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Genscript Biotech Corporation
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1548)

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

INTERIM RESULTS HIGHLIGHTS

- The Group delivered notable revenue growth, with a substantial increase in license revenue and sustained growth in underlying businesses. Revenue of the Group from continuing operations for the Reporting Period was approximately US\$518.8 million, representing an increase of 81.9% as compared with approximately US\$285.2 million for the Prior Period.
- The incremental revenue has led to a strong increase in gross profit of the Group. Gross profit of the Group from continuing operations for the Reporting Period was approximately US\$320.6 million, representing an increase of 140.1% as compared with approximately US\$133.5 million recorded for the Prior Period.
- The Group held cash and bank balances and wealth management financial products at approximately US\$966.6 million as at June 30, 2025.
- The adjusted net profit of the Group from continuing operations for the Reporting Period was approximately US\$178.0 million, representing an increase of 509.6% as compared with approximately US\$29.2 million for the Prior Period.
- The Group recorded net loss of approximately US\$24.5 million for the Reporting Period, as compared with net loss of approximately US\$215.6 million for the Prior Period. The loss for the Reporting Period was significantly impacted by the Group's share of loss from Legend Group, which amounted to approximately US\$193.7 million. The adjusted net income of Legend Group has been positive in the second quarter of 2025.

Notes:

(1)

		For the six months ended June 30,	
		2025	2024
		US\$'000	US\$'000
Continuing operations			
Net loss		(24,547)	(137,739)
Excluding:	Equity-settled share-based compensation expense, net of tax	8,904	12,844
	Impact from acquisition and fair value (gains)/losses of preferred shares	(587)	113,509
	Losses on foreign currency forward and option contracts, net of tax	11	896
	Impairment losses on long-lived assets, net of tax	-	37,480
	Exchange gains, net of tax	(1,404)	(1,309)
	Fair value (gains)/losses on non-current financial assets, net of tax	(388)	1,171
	Unrealised finance costs for equity financing activities	2,286	2,305
	Share of loss from Legend Group	193,698	-
Adjusted net profit		177,973	29,157

(2) In order to better reflect the key performance of the Group's current business and operations, the adjusted net profit is calculated on the basis of net profit/loss, excluding: (i) equity-settled share-based compensation expense; (ii) impact from acquisition and fair value changes of preferred shares; (iii) losses on foreign currency forward and option contracts; (iv) impairment losses on long-lived assets; (v) exchange gains; (vi) fair value gains or losses on non-current financial assets, (vii) unrealised finance costs for equity financing activities; and (viii) share of loss from Legend Group.

(3) All the comparative financial figures in the interim condensed consolidated statement of profit or loss and interim condensed consolidated statement of comprehensive income and related notes to them in this announcement have been re-presented in according to HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* to reflect the impact caused by the deconsolidation of Legend Group, and to conform with current period's presentation. Please refer to note 8 to the financial statements below for details. For the readers' easy understanding and analysis, notes 3 to 6 to the financial statements are prepared for continuing operations only, except when otherwise indicated.

The board (the “**Board**”) of directors (the “**Director(s)**”) of Genscript Biotech Corporation (the “**Company**”) is pleased to announce the unaudited interim condensed consolidated results of the Company and its subsidiaries (collectively, the “**Group**” or “**GenScript Biotech**”) for the six months ended June 30, 2025 (the “**Reporting Period**”), together with the comparative figures for the corresponding period in 2024, are as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		For the six months ended June 30,	
		2025	2024
		(Unaudited)	(Unaudited)
	Notes	US\$'000	US\$'000
			(Restated)
CONTINUING OPERATIONS			
REVENUE	4	518,773	285,160
Cost of sales		<u>(198,142)</u>	<u>(151,655)</u>
Gross profit		320,631	133,505
Other income, gains and expenses, net	4	37,178	18,641
Selling and distribution expenses		(47,509)	(43,052)
Administrative expenses		(63,124)	(52,730)
Research and development expenses		(31,321)	(24,909)
Fair value losses of preferred shares	19	(13,783)	(113,509)
Share of (losses)/profits of associates:	12		
Investment in a significant associate		(193,698)	-
Investment in other associates		292	(1,261)
Finance costs	6	(9,202)	(3,269)
Reversal of/(Provision for) impairment of financial assets, net		417	(3,863)
Provision for impairment of long-lived assets		<u>-</u>	<u>(37,480)</u>
LOSS BEFORE TAX	5	(119)	(127,927)
Income tax expense	7	<u>(24,428)</u>	<u>(9,812)</u>
LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS		(24,547)	(137,739)
DISCONTINUED OPERATION	8		
Loss for the period from Legend Group, net of tax		<u>-</u>	<u>(77,892)</u>
LOSS FOR THE PERIOD FROM DISCONTINUED OPERATION		-	(77,892)
LOSS FOR THE PERIOD		<u>(24,547)</u>	<u>(215,631)</u>
Attributable to:			
Owners of the parent		(25,462)	(175,115)
Non-controlling interests		<u>915</u>	<u>(40,516)</u>
		<u>(24,547)</u>	<u>(215,631)</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)

		For the six months ended June 30,	
		2025	2024
		(Unaudited)	(Unaudited)
		US\$'000	US\$'000
			(Restated)
		Notes	
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	10		
Basic (<i>US cent per share</i>)			
- For loss for the period		<u>(1.18)</u>	<u>(8.27)</u>
- For loss from continuing operations		<u>(1.18)</u>	<u>(6.51)</u>
Diluted (<i>US cent per share</i>)			
- For loss for the period		<u>(2.16)</u>	<u>(8.27)</u>
- For loss from continuing operations		<u>(2.16)</u>	<u>(6.51)</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended June 30,
2025 **2024**
(Unaudited) **(Unaudited)**
US\$'000 **US\$'000**
 (Restated)

LOSS FOR THE PERIOD	<u>(24,547)</u>	<u>(215,631)</u>
OTHER COMPREHENSIVE INCOME		
CONTINUING OPERATIONS		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Share of other comprehensive income of a significant associate	87,419	-
Exchange differences on translation of foreign operations	<u>4,815</u>	<u>(4,526)</u>
Other comprehensive income/(loss) for the period from continuing operations	92,234	(4,526)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	<u>67,687</u>	<u>(142,265)</u>
DISCONTINUED OPERATION		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	-	(58,528)
Other comprehensive loss for the period from discontinued operation	-	(58,528)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD FROM DISCONTINUED OPERATION	<u>-</u>	<u>(136,420)</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	<u>67,687</u>	<u>(278,685)</u>
Attributable to:		
Owners of the parent	66,742	(207,500)
Non-controlling interests	<u>945</u>	<u>(71,185)</u>
	<u>67,687</u>	<u>(278,685)</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		June 30, 2025	December 31, 2024
		(Unaudited)	(Audited)
	<i>Notes</i>	<i>US\$ '000</i>	<i>US\$ '000</i>
NON-CURRENT ASSETS			
Property, plant and equipment	11	522,590	518,001
Advance payments for property, plant and equipment, net		8,429	7,220
Investment properties		5,174	4,848
Right-of-use assets		75,292	77,617
Goodwill		1,341	1,336
Other intangible assets		12,772	13,035
Investments in associates	12	3,578,174	3,667,731
Financial assets at fair value through profit or loss	13	25,158	88,643
Deferred tax assets		18,737	27,735
Time deposits	15	5,588	33,387
Other non-current assets		4,545	3,738
Total non-current assets		4,257,800	4,443,291
CURRENT ASSETS			
Inventories		38,802	31,097
Contract costs		20,273	19,349
Trade and bills receivables	14	132,180	116,291
Prepayments, other receivables and other assets		24,487	29,137
Financial assets at fair value through profit or loss	13	541,163	224,874
Restricted cash	15	22,706	17,919
Time deposits	15	103,989	264,321
Cash and cash equivalents	15	293,206	131,990
Total current assets		1,176,806	834,978

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

		June 30, 2025 (Unaudited) US\$'000	December 31, 2024 (Audited) US\$'000
	Notes		
CURRENT LIABILITIES			
Trade and bills payables	16	51,728	29,838
Other payables and accruals	17	336,082	125,530
Interest-bearing bank loans	18	155,464	88,745
Lease liabilities		8,357	7,524
Tax payable		7,785	9,387
Contract liabilities		41,113	46,211
Financial liabilities at fair value through profit or loss	19	-	107
Total current liabilities		<u>600,529</u>	<u>307,342</u>
NET CURRENT ASSETS		<u>576,277</u>	<u>527,636</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,834,077</u>	<u>4,970,927</u>
NON-CURRENT LIABILITIES			
Interest-bearing bank loans	18	-	17,309
Lease liabilities		54,811	56,990
Deferred tax liabilities		13,712	5,839
Financial liabilities at fair value through profit or loss	19	248,003	473,732
Financial liabilities at amortised cost		81,884	79,435
Other payables and accruals	17	<u>14,355</u>	<u>14,260</u>
Total non-current liabilities		<u>412,765</u>	<u>647,565</u>
NET ASSETS		<u><u>4,421,312</u></u>	<u><u>4,323,362</u></u>
EQUITY			
Share capital	20	2,178	2,142
Treasury shares		(4,240)	(6,091)
Reserves		<u>4,418,011</u>	<u>4,325,121</u>
Equity attributable to owners of the parent		4,415,949	4,321,172
Non-controlling interests		<u>5,363</u>	<u>2,190</u>
TOTAL EQUITY		<u><u>4,421,312</u></u>	<u><u>4,323,362</u></u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	<i>Note</i>	For the six months ended June 30,	
		2025 (Unaudited) US\$'000	2024 (Unaudited) US\$'000
Net cash flows generated from operating activities		<u>232,619</u>	<u>79,855</u>
Net cash flows used in investing activities		<u>(98,645)</u>	<u>(1,133,054)</u>
Net cash flows generated from financing activities		<u>26,403</u>	<u>5,565</u>
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS		160,377	(1,047,634)
Effect of foreign exchange rate changes, net		839	528
Cash and cash equivalents at beginning of the period		<u>131,990</u>	<u>1,446,403</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	15	<u>293,206</u>	<u>399,297</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company was incorporated on May 21, 2015 as an exempted company in the Cayman Islands with limited liability under the Companies Law of the Cayman Islands. The registered office address of the Company is 4th Floor, Harbour Place, 103 South Church Street, George Town, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands.

