022. It has been included in the NRDL and we have granted Qingdao Conson Pharmaceutical Co., Ltd. ("**Qingdao Conson**") the exclusive right to commercialize Boyoubei® in Chinese Mainland.

- In May 2025, it has been approved for marketing in Macau.

- Apart from China, we have completed the enrollment of all subjects for an international multicenter phase 3 clinical study of denosumab injection in Europe, the U.S., and Japan and the clinical study is progressing well. According to the Guidelines by the FDA, the European Medicines Agency ("**EMA**") and the Japanese Pharmaceuticals and Medical Devices Agency ("**PMDA**") and based on our discussions with the FDA, EMA and PMDA, after completion of this phase 3 clinical study, we can submit BLAs for BA6101 for all the approved indications as Prolia® in the U.S., Europe, and Japan, respectively.

Boluojia® (BA1102, 120mg denosumab injection): *a fully human IgG2 anti-RANKL monoclonal antibody and a biosimilar to Xgeva® independently developed by us.*

It has been approved for marketing by the NMPA in China for the treatment of giant cell tumor of bone that is unresectable or where surgical resection is likely to result in severe morbidity in adults and skeletally mature adolescents (defined as having at least one mature long bone and with body weight≥45 kg) in May 2024. At the same time, we are working on the BLA of Boluojia® in China for the indications of bone metastases from solid tumors and multiple myeloma.

- In February 2025, the phase 3 clinical trial results of BA1102 were published in Journal of Bone Oncology.

- In May 2025, it has been approved for marketing in Macau.

- Apart from China, we have completed the enrollment of all subjects for an international multicenter phase 3 clinical study of denosumab injection in Europe, the U.S., and Japan and the clinical study is progressing well. According to the Guidelines by the FDA, EMA and PMDA and based on our discussions with the FDA, EMA and PMDA, after completion of this phase 3 clinical study, we can submit BLAs for BA1102 for all the approved indications as Xgeva® in the United States, Europe, and Japan, respectively.

Boyouping® (BA5101, dulaglutide injection): *a long-acting glucagon-like peptide-1 (GLP-1) receptor agonist and a biosimilar to Trulicity® independently developed by us.*

- In April 2025, the phase 3 clinical trial results of BA5101 have been published in Journal of Diabetes.

- In August 2025, it has been approved for marketing in China for glycemic control in adults with type 2 diabetes. Boyouping® is the first and only biosimilar to Trulicity® approved for marketing in the world. In China, no other dulaglutide biosimilar is in the BLA stage yet. We are partnering with Shaphar to commercialize this drug in the Chinese Mainland.

Products to be commercialized in the near future

BA9101 (aflibercept intravitreous injection): *a recombinant human vascular endothelial growth factor receptor antibody fusion protein ophthalmic injection and a biosimilar to Eylea®.*

Aflibercept is widely used as a first-line treatment for Neovascular (Wet) Age-Related Macular Degeneration (nAMD), Diabetic Macular Edema (DME), Macular Edema Following Retinal Vein Occlusion (RVO), Diabetic Retinopathy (DR), Visual Impair due to Myopic Choroidal Neovascularization (mCNV) and Retinopathy of Prematurity (ROP) worldwide, and its future market is promisingly driven by the demand in the clinical practice. We have granted Ocumension Therapeutics (a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") with stock code: 1477) an exclusive right to promote and commercialize BA9101 in Chinese Mainland. In July 2024, the BLA for this drug has been accepted by the CDE of NMPA in China.

BA1104 (nivolumab injection): *a monoclonal antibody that can enhance the immune response of T cells against tumors by preventing the programmed cell death 1 (PD-1) receptor from binding to its ligands PD-L1 and PD-L2. It is a biosimilar to Opdivo® independently developed by us.*

Being a broad-spectrum anticancer medication, Nivolumab has been approved for multiple indications both in China and abroad. These include its use as a neoadjuvant, an adjuvant, or a first-line or later-line therapy for advanced cancers. It can be used as a standalone treatment, in combination with chemotherapy, or alongside with novel immune checkpoint inhibitors. Nivolumab has become a product of basic therapy for a variety of solid tumors. In October 2023, the first patient in the phase 3 clinical trial of BA1104 in China was enrolled. As the date of this announcement, this phase 3 clinical trial is well progressing.

- In March 2025, we have held a BPD type 2b meeting with the FDA. The FDA has agreed on a "streamlined" clinical approach for BA1104, which means only one PK similarity study (phase 1) is sufficient to support the submission of BLA in the U.S., and the comparative clinical study (CCS, phase 3) is not needed. In addition, the FDA has agreed on the design of this study, including the subject population, the sample size, the dose, the treatment duration, and the clinical endpoints. In comparison to a traditional approach with separate phase 1 and phase 3 trials, this "streamlined" single clinical trial approach is projected to significantly reduce clinical development costs and shorten the clinical development timeline.

