

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

PROFIT WARNING

This announcement is made by GenScript Biotech Corporation (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to update the shareholders of the Company (the “**Shareholders**”) and potential investors of the Company on the Company’s financial performance for the year ended 31 December 2025 (the “**Reporting Period**”) based on the preliminary assessment of the latest unaudited management accounts of the Group and the information currently available.

- (1) The adjusted net profit of the Group^(Note 1) from continuing operations for the Reporting Period is expected to record of approximately US\$207.3 million to US\$241.9 million, as compared to approximately US\$59.8 million for the year ended 31 December 2024 (the “**Prior Period**”), representing an increase from 246.5% to 304.3%. The expected increase in the adjusted net profit of the Group was mainly derived from the growth in license revenue.

The Group is expected to record license revenue of approximately US\$256.1 million to US\$298.8 million, as compared to approximately US\$2.4 million for the Prior Period. The increase of license revenue was mainly caused by the sublicense revenue generated from LaNova Medicines Ltd. (“**LaNova**”). For details of payments received from LaNova, please refer to the announcements of the Company dated 30 June 2025 and 14 October 2025 for details.

- (2) Investment into the cell therapy business: The Group is expected to record the non-cash share of loss from Legend Biotech Corporation (“**Legend**” or “**Legend Group**”) of approximately from US\$304.4 million to US\$352.4 million and the impairment of the investment in Legend of approximately from US\$378.2 million to US\$437.9 million.

^(Note 1) The adjusted net profit of the Group 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 of foreign currency forward and option contracts; (iv) impairment losses of long-lived assets; (v) exchange gains or losses, (vi) fair value losses of non-current financial assets; (vii) unrealised finance costs for equity financing activities; (viii) share of loss from Legend Group and service fees for Deconsolidation; and (ix) impairment of the investment in Legend Group.

Legend, whose shares are listed by way of American Depositary Shares (“ADS”) on the Nasdaq Global Select Market in the United States, was deconsolidated from the Group (the “**Deconsolidation**”), effective from 18 October 2024 (the “**Deconsolidation Date**”) and was reclassified as a material associate of the Company since then. After the Deconsolidation Date, the Company recorded its share of Legend’s profit/loss using equity method.

The price of Legend ADS as at 31 December 2025 represented a significant decline as compared with the price as at the Deconsolidation Date. Under Hong Kong Accounting Standard 28 *Investments in Associates and Joint Ventures* and Hong Kong Accounting Standard 36 *Impairment of Assets*, such decline is considered as an impairment indicator, which triggered an impairment assessment on the Group’s investment in Legend.

As at the date of this announcement, the Company is expected to record an impairment loss of approximately from US\$378.2 million to US\$437.9 million in its annual results for the Reporting Period. The potential impairment loss is a non-cash accounting item that has no material adverse impact on the cash position or liquidity of the Group for the Reporting Period.

- (3) The Group is expected to record a loss of approximately US\$505.8 million to US\$585.6 million for the Reporting Period, as compared to a profit of approximately US\$2.9 billion for the Prior Period. The expected turnaround from profit to loss is primarily due to the high base effect created in the Prior Period, which included a one-time unrealised gain of approximately US\$3.2 billion arising from the Deconsolidation.

Excluding the impact of this one-time gain in the Prior Period and information included in item (1) and (2) above, the Group’s profitability remained resilient.

The adjusted net loss of Legend for the Reporting Period was significantly narrowed to US\$33.1 million from US\$188.8 million for the Prior Period. For details, please refer to the financial results of Legend for the fourth quarter and the year ended 31 December 2025 available on the website of Legend at <https://investors.legendbiotech.com/press-releases>.

The Company would like to emphasize to its Shareholders and potential investors that it remains optimistic regarding the long-term prospects and future value creation potential of Legend, notwithstanding short-term market pressures reflected in the recent impairment assessment.

The information contained in this announcement can only be treated as a preliminary assessment by the Board based on the latest unaudited management accounts of the Group and the information currently available, which are subject to finalisation and other potential adjustments, and is not based on any figures or information that has been audited, confirmed or reviewed by the auditor of the Company. Shareholders and potential investors of the Company are advised to read the annual results announcement of the Company for the year ended 31 December 2025, which is expected to be published before the end of March 2026.

Shareholders and potential investors of the Company are advised to pay attention to investment risks and exercise caution when they deal or contemplate dealing in the securities of the Company.

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

Hong Kong, 10 March 2026

*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**”).*