The Company is an investment holding company. The Company through its various subsidiaries manufactures and sells products and services, mainly including life-science services and tools, biologics development services and industrial synthetic biology products. Before October 18, 2024, the Company conducted cell therapy business through a subsidiary, Legend Biotech Corporation (“**Legend**” or “**Legend Group**”), which was deconsolidated from the Company on October 18, 2024 (the “**Deconsolidation**”) and was reclassified as an associate thereafter. The shares of the Company were listed on the Main Board of the Stock Exchange since December 30, 2015.

In the opinion of the Directors, the ultimate holding company of the Company is Genscript Corporation (“**GS Corp**”), which was incorporated in the United States of America (the “**U.S.**”).

2. BASIS OF PREPARATION

2.1 Basis of preparation

The interim condensed consolidated financial information for the six months ended June 30, 2025 has been prepared in accordance with Hong Kong Accounting Standard 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 December 31, 2024. These interim condensed consolidated financial information are presented in United States dollars (“**US\$**”) and all values are rounded to the nearest thousand except when otherwise indicated.

In accordance with Hong Kong Financial Reporting Standards (“**HKFRS**”) 5 *Non-current Assets Held for Sale and Discontinued Operations*, Legend Group was presented as a discontinued operation for the six months ended June 30, 2024 (the “**Prior Period**”) resulting from the Deconsolidation, and the comparative figures in the interim condensed consolidated statement of profit or loss and the condensed consolidated statement of comprehensive income were re-presented to reflect the Legend Group’s deconsolidation as if the business had been discontinued at the beginning of the comparative period and to conform with current period’s presentation.

2.2 Changes in accounting policy 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 December 31, 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period’s financial information.

Amendments to HKAS 21

Lack of Exchangeability

The adoption of above amended HKFRS Accounting Standard has no significant financial effect on the Group’s interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

The segment information for the six months ended June 30, 2025, is as follows:

	Life-science services and products (Unaudited) US\$'000	Biologics development services (Unaudited) US\$'000	Industrial synthetic biology products (Unaudited) US\$'000	Operation unit (Unaudited) US\$'000	Eliminations (Unaudited) US\$'000	Total (Unaudited) US\$'000
Segment revenue						
Sales to external customers*	245,050	244,047	28,283	1,393	-	518,773
Intersegment sales	2,589	2,836	-	29,719	(35,144)	-
Total revenue	247,639	246,883	28,283	31,112	(35,144)	518,773
Segment cost of sales	(122,595)	(66,539)	(16,853)	(26,477)	34,322	(198,142)
Segment gross profit	125,044	180,344	11,430	4,635	(822)	320,631
Other income, gains and expenses, net	(7)	4,205	1,683	17,406	13,891	37,178
Selling and distribution expenses	(35,894)	(6,473)	(3,642)	(1,641)	141	(47,509)
Administrative expenses	(24,355)	(23,159)	(3,691)	(12,460)	541	(63,124)
Research and development expenses	(22,876)	(3,095)	(4,721)	(997)	368	(31,321)
Fair value (losses)/gains of preferred shares	-	(20,126)	-	20,713	(14,370)	(13,783)
Finance costs	-	(2,996)	(1,643)	(5,319)	756	(9,202)
Share of (losses)/profits of associates:						
Investment in a significant associate	-	-	-	(193,698)	-	(193,698)
Investment in other associates	-	-	338	(46)	-	292
(Provision for)/Reversal of impairment of financial assets, net	(176)	454	(21)	128	32	417
Profit/(loss) before tax	41,736	129,154	(267)	(171,279)	537	(119)

The segment information for the six months ended June 30, 2024 is as follows:

	Life-science services and products (Unaudited) US\$'000	Biologics development services (Unaudited) US\$'000	Industrial synthetic biology products (Unaudited) US\$'000	Operation unit (Unaudited) US\$'000	Eliminations (Unaudited) US\$'000	Total (Unaudited) US\$'000
Segment revenue						
Sales to external customers*	220,336	37,587	26,109	1,128	-	285,160
Intersegment sales	<u>2,019</u>	<u>2,795</u>	<u>39</u>	<u>17,006</u>	<u>(21,859)</u>	<u>-</u>
Total revenue	<u>222,355</u>	<u>40,382</u>	<u>26,148</u>	<u>18,134</u>	<u>(21,859)</u>	<u>285,160</u>
Segment cost of sales	<u>(103,410)</u>	<u>(38,715)</u>	<u>(15,116)</u>	<u>(15,865)</u>	<u>21,451</u>	<u>(151,655)</u>
Segment gross profit	<u>118,945</u>	<u>1,667</u>	<u>11,032</u>	<u>2,269</u>	<u>(408)</u>	<u>133,505</u>
Other income, gains and expenses, net	(282)	7,052	1,044	(148,179)	159,006	18,641
Selling and distribution expenses	(31,724)	(6,433)	(3,327)	(1,740)	172	(43,052)
Administrative expenses	(20,440)	(15,524)	(2,552)	(14,158)	(56)	(52,730)
Research and development expenses	(19,257)	(1,567)	(2,848)	(1,264)	27	(24,909)
Fair value gains/(losses) of preferred shares	-	32,283	-	-	(145,792)	(113,509)
Finance costs	-	(1,622)	(1,213)	(900)	466	(3,269)
Share of losses of associates	-	-	(680)	(581)	-	(1,261)
Provision for impairment of long-lived assets	-	(37,480)	-	-	-	(37,480)
Provision for impairment of financial assets, net	<u>(1,230)</u>	<u>(2,622)</u>	<u>(1)</u>	<u>(397)</u>	<u>387</u>	<u>(3,863)</u>
Profit/(loss) before tax	<u>46,012</u>	<u>(24,246)</u>	<u>1,455</u>	<u>(164,950)</u>	<u>13,802</u>	<u>(127,927)</u>

* During the Reporting Period, sales to external customers include revenue derived from Legend Group at approximately US\$8,859,000 (For the six months ended June 30, 2024: approximately US\$4,109,000).

4. REVENUE, OTHER INCOME, GAINS AND EXPENSES, NET

An analysis of revenue, other income, gains and expenses is as follows:

	For the six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
	US\$'000	US\$'000
Revenue from contracts with customers	517,358	284,020
Revenue from other sources:		
Gross rental income from operating leases	690	613
Others	725	527
	518,773	285,160
Other income, gains and expenses, net		
Unrealised gains on acquisition of preferred shares	14,370	-
Finance income	9,913	12,859
Fair value gains on financial assets at fair value through profit or loss	6,924	1,520
Subsidies	3,615	2,935
Foreign currency exchange gains, net	1,680	1,407
Management service income	456	461
Others	220	(541)
	37,178	18,641

5. LOSS BEFORE TAX

The Group's loss before tax from continuing operations is arrived at after charging/(crediting):

	For the six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
	US\$'000	US\$'000
Cost of services and products*	124,370	87,444
Depreciation of property, plant and equipment	28,543	24,939
Depreciation of investment properties	47	46
Depreciation of right-of-use assets	5,057	3,231
Amortisation of other intangible assets	1,245	1,399
(Reversal of)/ Provision for impairment of trade receivables	(417)	3,863
Provision for impairment of long-lived assets	-	37,480
Provision for inventories and contract costs to net realisable value	587	2,333
Employee benefit expenses (including directors' and chief executives' remuneration):		
Wages and salaries	132,790	119,869
Pension scheme contributions (defined contribution schemes)	10,163	9,359
Equity-settled share-based compensation expense	9,575	10,545
Less: Amount capitalised	(164)	2,362
	152,364	142,135
Loss on disposal of property, plant and equipment	22	514
Gains on wealth management financial products	(7,838)	(3,821)
Losses on foreign currency forward and option contracts, net	15	1,016
Fair value (gains)/losses on non-current financial assets	(388)	1,171

*During the Reporting Period, cost of services and products in the amount of approximately US\$20,196,000 was derived from Legend Group (for the six months ended June 30, 2024: Nil), which was recognised under a license agreement where the Company is required to remit to Legend Group 10% of license revenue earned from third parties for sublicensing specified patents and related know-how that are included in the agreement. The payables in connection with this cost were recorded in trade and bills payables as at June 30, 2025 and were subsequently settled in July 2025.

6. FINANCE COSTS

	For the six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
	US\$'000	US\$'000
Interest accrued on other payables	3,664	-
Interest on financial liabilities measured at amortised cost	2,286	2,305
Interest on lease liabilities	1,636	526
Interest on bank loans	1,616	679
Less: Interest capitalised	-	(241)
	<u>9,202</u>	<u>3,269</u>

7. INCOME TAX EXPENSE

	For the six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
	US\$'000	US\$'000
Current — Mainland China	6,085	1,781
Current — the U.S.	(61)	4,406
Current — Others	1,560	457
Deferred income tax expense	<u>16,844</u>	<u>3,399</u>
Total tax expense for the period	24,428	10,043
Less: total tax charge for the period from discontinued operation	<u>-</u>	<u>(231)</u>
Total tax charge for the period from continuing operations	<u>24,428</u>	<u>9,812</u>

8. DISCONTINUED OPERATION

In October 2024, the Company lost control on Legend Group due to the loss of power to cast the majority of votes at Legend's general meeting. The Company subsequently account for investment in Legend as an associate under equity method, as the Company still has significant influence on Legend Group.