Other pipeline products in phase1/2 clinical trials

BA2101: *a long-acting human monoclonal antibody of the IgG4 subtype that targets interleukin-4 receptor subunit α (IL-4Rα) independently developed by us.*

The investigational drug can inhibit IL-4 and IL-13 signaling simultaneously, regulate the Th2 inflammatory pathway, and reduce eosinophils and circulating IgE levels. It is intended to be used for treating allergic diseases caused by Th2 inflammation. We have obtained regulatory approval to conduct clinical trials of BA2101 for indications including atopic dermatitis, asthma, chronic obstructive pulmonary disease ("**COPD**"), chronic rhinosinusitis with nasal polyps, prurigo nodularis, and chronic spontaneous urticaria. Compared to drugs with the same target which usually require dosing every two weeks, BA2101 can remain active for a longer period of time. Preclinical studies show that BA2101 has a longer half-life in cynomolgus monkeys than a marketed product with the same target, a feature that is expected to enable dosing once every four weeks in humans. Results of the completed phase 1 clinical trial show that BA2101 has a longer half-life and lower clearance rate than the marketed product. We have completed the phase 1 clinical trial of BA2101 in 2023 and initiated a phase 2 clinical trial of BA2101 in January 2024. In addition, we have granted Joincare Pharmaceutical Group Industry Co., Ltd. ("**Joincare**") the exclusive right to develop and commercialize BA2101 in Chinese Mainland for treating respiratory diseases such as asthma and COPD.

BA1106: *a non-IL-2 blocking anti-CD25 antibody independently developed by us.*

BA1106 is the first investigational anti-CD25 antibody to start clinical trials in China for treating solid tumors. Regulatory T cells (Tregs) drive immunosuppression in the tumor microenvironment by inhibiting the antitumor effects of various immune cells, such as T cells. Tregs are present in a wide range of malignancies, including cervical cancer, renal cancer, ovarian cancer, melanoma, pancreatic cancer, hepatocellular cancer, gastric cancer, and breast cancer, etc. The elevated level of Tregs is associated with poor survival. CD25, also known as interleukin-2 receptor alpha (IL-2Rα), is highly expressed in Tregs, making it a high-potential target for a broad spectrum of antitumor immunotherapies. Antibodies targeting CD25 can delete Tregs and enhance anti-tumor activity of T cells. However, developing anti-CD25 antibodies faces two major challenges. The first is that CD25 is also expressed at low levels in Effector T cells ("**Teffs**"), so anti-CD25 antibodies with high activities may delete Teffs unspecifically while targeting Tregs. The second is that anti-CD25 antibodies tend to block IL-2 signaling, thereby suppressing the antitumor activity of T cells.

BA1106 is able to overcome both challenges thanks to molecular engineering design. In vitro activity assays show that BA1106 has a "moderate" antibody-dependent cellular cytotoxicity: it can effectively deplete Tregs in which CD25 is highly expressed to relieve immunosuppression while sparing Teffs with a relative low CD25 expression. In this process, BA1106 does not interfere with the IL-2 signaling pathway, ensuring the functioning of Teffs in immune responses.

In 2023, BA1106 entered a phase 1 clinical trial in China. As of the date of this announcement, this phase 1 clinical trial is well progressing. We have completed the monotherapy part of this clinical trial.

- In April 2025, the early results from a multicenter, open-label, first-in-human phase 1 clinical trial have been presented at the 2025 AACR. As of the trial's data cutoff, 31 patients with relapsed or refractory advanced solid tumors have received at least one dose of BA1106. The early results are as follows: (i) BA1106 has the potential for treating multiple types of solid tumors. In the 31 patients who had progressed following prior systemic treatments, including immunotherapies, BA1106 induced tumor shrinkage and durable disease stabilization across multiple tumor types. Patients who were the earliest to receive BA1106 have been treated for over one year; (ii) BA1106's pharmacodynamic ("**PD**") profile matches its intended mechanism of action. Peripheral Tregs were selectively depleted, the effector-to-regulatory T-cell ratio increased markedly, and no Teff-depletion was observed, underscoring a favorable PD profile; (iii) BA1106 is safe and tolerable. Maximum tolerated dose was not reached and no any treatment-related serious adverse event ("**SAE**") was reported up to the highest tested dose of 1.2 mg/kg. The overall incidences of SAE, treatment-related adverse events, and skin toxicity were low for BA1106, consistent with the candidate's moderate Treg-depletion activity; and (iv) BA1106 demonstrated a good PK profile with low immunogenicity, and its anti-drug antibody detections were uniformly negative.

