SinoMab BioScience Limited
中國抗體製藥有限公司
(Incorporated in Hong Kong with limited liability)
(Stock code: 3681)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025; AND CHANGE IN USE OF PROCEEDS

The board (the "**Board**") of directors (the "**Director(s)**") of SinoMab BioScience Limited (中國抗體製藥有限公司) (the "**Company**" together with its subsidiaries, the "**Group**") hereby announces the audited consolidated annual results of the Group for the year ended 31 December 2025 (the "**Reporting Period**"), together with the comparative figures of the year ended 31 December 2024. The consolidated financial statements of the Group for the Reporting Period, including the accounting principles adopted by the Group, have been reviewed by the audit committee of the Company (the "**Audit Committee**") and audited by the Company's auditor. Unless otherwise specified, figures in this announcement are prepared in accordance with HKFRS Accounting Standards.

In this announcement, "we", "us" and "our" refer to the Company and where the context otherwise requires, the Group.

BUSINESS HIGHLIGHTS

We are a biopharmaceutical company dedicated to the research and development, production and commercialisation of novel drugs for the treatment of immunological diseases.

During the Reporting Period, we achieved significant progress with respect to the Group's clinical trial programs, pipeline development and preparation of commercialisation, including the following:

- Our key product, SM17, a global first-in-class humanised monoclonal antibody targeting the receptor for IL-25 — Positive topline results for a Phase 1b study on moderate-to-severe atopic dermatitis ("**AD**") patients were published on 7 April 2025. Based on the topline results, SM17 demonstrates its competitive advantages as the first AD biologics with dual efficacy in pruritus relief and skin-healing. SM17 also initiated a Phase 1 bridging study in healthy volunteers evaluating subcutaneous administration in October 2025 and follow-up visits were completed in February 2026. An Investigational New Drug application for the treatment of patients with inflammatory bowel disease (IBD) was accepted by the Center for Drug Evaluation of the National Medical Products Administration ("**NMPA**") in December 2025 and was subsequently approved by the NMPA in February 2026.

- Our flagship product, SM03 (Suciraslimab), a global first-in-class anti-CD22 monoclonal antibody — Achieved groundbreaking preclinical results in July 2025 from *in vivo* studies for the treatment of systemic lupus erythematosus ("**SLE**"), showing promise in a murine model for alleviating proteinuria and potentially lupus nephrities (LN). The novel mechanism of Suciraslimab confers three key competitive advantages by "B Cell Modulation Without Depletion", "Dual Mechanism and Dual Regulation" and "Organ Protection" in the treatment of SLE.

- Strategic Collaboration – Entered into a comprehensive strategic cooperation agreement with Sun Yat-sen University Institute of Advanced Studies Hong Kong Limited ("**SYSU-IAS**") in August 2025 to leverage the combined strengths of the Company and SYSU-IAS to accelerate the development of innovative drugs and promote the translation of scientific research into clinical applications worldwide.

FINANCIAL HIGHLIGHTS

- Loss for the year was approximately RMB105.0 million, decreased by RMB80.1 million from RMB185.1 million for the year ended 31 December 2024. The Company focused on SM17 Phase 1b clinical, transformation bridging study and preparation of Phase 2 clinical trial in 2025, of which the cost was less than large scale clinical studies in 2024.

- As at 31 December 2025, total funding available to use including cash and cash equivalents, pledged and restricted deposits and wealth management products is RMB351.5 million, compared to RMB141.4 million as at 31 December 2024.

- The Company completed subscriptions of 112,810,817 new shares in May 2025 and 182,072,400 new shares in August 2025 under general mandate, raised net proceeds of approximately of HK$124.0 million and HK$369.5 million respectively. Net cash flows from financing activities for the Reporting Period was approximately RMB329.4 million, which was mainly due to the net proceeds from new shares subscription.

- The Board does not recommend payment of a final dividend for the Reporting Period.

BUSINESS OVERVIEW

Since our establishment, our unwavering commitment to innovation, differentiation, and strategic growth continues to drive us forward, positioning us as a pioneer in the development of transformative therapies focused on autoimmune diseases, neurodegenerative diseases, and other debilitating diseases, as well as committing to addressing unmet medical needs.

During the year 2025, our key product SM17, the global first-in-class humanised monoclonal antibody ("**mAb**") which targets the receptor of interleukin 25 (IL-25), has demonstrated great potential for treating atopic dermatitis ("**AD**"), asthma, idiopathic pulmonary fibrosis ("**IPF**"), inflammatory bowel disease ("**IBD**") and other immunological disorders.