Legend Group was presented as a discontinued operation resulting from the Deconsolidation in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, with the comparative figures for the six months ended June 30, 2024 in the Group's condensed consolidated statement of profit or loss and consolidated statement of comprehensive income were re-presented to conform with current period's presentation.

The results of Legend Group for the six months ended June 30, 2024 are presented below:

	For the six months ended June 30, 2024 (Unaudited) US\$ '000
REVENUE	<u>280,514</u>
Cost of revenue	(105,190)
Other income, gains and expenses, net	93,035
Research and development expenses	(213,590)
Administrative expenses	(67,282)
Selling and distribution expenses	(54,286)
Finance costs	<u>(10,959)</u>
Loss before tax	(77,758)
Income tax expense	<u>(231)</u>
Loss for the period	(77,989)
Add: Intra-group unrealised gain before deconsolidation	<u>97</u>
Loss for the period from discontinued operation	<u><u>(77,892)</u></u>

The cash flows of Legend Group for the six months ended June 30, 2024 are as follows:

	For the six months ended June 30, 2024 (Unaudited) US\$ '000
Operating activities	13,867
Investing activities	(1,091,779)
Financing activities	1,786
Net foreign exchange differences	<u>(334)</u>
Net cash outflow for the period from discontinued operation	<u><u>(1,076,460)</u></u>

9. DIVIDENDS

The Board of directors resolved not to declare any dividend for the six months ended June 30, 2025 (for the six months ended June 30, 2024: Nil).

10. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss for the Reporting Period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 2,154,852,609 (for the six months ended June 30, 2024: 2,116,588,240) in issue during the Reporting Period.

The calculation of the diluted loss per share amount is based on the loss for the period attributable to ordinary equity holders of the parent, adjusted by the effect of the preferred shares issued by the Company's subsidiary, excluding those which have anti-dilutive effect on the Group's loss per share calculation. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic loss per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

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

	For the six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
	US\$'000	US\$'000
<u>Loss</u>		
Loss attributable to ordinary equity holders of the parent		
From continuing operations	(25,462)	(137,821)
From discontinued operation	-	(37,294)
Total loss attributable to ordinary equity holders of the parent, used in basic calculation	<u>(25,462)</u>	<u>(175,115)</u>
Dilution effect arising from preferred shares issued by a subsidiary	<u>(21,080)</u>	-
Loss attributable to ordinary equity holders of the parent, used in diluted calculation from continuing operations	<u>(46,542)</u>	<u>(175,115)</u>
	Number of shares	
	For the six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
<u>Shares</u>		
Weighted average number of ordinary shares in issue during the period	2,157,984,701	2,121,657,378
Effect of shares repurchased	<u>(3,132,092)</u>	<u>(5,069,138)</u>
Weighted average number of ordinary shares in issue during the period used in the basic loss per share calculation	<u>2,154,852,609</u>	<u>2,116,588,240</u>
Effect of dilution – adjustments for share options and awarded shares	<u>1,221,941</u>	<u>39,014,924</u>
Weighted average number of ordinary shares in issue during the period used in the diluted loss per share calculation	<u>2,156,074,550</u>	<u>2,155,603,164</u>

	2025 <i>US\$ Cent</i> (Unaudited)	2024 <i>US\$ Cent</i> (Unaudited)
Basic loss per share arising from		
Continuing operations	(1.18)	(6.51)
Discontinued operation	-	(1.76)
Loss for the period	<u>(1.18)</u>	<u>(8.27)</u>
Diluted loss per share arising from		
Continuing operations	(2.16)	(6.51)
Discontinued operation	-	(1.76)
Loss for the period	<u>(2.16)</u>	<u>(8.27)</u>

11. PROPERTY, PLANT AND EQUIPMENT

	Total <i>US\$ '000</i>
As at January 1, 2024 (Audited)	608,107
Additions	125,395
Deconsolidation of Legend Group	(104,031)
Depreciation	(58,823)
Disposal	(1,806)
Impairment	(44,666)
Exchange realignment	<u>(6,175)</u>
As at December 31, 2024 and January 1, 2025 (Audited)	518,001
Additions	32,126
Depreciation	(28,543)
Disposal	(196)
Exchange realignment	<u>1,202</u>
As at June 30, 2025 (Unaudited)	<u>522,590</u>

As at June 30, 2025, properties amounted to approximately US\$31,653,000 (December 31, 2024: approximately US\$31,974,000) were pledged to an affiliate of the Series B Investor of Probio Technology Limited (the “**ProBio**” or “**Probio Cayman**”) as security for the redemption obligation of the Company and Probio Cayman.

During the six months ended June 30, 2025, no impairment loss was recognised for property, plant and equipment (for the six months ended June 30, 2024: approximately US\$37,480,000 belonging to biologics development services segment).

12. INVESTMENTS IN ASSOCIATES

	June 30, 2025 (Unaudited) US\$'000	December 31, 2024 (Audited) US\$'000
Investment in a significant associate	3,564,029	3,653,932
Investments in other associates	14,145	13,799
Net carrying amount	<u>3,578,174</u>	<u>3,667,731</u>

Legend Group, a significant associate of the Company, whose shares are listed by way of American Depositary Shares on the Nasdaq Global Select Market in the United States.

The following tables illustrate the condensed financial information of Legend Group adjusted for any differences in accounting policies and reconciled to the carrying amount in the interim condensed consolidated financial statements:

	June 30, 2025 (Unaudited) US\$'000	December 31, 2024 (Audited) US\$'000
Non-current assets	6,329,666	6,503,503
Current assets	1,249,874	1,283,918
Current liabilities	265,482	277,645
Non-current liabilities	1,276,401	1,320,526
Total identifiable net assets at fair value	<u>6,037,657</u>	<u>6,189,250</u>
Proportion of the Group's ownership	47.27%	47.51%
Group's share of identifiable net assets of Legend Group	2,854,073	2,940,413
Equity method goodwill	709,956	713,519
Carrying amount of the investment in Legend Group	<u>3,564,029</u>	<u>3,653,932</u>

	For the six months ended June 30, 2025 (Unaudited) US\$'000
Revenue	450,111
Loss for the period, including:	
Legend Group's loss for the period, net of tax	(226,296)
Amortisation and depreciation for fair value on Legend Group's identifiable assets, net of tax	(146,585)
Other comprehensive income	184,929
Total comprehensive loss	<u>(187,952)</u>

The movement on interest in Legend Group is as follows:

	Total US\$'000
Initial carrying amount in Legend Group upon Deconsolidation on the Deconsolidation Date	3,740,355
Share of loss for the period	(33,980)
Loss on deemed dilution of interests during the period	(3,771)
Share of other comprehensive loss	(55,032)
Share of the change in other reserves	<u>6,360</u>
As at December 31, 2024 and January 1, 2025 (Audited)	3,653,932
Share of loss for the period	(176,266)
Loss on deemed dilution of interests during the period	(17,432)
Share of other comprehensive income	87,419
Share of the change in other reserves	<u>16,376</u>
At June 30, 2025 (Unaudited)	<u><u>3,564,029</u></u>

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

	For the six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
	US\$'000	US\$'000
Share of the associates' profits/(losses) for the period	292	(1,261)
Share of the associates' total comprehensive income/(losses)	<u>292</u>	<u>(1,261)</u>

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2025 (Unaudited) US\$'000	December 31, 2024 (Audited) US\$'000
Current		
Investments in financial products	541,141	224,851
Listed equity investments	<u>22</u>	<u>23</u>
	541,163	224,874
Non-current		
Investments in financial products	-	65,344
Unlisted equity investments	<u>25,158</u>	<u>23,299</u>
	25,158	88,643

14. TRADE AND BILLS RECEIVABLES

	June 30, 2025 (Unaudited) US\$'000	December 31, 2024 (Audited) US\$'000
Trade receivables	140,388	123,746
Bills receivable	<u>5,697</u>	<u>6,404</u>
	146,085	130,150
Impairment of trade receivables	<u>(13,905)</u>	<u>(13,859)</u>
	132,180	116,291

An ageing analysis of the gross carrying amount of trade receivables as at the end of the Reporting Period, based on the invoice date, is as follows:

	June 30, 2025 (Unaudited) US\$'000	December 31, 2024 (Audited) US\$'000
Within 3 months	83,336	83,598
3 to 6 months	31,428	15,058
6 to 12 months	10,584	9,325
Over 1 year	<u>15,040</u>	<u>15,765</u>
	140,388	123,746

15. CASH AND BANK BALANCES

	June 30, 2025 (Unaudited) US\$'000	December 31, 2024 (Audited) US\$'000
Cash and bank balances	<u>425,489</u>	<u>447,617</u>
Less:		
Restricted cash	22,706	17,919
Non-pledged time deposits:		
Current portion	103,989	264,321
Non-current portion	<u>5,588</u>	<u>33,387</u>
Cash and cash equivalents	<u>293,206</u>	<u>131,990</u>

16. TRADE AND BILLS PAYABLES

	June 30, 2025 (Unaudited) US\$'000	December 31, 2024 (Audited) US\$'000
Trade payables	51,728	29,794
Bills payable	<u>-</u>	<u>44</u>
	<u>51,728</u>	<u>29,838</u>

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

	June 30, 2025 (Unaudited) US\$'000	December 31, 2024 (Audited) US\$'000
Within 3 months	48,278	26,281
3 to 6 months	1,044	1,298
6 to 12 months	543	975
Over 1 year	<u>1,863</u>	<u>1,240</u>
	<u>51,728</u>	<u>29,794</u>