- In June 2025, the dose escalation clinical trial of BA1106 in combination with BA1104 began patient enrollment.

BA1301: *an ADC candidate that targets Claudin 18.2 independently developed by us.*

BA1301 for injection is our first novel ADC candidate that targets Claudin 18.2. It employs a site-specific conjugation technology to connect the cytotoxic payload with a monoclonal antibody that targets Claudin 18.2. This enables the cytotoxic payload to be directed to the tumor site through the targeting characteristics of the antibody. Such design reduces the toxic side effects of the cytotoxic payload, thus improving the therapeutic window, while retaining its tumor-killing effect.

In 2023, BA1301 entered a phase 1 clinical trial in China. As of the date of this announcement, this phase 1 clinical trial is well progressing. We have completed the monotherapy dose-escalation part of this clinical trial and are undergoing the dose expansion part.

BA1301 has been granted the ODD by the FDA for the treatment of gastric cancer, including cancer of gastroesophageal junction and pancreatic cancer.

BA1302: *a novel CD228-directed ADC independently developed by us.*

CD228 is highly expressed in various solid tumors, including melanoma, breast cancer, non-small cell lung cancer, mesothelioma, colorectal cancer and pancreatic cancer, with low expression in normal tissues, making CD228 an ideal target. BA1302 employs a cleavable hydrophilic linker to conjugate the cytotoxic payload MMAE to an anti-CD228 monoclonal antibody via the cysteines in hinge region. This enables the antibody to specifically deliver the payload into the tumor tissues, exerting anti-tumor effects while reducing the toxicity and expanding the therapeutic window.

Preclinical studies demonstrated that BA1302 was highly potent in internalization and the bystander effect, effectively inhibiting tumor growth in various patient-derived xenograft models, indicating that it is a promising drug candidate either as a monotherapy or in combination with other therapies in pan-tumor indications. Compared with marketed ADCs utilizing MMAE as the payload, BA1302 exhibited a longer half-life, higher exposure, and more favorable safety profile in cynomolgus monkeys.

In July 2024, BA1302 has been approved to initiate clinical trials for treating multiple types of advanced solid tumors in China. This is the first CD228 targeted novel ADC drug candidate approved for clinical trials in China. As of the date of this announcement, this clinical trial is progressing well.

- In March 2025, it has been granted the ODD for the treatment of sqNSCLC and pancreatic cancer by the FDA, respectively.

- In June 2025, it has been approved by the FDA to initiate clinical trials in the U.S.

Other pipeline products in pre-clinical stage

BA1304: *a bispecific ADC targeting B7-H3 and EGFR independently developed by us.*

It is constructed via glycan-based site-specific conjugation technology, intended for multiple tumor indications, such as lung cancer, colon cancer, bladder cancer, kidney cancer, and esophageal cancer. BA1304 utilizes a "1+1" common light chain format, which contributes to its excellent developability and high homogeneity. BA1304 employs multiple anti-tumor mechanisms of action, including potent ADC-mediated cytotoxicity, enhanced blockade of EGFR signaling, efficient internalization mediated by both EGFR and B7-H3, and antibody-dependent cell-mediated cytotoxicity. The bispecific design enhances binding to tumor cells co-expressing EGFR and B7-H3 while reducing binding to normal tissues expressing only a single target. This selectivity significantly lowers the risk of on-target off-tumor toxicity. In non-human primate studies, maximal tolerable dose exceeded 60 mg/kg. BA1304 employs Exatecan as its payload, enabling it to overcome drug resistance and demonstrate broad-spectrum anti-tumor potential. In a variety of solid tumor models, BA1304 has shown potent in vitro cytotoxicity against cancer cells with varying target expression levels, including B7-H3 low/EGFR low, B7-H3 high/EGFR low, B7-H3 low/EGFR high, and B7-H3 high/EGFR high.

- As the date of this announcement, it is under pre-clinical stage.

PR201: *a PD-1/IL-2 antibody-cytokine fusion protein independently developed by us.*

It is a prodrug and employs a symmetric structure, which is conducive to stable and controllable manufacturing processes. The proprietary anti-PD-1 antibody component has high affinity and potent activity, efficiently blocking the PD-1 signaling pathway while enabling selective delivery of Interleukin-2 ("**IL-2**"). The IL-2 moiety incorporates a masking design that enables its selective release within the tumor via two mechanisms: cis-activation and tumor microenvironment-specific enzymatic cleavage. This architecture mitigates potential systemic toxicity. PR201 has demonstrated excellent anti-tumor efficacy in multiple tumor models where anti-PD-1/PD-L1 antibodies were ineffective or showed limited activity.

- As the date of this announcement, it is under pre-clinical stage.