In April 2025, SM17 achieved encouraging positive results in a Phase 1b study in China for the treatment of moderate to severe atopic dermatitis (AD): 12-week topline data after unblinding showed that in the high dose group, 91.7% of patients achieved pruritus relief (NRS-4), 75% achieved skin healing (EASI 75), and 41.7% achieved clear or almost clear signs of AD (IGA0/1). These results significantly outperform IL-4/IL-13 monoclonal antibodies and demonstrate a significantly better safety and tolerability profile than Janus Kinase inhibitors (JAK inhibitors), making SM17 potentially the first-in-class and best-in-class therapeutics which can simultaneously achieve rapid onset of action on pruritic relief, skin healing with a good safety profile. Study results of SM17 were published in various leading international journals. Phase 2 clinical trial for AD is expected to be entered into as early as mid-2026.

During the second half of the year, SM17 has further achieved a breakthrough on indication expansion. On 11 December 2025, an Investigational New Drug application ("**IND**") for SM17 in the indication of IBD was filed with and accepted by the Center for Drug Evaluation (the "**CDE**") of the National Medical Products Administration of China ("**NMPA**"), and the IND was subsequently approved in February 2026. This IND submission represents an important step toward expanding SM17's therapeutic scope beyond AD to IBD, including Crohn's disease ("**CD**") and ulcerative colitis ("**UC**"), which are chronic, debilitating conditions with significant unmet medical needs. In October 2025, the first cohort of healthy subjects was dosed in a Phase 1 bridging clinical trial for the route of administration conversion in China. As of 31 December 2025, a total of 30 healthy subjects had been enrolled and our follow-up visits for all healthy subjects were completed in February 2026. This bridging study is expected to be completed by the second quarter of 2026. Data from this study will be leveraged to support the progression of the IBD indication directly to Phase 2 clinical development.

During the year 2025, our anti-CD22 mAb candidate SM03 (Suciraslimab), achieved preclinical results from *in vivo* studies for the treatment of systemic lupus erythematosus ("**SLE**") while its potential superiority over existing drugs in improving proteinuria and renal pathology in lupus nephritis ("**LN**") has also been found. Suciraslimab adopts a novel mechanism of action, which differentiates itself from the current treatments available in the market. As a monoclonal antibody targeting CD22, a sialic acid-binding transmembrane protein primarily expressed on B cells, Suciraslimab leverages its unique mechanism *in vivo* studies for the treatment of SLE by modulating the autoimmune network through B cell regulation and interaction with other immune effectors like T cells, with multi-organ benefits. It addresses unmet needs in SLE treatment, such as long-term safety and organ protection, particularly showing promise in a murine model for alleviating proteinuria and potentially LN.

While advancing the clinical development of SM17 and Suciraslimab, we persistently put efforts into early discovery to expand our pipelines with global first-in-class and best-in-class potential to treat autoimmune diseases. During the year 2025, we've made significant progress from preclinical studies of two new drug candidates, an anti-CGC antibody and a bispecific antibody, to treat alopecia areata, vitiligo, and other autoimmune diseases, respectively.

Seeking opportunities to license out our pipeline assets is the Company's core strategy. During 2025, our management team has been actively participating in global healthcare conferences, including but not limited to the J.P. Morgan Healthcare Conference, where we received overwhelmingly positive feedback on our drug candidates, especially on SM17, from potential partners, leading pharmaceutical companies, and capital market participants. Our out-licensed key product SN1011 (in the field of treatment of renal diseases) had also made an advancement in its clinical study. Positive results were released by Everest Medicines (as defined below) in June 2025 of its ongoing Phase 1b/2a clinical trial of EVER001 (known as SN1011 in the Company's product pipeline) at the European Renal Association (ERA) 2025 for the treatment of primary membranous nephropathy (PMN).

To further enhance our R&D capabilities, in August 2025, we entered into a comprehensive strategic cooperation agreement with Sun Yat-sen University Institute of Advanced Studies Hong Kong Limited ("**SYSU-IAS**"). Through this agreement, we have established a mutually beneficial framework to accelerate the development of innovative drugs and promote the translation of scientific research into clinical applications worldwide. Under the cooperation agreement, the Company enjoys direct access to SYSU-IAS's comprehensive laboratory facilities and valuable data resources, as well as access to primate and non-primate animal studies supply resources. These are key elements in promoting novel drug innovation and the Company's R&D development sustainability. Furthermore, to improve new drug R&D efficiency and shorten the development cycle, we are actively exploring the feasibility of using artificial intelligence (AI) technology for new target identification.

During the year, the Company also successfully raised an aggregate amount of HK$493.7 million through subscriptions. This successful capital raising serves as a strong recognition from our investors and shareholders of the Company's positive developments and future prospects.

With the support of our strong R&D capabilities, extensive pipeline assets and refined operational management, we are thrilled to obtain renowned awards during the year, including the 2nd "New Quality Productive Forces Enterprise Award" jointly presented by the Greater Bay Area Family Office Association and the Hong Kong International Family Office Association, as well as the "Most Valuable Pharmaceutical Company Award" presented by Zhitong Finance.