17. OTHER PAYABLES AND ACCRUALS

	June 30, 2025 (Unaudited) US\$'000	December 31, 2024 (Audited) US\$'000
Current		
Payables for acquisition of ProBio's preferred shares	206,291	-
Accrued payroll and welfare	39,837	47,236
Payables for purchases of property, plant and equipment	35,771	39,833
Accrued expenses	16,951	17,270
Other tax payables	8,857	5,352
Subsidies	1,429	1,151
Other payables	26,946	14,688
	<u>336,082</u>	<u>125,530</u>
Non-current		
Subsidies	13,085	13,025
Others	1,270	1,235
	<u>14,355</u>	<u>14,260</u>

18. INTEREST-BEARING BANK LOANS

	June 30, 2025 (Unaudited)			December 31, 2024 (Audited)		
	Effective interest rate (%)	Maturity	US\$'000	Effective interest rate (%)	Maturity	US\$'000
Current						
Unsecured bank loans	1.9-2.6	2026	137,418	1.9-2.6	2025	88,745
Secured - current portion of long-term bank loans	3.0	2025	18,046	-	-	-
			<u>155,464</u>			<u>88,745</u>
Non-current						
Secured - non-current portion of long-term bank loans	-	-	-	3.95-4.2	2026-2029	17,309
			<u>-</u>			<u>17,309</u>

19. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2025 (Unaudited) US\$'000	December 31, 2024 (Audited) US\$'000
Current		
Foreign currency forward contracts	-	107
	-	107
Non-current		
Probio Series A Preferred Shares	-	235,500
Probio Series C Preferred Shares	248,003	238,232
	248,003	473,732
	248,003	473,839

The movements of the above preferred shares are set out below:

	Total US\$'000
As January 1, 2025 (Audited)	473,732
Acquired by the Group's subsidiary	(239,512)
Fair value changes	13,783
As at June 30, 2025 (Unaudited)	248,003
As at January 1, 2024 (Audited)	350,151
Fair value changes	123,581
As at December 31, 2024 (Audited)	473,732

20. SHARE CAPITAL

	June 30, 2025 (Unaudited) <i>US\$'000</i>	December 31, 2024 (Audited) <i>US\$'000</i>
Shares		
Authorised:		
Ordinary shares of US\$0.001 each	<u>5,000</u>	<u>5,000</u>
Issued and fully paid:		
Ordinary shares of US\$0.001 each	<u>2,178</u>	<u>2,142</u>

A summary of movements in the Company's number of shares and share capital is as follows:

	Number of shares in issue	Share capital <i>US\$'000</i>
At January 1, 2025 (Audited)	<u>2,142,296,633</u>	<u>2,142</u>
Exercise of share options and restricted share units	<u>35,391,135</u>	<u>36</u>
At June 30, 2025 (Unaudited)	<u>2,177,687,768</u>	<u>2,178</u>

POSITIONING OF THE COMPANY

The Group is a well-recognised biotechnology company. Based on our proprietary DNA synthesis technology and the other technology and know-hows on life-science research and application, we have well established several major platforms including (i) a life-science services and products platform under the brand “GenScript” (the “**GenScript**”), providing one-stop solutions to global scientific communities, (ii) **ProBio**, a biologics contract development and manufacturing organisation (“**CDMO**”) platform, and (iii) Bestzyme Biotech Corporation (“**Bestzyme**”), an industrial synthetic products platform. The above internally built platforms collectively have demonstrated their strong growth from research and development to commercial delivery for the Reporting Period. The Group also holds significant investments in Legend, which is a global leading biotech company dedicated developing cell therapies.

The Group’s business operations span over 100 countries and regions worldwide with legal entities located in Mainland China, the U.S., Hong Kong, Japan, Singapore, Netherlands, the United Kingdom, Korea, Spain, Australia and Macao. Our professional workforce is consisted of approximately 5,769 team members as at June 30, 2025.

GenScript offers DNA synthesis, protein production, peptide synthesis, oligonucleotide synthesis, antibody development, and life-science equipment and consumables. We serve global pharma, biotech, and academic researchers across more than 100 countries—empowering early-stage discovery and innovation with high-quality, reliable, and scalable solutions. In 2025, we accelerated our marketing transformation with a data-led, digitally-enabled and customer-centered philosophy. This repositioning is already showing tangible results in growth, engagement, and impact.

ProBio is a subsidiary of the Group. As a leading CDMO, ProBio empowers biologics innovators worldwide by providing seamless end-to-end solutions. Our comprehensive platform integrates discovery, development, and manufacturing services, streamlining the development process, reducing timelines, and increasing the success rate of biologics projects. By accelerating the development and manufacturing of life-changing biologic therapies, we aim to improve the lives of patients worldwide and contribute to a healthier future.

Bestzyme is a subsidiary of the Group engaged in the industrial synthetic biology fields. Bestzyme uses our advanced protein engineering technology to develop products for feed, food, grain processing, and home care industries. We believe synthetic biology offers us new opportunities from both technical and commercial perspectives.

Legend is a significant associate of the Group that specifically engages in the discovery and development of novel cell therapies for oncology and other indications. Legend’s lead product candidate, ciltacabtagene autoleucel (cilta-cel), is a chimeric antigen receptor T-cell (“**CAR-T**”) therapy jointly developed with Janssen Biotech, Inc., for the treatment of multiple myeloma (MM).

BUSINESS REVIEW

The Group delivered notable revenue growth. From continuing operations, the overall revenue of the Group was approximately US\$518.8 million during the Reporting Period, representing an increase of 81.9% as compared with approximately US\$285.2 million for the Prior Period. Gross profit was approximately US\$320.6 million, representing an increase of 140.1% as compared with approximately US\$133.5 million for the Prior Period.

During the Reporting Period, the loss attributable to owners of the Company (the “**Shareholder(s)**”) was approximately US\$25.5 million, as compared with approximately US\$175.1 million for the Prior Period.

During the Reporting Period, the external revenue of (i) life-science services and products, (ii) biologics development services, and (iii) industrial synthetic biology products accounted for approximately 47.2%, 47.0% and 5.5% of the total revenue of the Group, respectively.

Results Analysis of the Three Business Segments

	For the six months ended June 30, 2025			For the six months ended June 30, 2024		
	Life-science services and products <i>US\$'000</i>	Biologics development services <i>US\$'000</i>	Industrial synthetic biology products <i>US\$'000</i>	Life-science services and products <i>US\$'000</i>	Biologics development services <i>US\$'000</i>	Industrial synthetic biology products <i>US\$'000</i>
Revenue	247,639	246,883	28,283	222,355	40,382	26,148
Adjusted gross profit	126,316	181,613	11,432	119,868	5,927	11,032
Adjusted selling and distribution expenses	(34,529)	(6,146)	(3,631)	(30,709)	(5,905)	(3,327)
Adjusted administrative expenses	(22,999)	(23,334)	(3,668)	(21,268)	(14,794)	(2,558)
Adjusted research and development expenses	(22,262)	(2,981)	(4,693)	(18,814)	(1,484)	(2,851)
(Provision for)/reversal of impairment of financial assets, net	<u>(176)</u>	<u>454</u>	<u>(21)</u>	<u>(1,230)</u>	<u>(2,622)</u>	<u>(1)</u>
Adjusted operating profit/(loss)	<u><u>46,350</u></u>	<u><u>149,606</u></u>	<u><u>(581)</u></u>	<u><u>47,847</u></u>	<u><u>(18,878)</u></u>	<u><u>2,295</u></u>

The adjusted cost and expenses exclude the impact from: (i) equity-settled share-based compensation expense, and (ii) impairment losses on long-lived assets.

Life-science services and products

During the Reporting Period, revenue from life-science services and products was approximately US\$247.6 million, representing an increase of 11.3% as compared with approximately US\$222.4 million for the Prior Period. The adjusted gross profit was approximately US\$126.3 million, representing an increase of 5.3% as compared with approximately US\$119.9 million for the Prior Period. The adjusted gross profit margin decreased slightly to 51.0% from 53.9% for the Prior Period. The adjusted operating profit also decreased slightly to approximately US\$46.4 million from approximately US\$47.8 million for the Prior Period.

The increase in revenue and adjusted gross profit were mainly attributable to the (i) platform upgrades through innovations and automation, delivering services and products with enhanced reliability, accelerated turnaround and superior quality standards, particularly in protein and gene editing platforms, (ii) continued operational efficiency improvement across production sites in Mainland China, Singapore and the U.S., and (iii) enhanced customer engagement driven by targeted campaigns and renewed brand visibility. The decrease in adjusted operating profit was caused by the higher investments in marketing transformation and research and development (“**R&D**”) activities to build the medium-to-long-term competitiveness.

Biologics development services

During the Reporting Period, revenue from biologics development services was approximately US\$246.9 million, representing an increase of 511.1% as compared with approximately US\$40.4 million for the Prior Period. The adjusted gross profit was approximately US\$181.6 million, as compared with approximately US\$5.9 million for the Prior Period. The adjusted gross profit margin increased to 73.6% for the Reporting Period from 14.7% for the Prior Period. The adjusted operating profit was approximately US\$149.6 million, while the adjusted operating loss was approximately US\$18.9 million for the Prior Period.

The increase in revenue, adjusted gross profit and adjusted operating profit were attributable to the substantial increase in license revenue, mainly caused by the sublicense revenue generated from LaNova Medicines Ltd. (“**LaNova**”). Apart from the contribution from the license revenue, the revenue derived from rendering of services and sales of products recorded double-digit growth, primarily driven by successful fulfillment of biologics Good Manufacturing Practice (“**GMP**”) orders and global expansion of viral vector business during the Reporting Period. The adjusted gross profit and adjusted operating loss arising from services and products were significantly impacted by the intense competitive dynamics and persistent pricing pressures in specific regional markets, as well as the incremental costs associated with the launch of new production facilities in Mainland China and the U.S..