PR203: *a bispecific antibody targeting TL1A and IL23p19 independently developed by us.*

Its potential indications include inflammatory bowel disease, psoriasis, and psoriatic arthritis, etc. The antibodies in PR203 were selected based on their high activity and low immunogenicity, thereby enhancing PR203's prospects for successful development. The anti-TL1A antibody, derived from the BA-huMab® platform, binds to a unique epitope and exhibits excellent neutralizing activity. Its bispecific design, incorporating a novel 1+1 format and Fc engineering for half-life extension, exhibits favorable developability and potent efficacy both in vitro and in vivo. The successful development of a high-concentration formulation for PR203 allows for convenient subcutaneous administration. In summary, PR203 demonstrates outstanding performance and rapid progress, with the potential to be first/best-in-class.

- As the date of this announcement, it is under pre-clinical stage.

Strong R&D Capabilities

We have a fully-fledged proprietary R&D technology platform focusing on antibody discovery and drug development. We have R&D teams and facilities located in Yantai and Nanjing in China and Boston in the U.S., with rich experience and strong track records in drug discovery and development. In terms of technology, we boast proprietary Human Antibody Transgenic Mouse and Phage Display Technology Platform, Bispecific T-cell Engager Technology Platform, ADC Technology Platform, and Cell Therapy Technology Platform which we believe these will provide us with great technological support.

We take pride in our strong chemistry, manufacturing and controls ("**CMC**") capability which is the backbone of the quality and cost efficiency that we have maintained throughout the process of our drug development and commercial production, especially in cell line development, upstream and downstream process development, analytical and bio-analytical method development as well as technology transfer. Our CMC function establishes practical qualitative and quantitative standards for us to maintain product quality and effectively progresses drug discovery to actual manufacturing.

Our strong CMC capability accumulated through the years of effort has shortened drug development time and enabled speed to market. We believe such capability is a formidable barrier to competitors and has paved the way for our first-mover advantage.

Our high caliber R&D team has outstanding execution capability in drug development with a proven track record. As of 30 June 2025, our R&D team consisted of 254 experienced employees covering biopharmaceutical discovery research, biotechnology research, biopharmaceutical analysis research, biological activity research, non-clinical research, pilot process research, clinical research, regulatory affairs, project management and intellectual property and other R&D functions, most of whom had R&D and clinical experience of more than seven years.

As a biopharmaceutical company, we are keenly aware of the importance of establishing and protecting our intellectual property rights. We have filed a number of patent applications for our drug candidates in various jurisdictions, and expect to rely on a combination of patents, trademarks, trade secrets and other intellectual property rights, as well as employee and third party confidentiality agreements, for safeguarding our intellectual properties. As of the date of this announcement, we have been granted 50 patents and have 43 pending patent applications worldwide.

Underpinned by our strong R&D capability, we have published 20 research papers in world renowned academic journals including Cell Discovery of Nature, Antibody Therapeutics, and Cancer Communications, introducing our research breakthroughs on some of our drug candidates.

In March 2025, with differentiated product portfolio, excellent innovation capabilities, comprehensive biopharmaceutical platform and increasingly mature commercialization capabilities, we have demonstrated innovative breakthrough power and high growth, and been awarded as the annual "Top 100 Innovation and Breakthrough Enterprises" by BIOCHINA. In August 2025, we have also awarded as the 2025 "Top 101 Innovative Pharmaceutical Companies in China" by the 7th China Pharmaceutical Industry Expo (CMC Pharmaceutical Expo).

Strong Manufacturing Capability with High Quality and Cost Efficiency

We have a sizable pilot and commercial production site located in Yantai, China. We employ a robust quality management system for the Yantai site that meets various quality standards such as good manufacturing practice set by the relevant regulatory authorities of China and the EU Quality Person ("**QP**"). We have passed a number of audits in China and the EU QP. Our Yantai site, having a total gross floor area of approximately 84,474 sq.m., houses a number of production lines with a total capacity of 2,000L for pilot production and 9,000L for commercial production, as well as two formulation filling lines for both pilot and commercial production as of the date of this announcement. Our manufacturing system, including production, quality, engineering and etc., managed by a strong and integrated team, has a total of 393 employees as of 30 June 2025.

Apart from production capacity, our proprietary manufacturing capability, such as perfusion culture and fed-batch culture, provides flexibility and improves the throughput and production efficiency. Our Yantai site is also highly versatile, adaptable to manufacturing drugs targeting different antibodies, and is capable of producing various formulations. To further improve production cost efficiency, we utilize digital management in our production.

While improving production efficiency and scale, we are also practicing the concept of green and sustainable development. By formulating a sound environmental management system, we improve resource utilization, promote energy conservation and emission reduction, accelerate the application of artificial intelligence, promote digital transformation, and promote the high quality development of enterprises.