Industrial synthetic biology products

During the Reporting Period, revenue from industrial synthetic biology products was approximately US\$28.3 million, representing an increase of 8.4% as compared with approximately US\$26.1 million for the Prior Period. The adjusted gross profit was approximately US\$11.4 million, representing an increase of 3.6% as compared with approximately US\$11.0 million for the Prior Period. The adjusted gross profit margin decreased slightly to 40.4% for the Reporting Period from 42.2% for the Prior Period. The adjusted operating loss was approximately US\$0.6 million, while the adjusted operating profit was approximately US\$2.3 million for the Prior Period.

The increase in revenue was primarily attributable to the (i) expansion of the synthetic biology business in Mainland China, and (ii) enhancement of ex-China operations, particularly in the Asia-Pacific, driven by the rapid development of sales channels and establishment of localised teams. The reversal to adjusted operating loss from adjusted operating profit was mainly attributable to the increase in R&D expenditure, which exerted pressure on the short-term profitability but will lay the groundwork for technological innovation and future revenue growth.

FINANCIAL REVIEW

	For the six months ended June 30,		
	2025	2024	
	(Unaudited)	(Unaudited)	Change
	US\$'000	US\$'000	US\$'000
Continuing operations			
Revenue	518,773	285,160	233,613
Gross profit	320,631	133,505	187,126
Loss after income tax expense	(24,547)	(137,739)	113,192
Adjusted net profit	177,973	29,157	148,816
Discontinued operation			
Loss for the period from Legend Group, net of tax	-	(77,892)	77,892
Loss for the period	(24,547)	(215,631)	191,084
Loss attributable to owners of the Company	(25,462)	(175,115)	149,653
Loss per share for the period (US cent)			
-Basic	(1.18)	(8.27)	7.09
-Diluted	(2.16)	(8.27)	6.11
Adjusted profit and expenses:			
Gross profit	323,179	138,697	184,482
Selling and distribution expenses	45,659	41,357	4,302
Administrative expenses	58,972	47,298	11,674
Research and development expenses	30,460	24,321	6,139

Revenue

During the Reporting Period, the Group recorded revenue of approximately US\$518.8 million, representing an increase of 81.9% from approximately US\$285.2 million for the Prior Period. This is mainly attributable to the (i) substantial increase in license revenue, mainly caused by the sublicense revenue generated from LaNova, and (ii) continuous investment in commercial promotion to enhance brand awareness, particularly in Europe and the U.S..

Gross profit

During the Reporting Period, the Group's gross profit increased by 140.1% to approximately US\$320.6 million from approximately US\$133.5 million for the Prior Period. The increase in gross profit was primarily attributable to the expansion of revenue, especially the license revenue in the biologics development services segment. The adjusted gross profit increased by 133.0% over the Prior Period.

Selling and distribution expenses

During the Reporting Period, the Group's selling and distribution expenses increased by 10.2% to approximately US\$47.5 million from approximately US\$43.1 million for the Prior Period. This is mainly attributable to the (i) expansion of the commercial teams and strengthened local recruitment of experienced professionals, and (ii) continued investment in regional operations to support business development and customer engagement in key ex-China markets. The adjusted selling and distribution expenses increased by 10.4% over the Prior Period.

Administrative expenses

During the Reporting Period, the Group's administrative expenses increased by 19.7% to approximately US\$63.1 million from approximately US\$52.7 million for the Prior Period. This is mainly attributable to the (i) continued expenditures in infrastructure associated with capacity expansion and enhanced administrative functions, and (ii) the expenses incurred during the preparation phase for the new site. The adjusted administrative expenses increased by 24.7% over the Prior Period.

Research and development expenses

During the Reporting Period, the Group's research and development expenses increased by 25.7% to approximately US\$31.3 million from approximately US\$24.9 million for the Prior Period. This is mainly attributable to the increase in professional recruitment and the expansion of strategic research initiatives. The adjusted research and development expenses increased by 25.2% over the Prior Period.

Unrealised gain and fair value changes of preferred shares

On August 18, 2021 (New York time), Probio Cayman entered into a purchase agreement with certain investors, whereby Probio Cayman sold 300,000,000 shares of series A preferred shares of Probio Cayman (the “**Probio Series A Preferred Shares**”) and a warrant exercisable for up to an aggregate of 189,393,939 ordinary shares of Probio Cayman (the “**Probio Warrant**”, and collectively the “**Probio Cayman Purchase**”). The total proceeds from the Probio Cayman Purchase were US\$150.0 million. Pursuant to the purchase agreement, Probio Cayman issued the Probio Warrant to the investors to purchase the ordinary shares of Probio Cayman at a certain price per share for up to an aggregate amount of US\$125.0 million. The Probio Warrant has expired in accordance with the terms and conditions of the purchase agreement. The Probio Series A Preferred Shares has been purchased by the Company (through a direct wholly-owned subsidiary) pursuant to a share transfer agreement dated April 28, 2025. An unrealised non-cash gain of approximately US\$14.4 million was recognised associated with this acquisition, which was caused by the variance between the fair value of Probio Series A Preferred Shares and the aggregate consideration. Please refer to the announcements of the Company dated May 14, 2021, June 7, 2021, August 19, 2021, September 5, 2021, April 28, 2025 and May 7, 2025 for details.

On January 17, 2023, Probio Cayman entered into a subscription agreement with certain investors (including the Company), pursuant to which Probio Cayman issued and sold, and the investors purchased an aggregate of 319,998,370 series C preferred shares of Probio Cayman (the “**Probio Series C Preferred Shares**”) for an aggregate consideration of approximately US\$224.0 million at the applicable closing (the “**Probio Series C Financing**”). Please refer to the announcements of the Company dated January 17, 2023, February 10, 2023, and April 21, 2023 for details.

The Probio Series A Preferred Shares and the Probio Series C Preferred Shares are accounted for as financial liabilities measured at fair value with changes through profit or loss in accordance with relevant HKFRSs. The Probio Series A Preferred Shares were derecognised after being purchased by the Company.

As at June 30, 2025, the fair value of the Probio Series C Preferred Shares was assessed at approximately US\$248.0 million. During the Reporting Period, fair value losses of approximately US\$13.8 million was recorded in respect of the Probio Series A Preferred Shares and Probio Series C Preferred Shares due to the changes in fair values of these financial liabilities.

Financial liabilities at amortised cost

On July 2, 2022, Probio Cayman entered into a subscription agreement with an investor, pursuant to which Probio Cayman issued and sold and the investor purchased 57,314,000 series B preferred shares of Probio Cayman (the “**Probio Series B Preferred Shares**”) at an aggregate consideration of approximately US\$37.3 million (the “**Probio Series B Financing**”). The completion of the Probio Series B Financing took place on July 6, 2022. Please refer to the announcements of the Company dated July 4, 2022 and July 6, 2022 for details.

The Probio Series B Preferred Shares is accounted for as financial liabilities at amortised cost for liability component and other reserves for equity component.

On May 26, 2023, Nanjing Bestzyme Bioengineering Co., Ltd.* (南京百斯傑生物工程有限公司) (“**BSJ Nanjing**”), an indirect non-wholly owned subsidiary of the Company, entered into a capital increase agreement with certain investors, pursuant to which the investors subscribed for the additional registered capital of BSJ Nanjing of RMB37,609,070 (equivalent to approximately US\$5.3 million) for a total consideration of RMB250.0 million (equivalent to approximately US\$35.2 million) to acquire approximately 10.4168% equity interest in BSJ Nanjing upon the closing (the “**BSJ Series A Capital Increase**”). In connection with the BSJ Series A Capital Increase, the investors are entitled to the redemption right pursuant to the shareholder agreement dated May 26, 2023 entered into by, among others, the investors and BSJ Nanjing. Please refer to the announcements of the Company dated May 28, 2023 and June 25, 2023 for details.

The BSJ Series A Capital Increase is accounted for as financial liabilities at amortised cost.

As at June 30, 2025, the equity component of Probio Series B Preferred Shares in other reserves was assessed at approximately US\$1.6 million, and the liability component was assessed at approximately US\$42.3 million with interest expenses assessed at approximately US\$1.1 million during the Reporting Period. The financial liabilities at amortised cost of the BSJ Series A Capital Increase was assessed at approximately US\$39.6 million with interest expenses at approximately US\$1.2 million during the Reporting Period.

Income tax expense

During the Reporting Period, the income tax expense from continuing operations increased by 149.0% to approximately US\$24.4 million from approximately US\$9.8 million for the Prior Period. The increase of tax expense was primarily attributable to the considerable taxable income resulting from increased license revenue.

Net loss

During the Reporting Period, from continuing operations, net loss of the Group was approximately US\$24.5 million, whilst the net loss for the Prior Period was approximately US\$137.7 million. The adjusted net profit of the Group was approximately US\$178.0 million for the Reporting Period.

Loss from discontinued operation

Pursuant to the announcement of the Company dated October 22, 2024, effective from October 18, 2024, the Company has no power to unilaterally govern the financial and operation policies of the Legend Group due to the loss of power to cast the majority of votes at the general meeting of Legend Group, the Legend Group was deconsolidated from the Company then in accordance with the requirements of HKFRS 10 *Consolidated Financial Statements*. After the Deconsolidation, Legend was reclassified as an associate (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and the Company subsequently accounts for the investment in Legend Group using equity method as the Company is assessed to have significant influence in Legend Group.

During the Reporting Period, no profit or loss was recognised from discontinued operation as Legend is an associate of the Company. Loss of approximately US\$77.9 million was recorded for the Prior Period.

Working capital and financial resources

The Group consistently adopted a prudent financial management policy. Fund management, financing and investment activities were all undertaken and monitored by the management of the Company. Given the industry characteristics of the core business of the Group, the emphasis of routine financial control management was placed on the management of working capital, particularly the timely receipts of trade receivables and payment arrangement of trade payables.

The capital structure of the Group was constantly monitored by the Company and aimed to monitor its working capital and financial resources to maintain a solid financial position. The use of any capital instruments, including banking facilities, by each subsidiary was under the central coordination and arrangement of the Company.

As at June 30, 2025, the wealth management financial products, time deposits and cash and cash equivalents of the Group amounted to approximately US\$943.9 million (as at December 31, 2024: approximately US\$719.9 million), and the restricted cash of the Group amounted to approximately US\$22.7 million (as at December 31, 2024: approximately US\$17.9 million).

As at June 30, 2025, the Group had available unutilised bank facilities of approximately US\$532.7 million (as at December 31, 2024: approximately US\$577.6 million).

As at June 30, 2025, the Group’s current ratio (current assets to current liabilities) was approximately 2.0 (as at December 31, 2024: approximately 2.7); and gearing ratio (total liabilities to total assets) was approximately 18.6% (as at December 31, 2024: approximately 18.1%).

After considering its current cash and cash flows from operating activities, as well as the credit facilities available to the Group, it is believed that the Group has sufficient capital to fund its future operations and for business expansion and general development purposes.

Treasury Policy

The Group follows a set of funding and treasury policies to manage its capital resources and prevent risks involved. The Group invests surplus cash in the instruments issued by reputable and large-scale banks and financial institutions, only with reasonable expected return rates and controllable or predictable risks. The Group expects to fund its working capital and other capital requirements from a combination of various sources, including but not limited to necessary bank facilities.

To mitigate the risks arising from volatility of foreign exchange market and its impact to the Group's operation, the Group uses proper derivative instruments to hedge the foreign currency risks in the ordinary course of business, including foreign currency forward contracts and collar contracts, based on the cashflow forecast by currency and the outlook on and expectation of future exchange rate fluctuations, after the approval of senior management of the Company.

Capital expenditure

During the Reporting Period, the expenditure of purchasing other intangible assets, particular for software, was approximately US\$1.0 million, and the expenditure of constructing and purchasing property, plant and equipment amounted to approximately US\$38.3 million.

Significant investments held, material acquisitions and disposals

Significant investments in the key associate

As at June 30, 2025, the Group held a significant investment in an associate company, Legend, with a carrying value of approximately US\$3.6 billion, representing approximately 65.6% of the total assets of the Group. The Group's share of loss of Legend Group was approximately US\$193.7 million for the Reporting Period.

The Legend Group is principally engaged in the discovery, development, manufacturing and commercialisation of novel cell therapies for oncology and other indications. The Group intends to hold the abovementioned equity interests in the Legend Group as a long-term investment. Details of the financial information of Legend Group is set out in notes 8 and 12 to the financial statements in this announcement.

Significant investments in the financial assets

As at June 30, 2025, significant investments held by the Group are as follows:

	As at June 30, 2025 US\$'000	As at December 31, 2024 US\$'000
Financial assets at fair value through profit or loss		
Current		
Wealth management financial products (a)	541,141	224,851
Listed equity investments	22	23
	<u>541,163</u>	<u>224,874</u>
Non-current		
Wealth management financial products (a)	-	65,344
Unlisted equity investments (b)	25,158	23,299
	<u>25,158</u>	<u>88,643</u>
Total	<u><u>566,321</u></u>	<u><u>313,517</u></u>

The majority of the wealth management financial products we purchased during the Reporting Period were issued by banks and financial institutions in Mainland China, Europe, Hong Kong and the U.S., and mainly included non-guaranteed floating-income product, the money market fund and credit linked notes with floating expected return rates ranging from 1.5% to 5.7% per annum and with maturity days between one day and about one year. These products did not guarantee the return of principals upon maturity. As at June 30, 2025, we preserved all our invested capital in these products and did not encounter any default by the issuing banks and institutions, and none of our investments was past due or impaired. The Group has redeemed those wealth management financial products at maturation and has no intention to dispose the investments in the long term. None of our investments had been pledged to secure our borrowings as at June 30, 2025.

As part of our treasury management plan, we have purchased wealth management financial products as an auxiliary mean to improve utilisation of our cash on hand in line with our cashflow forecast. We have made such purchases only when (i) we have surplus funds after we have fully considered the cash requirement of our operations for the future years and allocated accordingly, and (ii) our management has carefully assessed the risks and benefits and decides to make such purchases (including, among others, the availability of certain wealth management financial products which have high liquidity and generate finance income meeting our standards).

All investments were made in low-risk, liquid and sound wealth management financial products, such as capital preservation products, fixed-income products, trust products with agreed yield expectations and adequate safeguards.

Any purchase and early redemption of our investments in wealth management financial products shall be reviewed and approved by chief finance officer of the Group or other authorised personnel based on internal approval authority matrix.

(a) Information in relation to the wealth management financial products* as at June 30, 2025 are set out as follows:

Item	Banks/Financial institutions	Product type/description	Original amount <i>RMB or US\$</i>	Investment cost <i>US\$'000</i>	Fair value as at June 30, 2025 <i>US\$'000</i>
1.	China Merchants Bank	Non-guaranteed floating-income product	RMB443,980,000	62,021	62,999
2.	CITIC Securities Company Limited	Non-guaranteed floating-income product	RMB348,139,807	48,632	49,617
3.	CITIC Securities Company Limited	Non-guaranteed floating-income product	RMB161,750,882	22,595	23,147
4.	CITIC Securities Company Limited	Non-guaranteed floating-income product	RMB21,700,000	3,031	3,056
5.	China Merchants Bank	Non-guaranteed floating-income product	RMB80,000,000	11,175	11,222
6.	China Merchants Bank	Non-guaranteed floating-income product	RMB17,200,000	2,403	2,428
7.	China Merchants Bank	Non-guaranteed floating-income product	RMB297,969,262	41,624	42,307
8.	China Merchants Bank	Non-guaranteed floating-income product	RMB170,023,859	23,751	23,777
9.	CITIC Securities Company Limited	Non-guaranteed floating-income product	RMB195,000,000	27,240	27,256
10.	JPMorgan Chase Bank	Money Market Fund	US\$91,500,000	91,500	92,362
11.	JPMorgan Asset Management (Europe) S.à r.l.	Money Market Fund	US\$18,000,000	18,000	18,050
12.	JPMorgan Chase Financial Company LLC	Credit Linked Notes	US\$33,000,000	33,000	33,964
13.	J.P. Morgan Structured Products B.V.	Credit Linked Notes	US\$44,000,000	44,000	45,821
14.	J.P. Morgan Structured Products B.V.	Credit Linked Notes	US\$10,000,000	10,000	10,567
15.	CMB International Capital Corporation Limited	Money Market Fund	US\$18,025,986	18,026	18,599
16.	CMB International Capital Corporation Limited	Non-guaranteed floating-income product	US\$74,999,500	75,000	75,969
Total				531,998	541,141

* The above wealth management financial products have been already aggregated based on issuing banks/financial institutions and underlying financial products.

(b) Information in relation to the unlisted equity instruments as at June 30, 2025 are set out as follows:

Name of investee company/fund	Principal business or investment scope	Nature of investment	Number of shares/units/ amount of investments held	Percentage of total share capital/units owned by the Group as at June 30, 2025 %	Investment Cost US\$'000	Fair value as at June 30, 2025 US\$'000	Percentage to the Group's total assets as at June 30, 2025 %	Unrealised gain/(loss) on changes in fair value during the six months ended June 30, 2025 US\$' 000
Yuanming Prudence SPC – Healthcare Fund I Segregated Portfolio	Fund investment	Investment in fund/securities	486.43	0.28	219	212	0.01	(40)
Panacea Venture Healthcare Fund I, L.P.	Fund investment	Investment in fund/securities	Not applicable	5.54	9,370	8,165	0.15	38
Shenzhen Emma Biotechnology Co., Ltd. (深圳艾碼生物科技有限公司)	Equity investment	Investment in corporation	Not applicable	3.96	1,118	1,606	0.03	-
AffyXell Therapeutics Co., Ltd.	Equity investment	Investment in corporation	113,637	0.97	810	535	0.01	-
Fund A**	Fund investment	Investment in fund/securities	Not applicable	40.24	3,574	3,564	0.06	108
Fund B**	Fund investment	Investment in fund/securities	Not applicable	90.91	3,833	4,435	0.08	391
7G BIOVENTURES I, L.P.	Fund investment	Investment in fund/securities	Not applicable	29.56	4,500	3,652	0.07	(109)
Hanx Biopharmaceuticals (Wuhan) Co., Ltd.	Equity investment	Investment in corporation	180,402	1.53	2,993	2,989	0.05	-
Total					26,417	25,158	0.46	388

**The Company is subject to strict confidentiality obligations under which the name of the fund cannot be disclosed to any third party. As at the date of this announcement, to the best knowledge of the Company, each of the general partners, limited partners, and their ultimate beneficial owners of Fund A and Fund B is an independent third party who is, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, independent of and not connected with the Company and the connected person(s) (as defined in the Listing Rules) of the Company.

(Note) Given the value of investment in each financial asset at fair value through profit or loss does not constitute a notifiable transaction of the Company pursuant to Chapter 14 of the Listing Rules, as the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules), whether on a standalone or aggregate basis, are less than 5.0% of the total assets of the Group as of June 30, 2025, the Company has not prepared any analysis on their prospects.

During the Reporting Period, we recorded the investment gains on the financial assets at fair value through profit or loss of approximately US\$1.3 million and fair value gains at approximately US\$6.9 million.

Save as disclosed above, the Group did not have any other significant investments held as at June 30, 2025, or engage in any material acquisitions or disposals of subsidiaries and associated companies during the Reporting Period.

Bank loans

As at June 30, 2025, the Group had short-term interest-bearing loans from Citibank, HSBC China, China Merchants Bank, China CITIC Bank and Bank of China, respectively, for a total amount of approximately RMB939.9 million (equivalent to approximately US\$131.3 million), with fixed interest rates ranging from 2.25% to 2.60% per annum. These loans were used for the daily operation of subsidiaries located in Mainland China, of which approximately RMB350.8 million (equivalent to approximately US\$49.0 million) is secured by credit.