Well-Established Commercialization Capability

We have successfully expanded our commercial portfolio into four products (Boyounuo®, Boyoubei®, Boluojia® and Boyouping®) spanning over multiple therapeutic areas.

During the Reporting Period, we have increased product revenue by 15.9% to RMB385.3 million, compared to RMB332.5 million for the six months ended 30 June 2024, mainly driven by the stable sales of our first marketed product Boyounuo® (bevacizumab injection) coupled with strong growth of our second marketed product Boyoubei® (denosumab injection).

Leveraging our well-established and demonstrated commercialization capability backed by marketing strategies implemented by our dedicated sales and marketing team, we believe that we are well positioned to achieve speed to market and rapid ramp-up of product sales. Internally, we have a dedicated in-house sales and marketing team with extensive industry experience, and they develop and implement marketing and sales initiatives and plans for our product and drug candidates in their scheduled rollouts. Externally, we collaborate with various resourceful business partners which lay the foundation for our strong commercialization capability. Our collaboration with experienced third-party promoters effectively publicizes and maximizes market potential of our products.

We had an extensive distribution network of more than 191 distributors as of 30 June 2025, penetrating selected regions and reaching more than 3,112 target hospitals and institutions in China.

In May 2025, our 60mg and 120mg denosumab injection (Boyoubei® and Boluojia®) have been approved for marketing in Macau. In August 2025, our fourth product Boyouping® has been approved for glycemic control in adults with type 2 diabetes mellitus. Boyouping® is the first and only biosimilar to Trulicity® approved for marketing in the world. In China, no other dulaglutide biosimilar is in the BLA stage yet.

Extensive Collaboration with Various Resourceful Business Partners

We have explored a number of cooperations with well-known domestic and foreign companies in various fields as of the date of this announcement.

For our launched products in China, we have granted Qingdao Conson the exclusive right to promote Boyoubei® in Chinese Mainland since 2023. In January 2025, we have granted the promotion rights of denosumab injection (BA6101 and BA1102) in Hong Kong SAR and Macau SAR to Kexing. In June 2025, we have granted Shaphar the exclusive right to market and distribute Boyouping® through all channels in the Chinese Mainland. We and Shaphar will work together to enhance both the accessibility and the market coverage of the drug. As a leading distributor of pharmaceuticals in China, Shaphar has established a nationwide distribution network covering over 70,000 healthcare institutions across 25 provinces, with a sales & marketing team of nearly 1,000 people. With its strong expertise in integrated sales & marketing across channels as well as its extensive distribution network, we will distribute Boyouping® to hospitals, retail pharmacy chains, and DTP pharmacies throughout China at the fastest speed possible.

For our pipeline products in China, we have granted OcuMension Therapeutics the exclusive right to promote BA9101 in Chinese Mainland after its launch. In addition, we have granted Joincare the exclusive right to the development, registration, manufacturing, and commercialization of BA2101 for the treatment of asthma, COPD and other respiratory system diseases in Chinese Mainland in January 2024.

In the overseas market, we have signed a licensing agreement for commercializing denosumab injection (BA6101 and BA1102) in the Brazilian market with a strategic partner in 2024. In June 2025, we have granted Kexing the exclusive right to market and distribute BA9101 in all countries and regions in the world except for the Chinese Mainland, the EU, the U.K., the U.S., and Japan. In addition, we have started discussions with a number of pharmaceutical companies (including MNCs) or investment institutions for the licensing or co-development of our innovative drug pipelines, and explored international commercialization cooperation with our overseas partners for our products that have been marketed or completed clinical trials in China.

For technology platform, we have also entered into an agreement with the Zencore Biologics Co., Ltd. ("**Zencore Biologics**") in 2024, authorizing Zencore Biologics to use our self-developed stable cell line development platform non-exclusively, BA-HIEXcell® for the development of antibodies and therapeutic proteins in Chinese Mainland. BA-HIEXcell® is a cutting-edge platform in the industry in terms of both the efficiency and the expression levels in cell line development.

For manufacturing and quality management, we have signed a strategic cooperation agreement with Qingdao Haier Biomedical Co., Ltd. ("**Haier Biomedical**") in 2024. According to the agreement, Haier Biomedical will upgrade the digital system and customize digital scenario solutions for us, including the EMS DataManager data analysis, QC-Sample Manager sample management system, EBR electronic batch record and other business areas, so as to improve the digital level of our manufacturing process and quality management. At the same time, the two parties will give full play to their respective resource advantages and explore the development and innovation direction of digital transformation of the pharmaceutical industry by using cutting-edge technologies such as digital analysis, automation, and AI integration.

Post Results Outlook

We have recorded revenue of RMB393.4 million and net profit of RMB20.5 million for the six months ended 30 June 2025. This is our third consecutive reporting period with a positive profit contribution, representing that we are one of the few Biotech Companies (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) listed under Chapter 18A of the Listing Rules having capabilities in generating continuous positive earnings. With the launch of more than 3 new products in the next 2 years, we expect that our revenue and profit will grow continuously.

In August 2025, our fourth product Boyouping® was successfully approved for marketing. Boyouping® is the first and only biosimilar to Trulicity® approved for marketing in the world. In China, no other dulaglutide biosimilar is in the BLA stage yet. China has the largest diabetic population among all countries, accounting for 1/4 of the global total. There were 589 million adults aged 20 to 79 living with diabetes worldwide in 2024, and 148 million of them were from China. These numbers are expected to rise to 853 million and 168 million respectively by 2050. Driven by the huge unmet demands, the market looks promising for long-acting GLP-1 drugs. According to data from IQVIA, the market size for GLP-1 drugs in China was RMB6.376 billion in 2024, and according to publicly available data, the sales of Trulicity® were approximately USD5.25 billion worldwide in 2024. This product will bring new treatment options for patients with related diseases, and will also bring new growth to our product sales. We are partnering with Shaphar to commercialize this drug in the Chinese Mainland. In addition, we have submitted BLA applications for BA9101 in China, which are expected to be approved for marketing in China in the fourth quarter of 2025. BA9101 are expected to be the second Eylea® biosimilar approved in China. Boyouping and BA9101 will provide a strong source of growth for our products revenue, especially the following two years.

In terms of internationalization, our denosumab injection has completed the enrollment of all subjects in the international multi-center clinical trial in Europe, the U.S. and Japan, which will be completed by the end of 2025. We plan to submit BLA for two denosumab injections (BA6101 and BA1102) in the U.K. by the end of 2025 and the U.S. in 2026. In addition, we plan to license the overseas rights of Boyouping® and BA1104 to overseas partners in the second half of 2025. Among them, Boyouping® has been approved for clinical trial in the U.S. and BA1104 has been exempted from phase 3 clinical trials in the U.S. These initiatives will continue to deepen our global capabilities and business coverage.

In terms of innovative drugs, three of them entered into important part of clinical trials. Our BA1106 (andi-CD25 antibody) has completed the monotherapy part of phase 1 clinical trial and the early stage data has been disclosed at the 2025 AACR. In addition, the combination therapy of BA1106 and anti PD-1 antibody has also been initiated, and it is expected to obtain the phased results within 2025. BA1301 (Claudin18.2 ADC) has completed the monotherapy dose escalation part of phase 1 clinical trial and is undergoing the dose expansion part of phase 1 clinical trial. The trial is scheduled to be completed in 2025 and the phased clinical data will be disclosed in the 2025 ESMO. BA1302 (CD228 ADC) is undergoing the monotherapy dose escalation of phase 1 clinical trial and is expected to be completed in 2025. The relevant clinical results will also be presented and published in international academic journals or academic forums. In addition, we have a number of pre-clinical candidates with innovative mechanism expected to file IND in the next two years, including: PR203 (TL1A/IL23 antibody), PR201 (PD-1/IL-2 probody) and BA1304 (EGFR/B7H3 bispecific ADC). We have started discussions with a number of pharmaceutical companies (including MNCs) or investment institutions for the licensing or co-development of these innovative drug pipelines. With such a wealth of R&D progress, we hope that there will be some opportunities for global cooperation reached in the next two years.

In addition to the above developments, since the beginning of this year, investors have gradually regained their enthusiasm for investing in China's capital market. Thanks to the better capital market environment, we successfully conducted two placements and obtained sufficient funds for better development. We will reasonably and effectively use the relevant proceeds to accelerate the commercialization process of marketed and upcoming products, accelerate the clinical development of innovative drugs, and verify and bring more potential targets to clinical trials, so as to further consolidate our profitability and innovation capabilities.

In terms of manufacturing, we will further improve production efficiency and reduce production costs through initiatives such as intelligent manufacturing and process improvement to support the global supply demand of our products and the potential risk of price reductions.

In summary, we believe that we could maintain sustained profitability and be able to further improve the Company's development potential and market competitiveness through continuous innovation and scientific management.

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2025, the Group's revenue amounted to approximately RMB393.4 million, as compared to RMB362.9 million for the six months ended 30 June 2024, representing an increase of approximately RMB30.5 million, or 8.4%. The increase was mainly attributable to the sustained growth of sales of products (Boyounuo®, Boyoubei® and Boluojia®) of 15.9% to RMB385.3 million as compared with that for the six months ended 30 June 2024.

Cost of Sales

Our cost of sales amounted to RMB110.8 million for the six months ended 30 June 2025, which accounted for approximately 28.2% of our total revenue for the same period (for the six months ended 30 June 2024: 22.1%). The increase in cost ratio was mainly due to the decrease in high-margin licensing revenue in the current period.