As at June 30, 2025, Zhenjiang ProBio Biotech Co., Ltd. (鎮江蓬勃生物科技有限公司) (“**ProBio Zhenjiang**”) had long-term interest-bearing loans due within one year from China Construction Bank and Jiangsu Bank for a total amount of approximately RMB129.2 million (equivalent to approximately US\$18.0 million), with a floating interest rate at LPR (“**Loan Prime Rate**”) minus 0.6% per annum, which were secured by the leasehold land held by ProBio Zhenjiang. Such loans were used for the facility construction of ProBio Zhenjiang. These loans were repaid and the leasehold land was released from pledge in July 2025.

As at June 30, 2025, the Group had short-term interest-bearing loans from China Merchants Bank in amount of approximately RMB20.7 million (equivalent to approximately US\$2.9 million) with a fixed interest rate at 1.95% per annum. Such loans were derived from discounting of bank notes.

As at June 30, 2025, the Group had a short-term interest-bearing loan from China Merchants Bank in amount of approximately RMB23.2 million (equivalent to approximately US\$3.2 million) with a fixed interest rate at 1.9% per annum. Such a loan was derived from issuance of letters of credit.

Save as disclosed above, the Group did not have any other outstanding, unpaid bank loans and/or other borrowings.

Provision, contingent liabilities and guarantees

The Group did not have any material provision, contingent liabilities or guarantees as at June 30, 2025.

No material adverse change

The Directors confirm that there has been no material adverse change in the financial or trading position of the Group from the information disclosed under “Management’s Discussion and Analysis” in the Company’s annual report for the year ended December 31, 2024 up to the date of this announcement.

Charges on group assets

As at June 30, 2025, the leasehold land located in Jiangsu, China of approximately RMB34.6 million (equivalent to approximately US\$4.8 million) was pledged by ProBio Zhenjiang to secure a loan of approximately RMB129.2 million (equivalent to approximately US\$18.0 million). This pledge was released in July 2025.

As at June 30, 2025, bank balances of approximately US\$8.8 million were pledged as guarantee of certain financial products, of approximately US\$12.9 million were pledged as security deposits for rentals, and of approximately US\$1.0 million were pledged for the letters of guarantee to suppliers.

As at June 30, 2025, the properties acquired by Jiangsu GenScript Biotech Co., Ltd.* (江蘇金斯瑞生物科技有限公司) and ProBio Zhenjiang amounted to approximately RMB226.6 million (equivalent to approximately US\$31.7 million) were pledged to an affiliate of the Series B Investor of ProBio (as defined in the announcement of the Company dated July 4, 2022) so as to secure the performance of the redemption obligation of the Company and ProBio Cayman. Please refer to the announcements of the Company dated June 29, 2022 and July 4, 2022 for details.

Save as disclosed above, the Group did not have any other material charges over its assets as at June 30, 2025.

Subsequent events

Since June 30, 2025 and up to the date of this announcement, no important events affecting the Company occurred.

Future plans for material investments or capital assets

For life-science services and products, to solidify our position as an industry leader, the Group plans to continue expanding our manufacturing footprint in the U.S., Singapore, and Mainland China, including (i) expansion of molecular biology and protein production capabilities globally, (ii) enhancement of GMP-grade manufacturing capacity to support key reagent production in the cell and gene therapy (“CGT”) supply chain, and (iii) improve reliability, quality and cost effectiveness of our products and services through continuous lean management and process automation. In addition, to reinforce our leadership as a science-first, customer-centric brand, we are executing a global brand transformation that includes the launch of a unified visual identity, a hyper-targeted and enhanced user experience and an omni-channel always-on communications approach. This initiative is already elevating brand preference, amplifying our voice in the industry, and enabling tighter integration between marketing, sales, and service excellence.

For biologics development services, the Group continues to enhance its service portfolio with the successful launch of GMP Plasmid in March 2025 and the upcoming introduction of adeno-associated viruses(AAV) capabilities in the third quarter of 2025. We remain deeply committed to the U.S. market, with significant investments underway—including GMP lentiviral vector (LVV) capabilities scheduled to launch in the first quarter of 2026. These strategic expansions further solidify the Company’s position as a global leader in CGT. Besides, we will continuously invest in asset out-licensing or New Molecule Entity (NME) model, leveraging our strong capabilities and comprehensive technology platforms with solid track-record in antibody drug discovery, engineering and manufacturing. We’ve successfully developed a rare and highly demanded cluster of differentiation 3 (CD3) single-domain antibody (VHH) with cynomolgus monkey cross reactivity, allowing for accelerated construction of T cell engager (“TCE”) molecules. In addition, we also have some other developed single-domain antibodies (sdAbs), monoclonal antibodies (mAbs), and bispecific antibodies (BsAbs) with great potential for out-licensing, which may potentially boost ProBio’s revenue generation in the upcoming years.

For industrial synthetic biology products, the Group plans to further optimise our manufacturing facility and expand manufacturing capacity in Mainland China, in order to support the growing business needs in the future. We are also planning to expand our synthetic biology laboratories in order to enhance our R&D capabilities.

The Group also plans to invest in upgrading supply chain and IT infrastructures as well as other supporting functions to improve operating efficiency and accommodate the strong business growth.

Save as disclosed above, there was no other specific plan for material investments or capital assets as at June 30, 2025.

The Group has sufficient resources in the form of cash and cash equivalents, time deposits and other financial assets to support the planned capital investments.

RISK MANAGEMENT

Foreign exchange risk

The Group conducts business in several countries and regions and transacts in multiple foreign currencies. The Group seeks to limit its exposure to foreign currency risk by closely monitoring and minimising its cash outflow position of non-U.S. dollars. Since January 2019, the Group has engaged in a series of forward and option contracts to manage the Group's currency risk, which are usually placed and adjusted quarterly. The Group may choose not to hedge certain foreign exchange exposures due to immateriality, prohibitive economic cost of hedging particular exposures, or limited availability of appropriate hedging instruments. The Group currently focuses on the management of our exposure to foreign exchange risk in relation to RMB, aiming to control foreign exchange risk to an acceptable level by ensuring that the Group will only consider hedging operational flows. The Group attempts to limit counterparty risk by executing foreign exchange contracts with only reputable financial institutions and banks.

As at June 30, 2025, the Group had no outstanding foreign currency forward or option contracts (as at December 31, 2024: approximately US\$8.2 million in respect of U.S. dollar against RMB of notional principal). The management of the Company will continue to evaluate the Group's foreign exchange risk management procedures and take actions as appropriate to minimise the Group's exposure whenever necessary.

The foreign currency forward and option contracts are derivatives and are recorded at fair market value. The changes in fair value of them were recognised in the consolidated statement of profit or loss. All of the foreign currency forward and option contracts were settled within one year.

Cash flow and fair value interest rate risk

As at June 30, 2025, other than bank balances with variable interest rates and time deposits with fixed interest rates, the Group has financial products of approximately US\$532.0 million related to fair value interest rate risk. The Group is also exposed to fair value interest rate risk in relation to lease liabilities and cash flow interest rate risk in relation to variable-rate bank loans. The Company currently does not enter into any hedging instrument for both of the fair value interest rate risk and cash flow interest rate risk.

The sensitivity analysis for fair value interest rate risk is prepared on the exposure to financial assets at the end of the Reporting Period. If the interest rates had been 50 basis points higher or lower and all other variables were held constant, our pre-tax loss would have been approximately US\$1.3 million lower or higher for the Reporting Period.

The sensitivity analysis for cash flow interest rate risk is prepared on the exposure to interest rates for interest-bearing bank loans at the end of the Reporting Period. If the interest rates had been 50 basis points higher or lower and all other variables were held constant, our pre-tax loss would have been approximately US\$0.4 million higher or lower for the Reporting Period.

Credit Risk

The carrying amounts of cash and cash equivalents, trade and other receivables and other current assets are the Group's maximum exposure to credit risk in relation to its financial assets. The objective of the Group's measures to manage credit risk is to control potential exposure to recoverability problems.

In respect of trade and other receivables, individual credit rating is performed on customers and counterparties. These evaluations focus on the counterparty's business performance, including but not limited to, financing activities, financial position, market economic environment, and past history of payment punctuality. Prepayment requirement is determined and credit limit is granted based on the credit rating and historical contracting amount, which will be reviewed quarterly. Monitoring procedures have been implemented to ensure that follow-up actions will be taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual transaction and account's revenue volume, outstanding balances, long-time past due invoices and payment records monthly to ensure that adequate impairment losses are made for irrecoverable amounts.

Risk Related to geopolitical factors, international trade agreements, tariffs and import/export regulations and export control and sanctions

In recent years, there have been more material uncertainties arising from geopolitical factors, including international trade agreements, tariffs and import/export regulations as well as export control and sanctions. In order to mitigate this risk, the Group has continuously diversified the global manufacturing footprint and supply chain partners.

(i) Change in tariff, export & import regulations

US-China trade tension remains palpable. Recently, both the China and the U.S. imposed new tariff on goods from the other. If additional burdens or restrictions were imposed on international trade that negatively affect the ability of both countries to import and export goods and services, it may lead to a decline in material supply and demand of the Group's services. In order to mitigate this, the Group has continuously increased the layout of global service capacities.

(ii) Export controls and economic sanctions

As the international trade regulatory environment in the United States, Europe and other countries/regions grows increasingly tightened, additional regulatory measures may be imposed by sanctions, import and export controls, and other trade control laws and regulations in the U.S. and abroad. We have been keeping a close eye on the change of the regulatory rules from various regulatory authorities/jurisdictions and constantly updating and improving our programs and policies to mitigate the potential compliance risks.