Gross Profit

For the six months ended 30 June 2025, the Group recorded a gross profit of approximately RMB282.6 million, which remained stable as compared with that for the six months ended 30 June 2024.

Other Income and Gains

Other income and gains consist of government grants, bank interest income and others. Government grants mainly represent subsidies received from local government authorities to support the Group's R&D activities and operation. For the six months ended 30 June 2025, the Group's other income and gains decreased to RMB2.6 million, as compared to RMB36.1 million for the six months ended 30 June 2024, representing a decrease of approximately RMB33.5 million. The decrease was mainly attributable to a decrease in government grants recognised during the Period.

Administrative Expenses

Our administrative expenses decreased from RMB24.3 million for the six months ended 30 June 2024 to RMB23.2 million for the six months ended 30 June 2025, primarily because of the decrease in share-based payment expense.

Selling and Distribution Expenses

For the six months ended 30 June 2025, the Group's selling and distribution expenses amounted to RMB159.8 million, as compared to RMB134.2 million for the six months ended 30 June 2024, representing an increase of RMB25.6 million, or 19.1%. The increase in selling and distribution expenses was mainly in line with the revenue growth of sales of products during the same period.

Research and Development Expenses

For the six months ended 30 June 2025, the Group's recognised R&D expenses of approximately RMB58.6 million, representing a decrease of approximately RMB27.2 million as compared with that to the six months ended 30 June 2024. The decrease in R&D expenses was mainly due to the decrease of outsourced R&D service fees paid to third parties.

Finance Costs

For the six months ended 30 June 2025, the Group's finance costs amounted to RMB19.5 million, as compared to RMB12.6 million for the six months ended 30 June 2024, representing an increase of approximately RMB6.9 million, or 54.8%.

Income Tax Expense

For the six months ended 30 June 2025, the Group recorded income tax expense of nil.

Profit for the Period

As a result of the above, our profit for the period amounted to RMB20.5 million for the six months ended 30 June 2025, as compared to the profit of RMB61.7 million for the six months ended 30 June 2024.

Liquidity, Financial and Capital Resources

The Group's primary sources of liquidity consist of cash and cash equivalents, which the Group have historically generated through the sales of products and the proceeds from the issue of shares. The Company expects that the Group's cash needs in the near future will primarily relate to progressing the development of its drug candidates towards receiving regulatory approval and commencing commercialization, as well as expanding its drug candidate portfolio. In 2025, we actively explored financing channels and managed to maintain our cash position at a stable level for the Group's sustainable development.

As of 30 June 2025, we had cash and cash equivalents of RMB660.0 million, representing an increase of RMB461.1 million, or 231.8%, compared to RMB198.9 million as at 31 December 2024. As of 30 June 2025, the Group had net current assets of approximately RMB547.3 million, as compared to approximately RMB307.6 million as at 31 December 2024. The current ratio of the Group increased to approximately 1.61 as at 30 June 2025 from approximately 1.47 as at 31 December 2024. The increase in net current assets was mainly attributable to the proceeds from the placing of new shares in June 2025.

As of 30 June 2025, the Group had an aggregate interest-bearing bank and other borrowings of approximately RMB801.3 million, representing an increase of RMB122.4 million as compared to approximately RMB678.9 million as at 31 December 2024.

Amongst the loans and borrowings, approximately RMB419.8 million are repayable within one year, and approximately RMB381.5 million are repayable after one year. As of 30 June 2025, the Group's borrowings were primarily denominated in RMB, and the cash and cash equivalents were primarily denominated in RMB and U.S. dollars.

Gearing Ratio

As of 30 June 2025, the gearing ratio of the Group, which is calculated by dividing total borrowings by total equity, decreased to 39.4% from 41.3% as at 31 December 2024. The decrease was primarily due to the placing of new shares in June 2025.

Capital Commitments

At the end of the Period, the Group had capital commitments for the acquisition of property, plant and equipment with amounts of RMB207.4 million (31 December 2024: RMB217.3 million). They primarily relate to expenditures expected to be incurred for the purchase of machinery and renovation of our existing laboratories and buildings.

Significant Investments, Acquisitions and Disposals

As at 30 June 2025, there were no significant investments held by the Group or future plans for significant investments or capital assets.

The Company did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures for the six months ended 30 June 2025.

Contingent Liabilities

The Group did not have any contingent liabilities as at 30 June 2025.

Charges on Group Assets

As at 30 June 2025, certain of the Group's property, plant and equipment and right-of-use assets with an aggregate amount of RMB268.0 million were pledged to secure its bank and other borrowings.

Hedging Activities

As at 30 June 2025, the Group did not use any financial instruments for hedging purposes and did not enter into any hedging transactions in respect of foreign currency risk or interest rate risk.

Employees and Remuneration Policy

As at 30 June 2025, the Group employed a total of 714 employees, as compared to a total of 777 employees as at 30 June 2024. For the six months ended 30 June 2025, the staff costs, (including Directors' emoluments but excluding any contributions to pension scheme), were approximately RMB61.6 million as compared to RMB86.4 million for the six months ended 30 June 2024. The objective of the Group's remuneration policy is to motivate and retain talented employees to achieve the Group's long term corporate goals and objectives. The Group's employee remuneration policy is determined by taking into account factors such as remuneration in respect of the overall remuneration standard in the industry and employee's performance. The management reviews the Group's employee remuneration policy and arrangements on a regular basis. Moreover, the social insurance contributions are made by the Group for its PRC employees in accordance with the relevant PRC regulations.

SIGNIFICANT INVESTMENTS AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group did not hold any significant investment with a value greater than 5% of its total assets as at 30 June 2025. The Group does not have plans for material investments or capital assets.

PLACING OF NEW SHARES

On 11 June 2025, the Company has placed a total of 38,400,000 new shares (the "**June 2025 Placing Shares**"), representing approximately 6.69% of its total issued shares (as enlarged by the allotment and issue of the June 2025 Placing Shares), at the placing price of HK$10.42 per June 2025 Placing Share to no less than six placees (the "**June 2025 Placing**"). For details of the June 2025 Placing, please refer to the Company's announcements dated 4 June 2025 and 11 June 2025.

SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

On 14 August 2025, the Company has placed a total of 48,000,000 new shares (the "**August 2025 Placing Shares**"), representing approximately 7.71% of its total issued shares (as enlarged by the allotment and issue of the August 2025 Placing Shares), at the placing price of HK$16.42 per August 2025 Placing Share to no less than six placees (the "**August 2025 Placing**"). For details of the August 2025 Placing, please refer to the Company's announcements dated 7 August 2025 and 14 August 2025.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association of the Company, or the laws of the PRC, which would oblige the Company to offer new shares of the Company on a pro-rata basis to its existing shareholders.

INTERIM DIVIDEND

No interim dividend was declared by the Company for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules as its own code of corporate governance.

During the six months ended 30 June 2025, the Company has complied with all the applicable code provisions set out in the CG Code, except for the following deviation:

Code provision C.2.1 of the CG Code

Under C.2.1 of the CG Code, the chairman and the chief executive should be separate and should not be performed by the same individual.

Under the current organisation structure of the Company, Ms. Jiang Hua is the chairlady and chief executive officer. With extensive experience in the pharmaceutical industry, the Board considers that Ms. Jiang Hua should continue to assume the roles of chairman and chief executive officer during the six months ended 30 June 2025 as this arrangement will improve the efficiency of our decision-making and execution process given her knowledge of the Group's affairs. The Company has put in place an appropriate check-and-balance mechanism through the Board and its independent non-executive Directors.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms meeting the required standards as set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules (the "**Model Code**"). Specific enquiry has been made to all the Directors and Supervisors and the Directors and Supervisors have confirmed that they have complied with the Model Code throughout the six months ended 30 June 2025.

The Company has also adopted its own code of conduct regarding employees' securities transactions on terms meeting the required standard as set out in the Model Code. This ensures compliance by relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of their dealings in the Company's securities.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Save as disclosed in other part of this announcement, there was no purchase, sale and redemption of any listed securities (including treasury shares) of the Company by the Company or any of its subsidiaries for the six months ended 30 June 2025. As at 30 June 2025, the Company did not hold any treasury shares.

AUDIT COMMITTEE

The Audit Committee of the Company has reviewed together with the management the accounting principles and policies adopted by the Group, the unaudited interim condensed consolidated financial statements and interim results announcement of the Group for the six months ended 30 June 2025 and recommended its adoption by the Board.

In addition, the independent auditor of the Company, Ernst & Young, has reviewed the unaudited interim results for the six months ended 30 June 2025 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF THE INTERIM RESULTS AND 2025 INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.boan-bio.com), and the 2025 interim report containing all the information required by the Listing Rules will be published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
Shandong Boan Biotechnology Co., Ltd.
Jiang Hua
Chairlady, Chief Executive Officer and Executive Director

Yantai, The People's Republic of China, 27 August 2025

As at the date of this announcement, the executive directors of the Company are Ms. Jiang Hua, Dr. Dou Changlin and Mr. Wang Shenghan; the non-executive directors of the Company are Mr. Liu Yuanchong, Ms. Li Li and Mr. Li Shixu; and the independent non-executive directors of the Company are Professor Shi Luwen, Mr. Dai Jixiong and Dr. Yu Jialin.