To mitigate aforesaid risks, effective from February 5, 2025, the Board has established the Sub-Committee on Data Security and Geopolitical Resilience (as a sub-committee of the Risk Management and ESG Committee) for the purpose of, among others, supporting the Board in reviewing the effectiveness of the Company's risk management in respect of geopolitical risks and other relevant risks. The Group is aware of and has continuously kept monitoring the latest development of the trend and adopted appropriate measures accordingly.

IMPORTANT EVENTS

As of June 27, 2025, Nanjing ProBio Biotech Co., Limited* (南京蓬勃生物科技有限公司) and Zhenjiang ProBio had received payments of approximately US\$213.8 million (after withholding taxes) under a restated and amended license agreement (the “**License Agreement**”) with LaNova. These payments comprise: (i) an upfront payment, (ii) a milestone payment for the first milestone achieved; and (iii) a sublicense revenue in connection with the sublicense of anti-PD-1 single domain antibody licensed under the License Agreement, which has been incorporated into LM-299, an investigational PD-1/VEGF bispecific antibody developed by LaNova that has obtained investigational new drug (IND) clearance. Please refer to the announcements of the Company dated November 15, 2024 and June 30, 2025.

During the Reporting Period, our life science services and products business initiated a bold global brand transformation, culminating in the launch of our new brand identity and positioning under the theme “Scripting Possibilities.” This marks a milestone moment in GenScript’s evolution—modernizing our presence, amplifying customer relevance, and signaling our ambition to shape the future of biotech. The global launch was celebrated on August 8, 2025 across our global sites. This historic moment positions us to expand influence across strategic markets and stand tall as a trusted, purpose-driven leader in life science industry.

PROSPECTS

The life science business remains as the foundation of the Group’s success. Since our inception in 2002, we have continuously innovated and revolutionized our services to enhance accessibility, affordability, and high-quality for scientists worldwide. Having served over 230,000 customers across over 100 countries, we have made a profound impact in vaccine development, antibody therapeutics, CGT, diagnostics, and agriculture. Moving forward, we will continue to enhance our leadership through well-defined, market-driven initiatives. We will reinforce our commitment to advancing science and expanding our global footprint while fostering an agile and high-performing marketing organisation.

With the new capacity now operational in the U.S. and key milestones achieved, ProBio is strategically positioned to capitalise on the returning funding momentum in the U.S. and European market by strengthening our presence and deepening client partnerships. Simultaneously, we view the vibrant licensing activity in Asia-Pacific as a key catalyst to provide resilient growth pathway. Our diversified capabilities and global platform uniquely allow us to navigate regional uncertainties and reinforce our confidence in sustainable growth.

After years of dedicated efforts on product optimisation and production efficiency improvements, Bestzyme has successfully achieved healthy growth and profitability. We are also developing new synthetic biologic products to explore potential business opportunities in new areas. We believe synthetic biology will serve more industrial applications with health and environmental benefits.

The Company retains a substantial interest in Legend following its deconsolidation. We anticipate holding our investment in Legend for the long term, as we believe that Legend’s operation will generate greater value for the Company and Shareholders in the future.

EMPLOYEES AND REMUNERATION POLICIES

As at June 30, 2025, the Group had a total of 5,769 employees, of which 9.5% were engaged in R&D roles. The Group had entered into employment contracts covering positions, employment conditions and terms, compensation, responsibilities for breach of contractual obligations, and reason for termination with its employees. The remuneration package of the Group's employees includes basic salary, subsidies, other employee benefits, short-term and long-term incentives, which are determined with reference to their capability, responsibility, performance, and other general factors.

During the Reporting Period, the Group's total expenses (excluding equity-settled share-based compensation expense) on the remuneration of employees (including the Directors and the chief executives) was approximately US\$143.0 million, representing approximately 45.4% of the total revenue (excluding license revenue) of the Group, which was mainly due to that the Group views this as the necessary long-term investment in our talents pool. This investment has demonstrated the Group's desires and resolutions to continue to strengthen its talent uplifting strategy. This talent uplifting strategy not only involves the recruitment of experienced professional and managerial personnel to fulfill the front-line posts of R&D, commercial and production functions, but also systematically increases the overall salary and benefits packages to sustain the stability of the employees to drive for long-term commitment and performance improvement as well. The Group's remuneration policy and structure for remuneration of the Directors and senior management of the Group are based on the Group's operating results, individual performance and comparable market statistics and are reviewed by the remuneration committee of the Company (the "**Remuneration Committee**") periodically.

The remuneration of the independent non-executive Directors is recommended by the Remuneration Committee and is decided by the Board, while the remuneration of the executive Directors and senior management members of the Group is determined by the Remuneration Committee, having regard to their merit, qualifications and competence, the Group's operating results and comparable market statistics.

SHARE SCHEMES

Share Option Schemes

The Company adopted the pre-IPO share option scheme (the "**Pre-IPO Share Option Scheme**") on July 15, 2015 and the post-IPO share option scheme (the "**Post-IPO Share Option Scheme**", together with the Pre-IPO Share Option Scheme, the "**Share Option Schemes**") on December 7, 2015 (as amended on June 21, 2024).

No further options have been granted pursuant to the Pre-IPO Share Option Scheme since the listing of Company on the Stock Exchange. During the Reporting Period, no options have been granted under the Post-IPO Share Option Scheme.

Restricted Share Award Schemes

The Company adopted the restricted share award scheme (the “**2019 RSA Scheme**”) on March 22, 2019 (as amended on June 21, 2024) and the restricted share award scheme on August 23, 2021 (as amended on May 26, 2022 and June 21, 2024) (the “**2021 RSA Scheme**”, together with the 2019 RSA Scheme, the “**RSA Schemes**”).

During the Reporting Period, 624,540 restricted shares were granted and accepted under the 2019 RSA Scheme on June 11, 2025. Please refer to the announcement of the Company dated June 11, 2025 for details. Save as disclosed, no other restricted shares have been granted under the 2019 RSA Scheme during the Reporting Period.

During the Reporting Period, 6,777,120 restricted shares were granted under the 2021 RSA Scheme on June 11, 2025. Please refer to the announcements of the Company dated June 11, 2025 for details. Among 6,777,120 restricted shares granted on June 11, 2025, a total of 306,616 restricted shares were not accepted by the relevant grantees. Save as disclosed, no other restricted shares have been granted under the 2021 RSA Scheme during the Reporting Period.

For details regarding the share schemes adopted by the Company, please refer to the section headed “Share Schemes” of the Company’s interim report.

DIRECTORS’ INTERESTS IN COMPETING BUSINESS

During the Reporting Period, neither the Directors nor any of their close associates had any interests in any business which competed or was likely to compete, either directly or indirectly, with the business of the Group.

PUBLIC FLOAT

Based on information publicly available to the Company and within the knowledge of the Directors, the Directors confirmed that the Company had maintained a sufficient public float of more than 25% of the Company’s issued share capital as required under the Listing Rules as at the date of this announcement.

INTERIM DIVIDEND

The Board resolved not to declare any interim dividend for the Reporting Period.

PURCHASE, REDEMPTION OR SALE OF THE LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the 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.

The Company has complied with all the applicable code provisions as set out in the CG Code during the Reporting Period and up to the date of this announcement.

The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted its own Code for Securities Transaction by Directors and Specified Individuals (the “**Model Code**”) on terms no less exacting than the required standard set out in the Model Code as set out in Appendix C3 of the Listing Rules. Specific inquiry has been made to all the Directors and each of the Directors has confirmed that he/she has complied with the Model Code during the Reporting Period.

The Model Code is also applicable to the Company’s 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. No incidents of non-compliance with the Model Code by the Directors and the relevant employees of the Company were noted by the Company during the Reporting Period.

AUDIT COMMITTEE

The Company has established an audit committee (the “**Audit Committee**”). The Audit Committee currently comprises three members, namely Mr. Yiu Leung Andy Cheung (chairman), Dr. Alphonse Galdes and Mr. Ethan Pan. The principal duties of the Audit Committee are (i) to review and monitor the Company’s financial reporting system, risk management and internal control systems, (ii) to maintain the relations with the external auditor of the Company, and (iii) to review the financial information of the Company.

The Audit Committee has, together with the management, reviewed the accounting principles and practices adopted by the Group’s unaudited condensed consolidated interim results for the six months ended June 30, 2025.

REVIEW OF INTERIM RESULTS

The Audit Committee has reviewed the unaudited interim results of the Group for the six months ended June 30, 2025 and was of the opinion that such interim results had been prepared in accordance with the relevant accounting standards, laws and regulations, and that adequate disclosures have been made in accordance with the requirements of the Listing Rules.

PUBLICATION OF THE UNAUDITED INTERIM CONDENSED CONSOLIDATED RESULTS AND INTERIM REPORT FOR THE REPORTING PERIOD ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This unaudited interim condensed consolidated results announcement for the Reporting Period is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.genscript.com), and the interim report for the Reporting Period containing all the information required by the Listing Rules will be dispatched to the Shareholders and will be published on the respective websites of the Stock Exchange and the Company in due course.

ACKNOWLEDGEMENT

The steady development of the Group has always been trusted and supported by the Shareholders, investors and business partners of the Company as well as the loyalty of our staff members. On behalf of the Board, I express my heartfelt gratitude.

By order of the Board
Genscript Biotech Corporation
Robin Meng
Chairman and Executive Director

Hong Kong, August 17, 2025

*As at the date of this announcement, the executive Directors are Mr. Jiange Meng (“**Mr. Robin Meng**”), Dr. Fangliang Zhang (“**Dr. Frank Zhang**”), Dr. Li Zhu and Ms. Ye Wang (“**Ms. Sally Wang**”); and the independent non-executive Directors are Dr. Alphonse Galdes, Mr. Yiu Leung Andy Cheung (“**Mr. Andy Cheung**”), Mr. Jiuan Pan (“**Mr. Ethan Pan**”), Dr. John Quelch, Dr. Ross Grossman, and Dr. Chenyang Shi (“**Dr. Victor Shi**”).*