OUTLOOK

In 2025, we saw a remarkable sign of the growing presence of China's biotech companies in the global biopharma ecosystem. China's biotech companies are no longer merely "R&D supplements" for multinational pharmaceutical companies, but have become "growth engines" empowering their businesses. In 2025, China's biotech companies' out-licensing deals more than doubled from a year earlier to a record high, propelled by dozens of multibillion-dollar agreements between China's biotech companies and global pharmaceutical giants. According to the statistical data released by the NMPA on 3 January 2026, 157 out-licensing deals worth US$135.7 billion were signed, compared with 94 transactions worth US$51.9 billion in 2024, showing a rapid growth of out-licensing deals in China's biopharmaceutical industry with great contribution potential to global biopharma ecosystem in the future. The growing trend of out-licensing deals in China is expected to carry forward in 2026 and we are well positioned to capture this opportunity as our strong pipeline profile with outstanding first-in-class and best-in-class potentials.

Relying on a strong foundation in manufacturing and extensive supply chain, together with favourable government policies on China's biopharmaceutical industry, we believe that China's biopharma innovation ecosystem will continue to evolve rapidly in 2026. Moreover, reforms in domestic medical ecosystem and commercial medical insurance for innovative drugs are expected to provide new funding and new growth momentum for the development of domestic biopharma. These reforms have transformed China's pharmaceutical ecosystem, enhancing R&D efficiency through shortened development cycles, increasing capital inflows into biopharmaceutical innovation and growing global market penetration of domestically developed therapies. As the industry continues to mature, China is poised to emerge as a leading hub globally for innovation-driven clinical development. As the first Hong Kong-based listed biopharmaceutical company, we strive to become a leading global biopharmaceutical company for the development of novel drugs and life-changing therapies to fulfill unmet medical needs through the integration of our Hong Kong-based innovative R&D team and the PRC-based manufacturing capabilities.

Looking ahead to 2026, the biotechnology and biopharmaceutical industries will still undergo a profound transformation. Building on traditional expertise in experimental medicine and breakthroughs in molecular biology (molecular medicine), the industry has been entering its third revolution — the "Biotech 3.0 Era", which is characterised by innovation-driven development, multidisciplinary integration, and intelligent, precision-driven processes across the entire supply chain. We are well-positioned to leverage this era's opportunity for strategic growth. By adhering to the principle of differentiated innovation, we are prioritising our R&D efforts on "first-in-class" and "best-in-class" novel therapeutics for immunological diseases, creating great momentum to facilitate the Company's potential out-licensing deals and long-term stable development with unique position, maximizing the returns of shareholders in the future.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in research and development of pharmaceutical products.

The operating performance and the progress of the Group's clinical projects during the year under review and future prospects are contained in the sections headed "Business Overview" and "Outlook" above as well as in this sub-section.

The Group has no immediate plan for material investments or capital assets, other than as disclosed in the above section headed "Business Overview" and this sub-section.

A brief review on the business operation and clinical projects currently undertaken by the Group is set out below.

Overview

We are the first Hong Kong-based listed biopharmaceutical company dedicated to the research, development, manufacturing and commercialisation of therapeutics, primarily first-in-class monoclonal antibody ("**mAb**")-based biologics, for the treatment of immunological diseases. We strive to become a leading global biopharmaceutical company for the development of novel drugs to fulfil unmet medical needs through the integration of our Hong Kong-based innovative research and development ("**R&D**") team and PRC-based manufacturing capabilities. We have been dedicated to R&D since our inception, and have built a pipeline of mAb-based biologics and new chemical entities addressing a plethora of immunological diseases. Our vision is to become a global leader in the innovation of therapeutics for immunological and other debilitating diseases.

Our key product, SM17, is a global first-in-class (FIC), humanised mAb targeting the receptor for IL-25. The compound has the potential for treating atopic dermatitis ("**AD**"), asthma, idiopathic pulmonary fibrosis ("**IPF**"), Inflammatory Bowel Disease ("**IBD**") including Crohn's disease ("**CD**") and ulcerative colitis ("**UC**"), chronic rhinosinusitis with nasal polyps (CRSwNP) and other immunological disorders. During the year 2025, SM17 initiated its route of administration conversion bridging clinical study in October and obtained an acceptance by the Center for Drug Evaluation (the "**CDE**") of National Medical Products Administration of the People's Republic of China ("**NMPA**") of an Investigational New Drug ("**IND**") application in the indication of IBD in December. Subsequent to the year end of 2025, follow-up visits for the healthy participants in the bridging study were completed in February 2026 and the IND approval for the treatment of IBD was granted by the NMPA in February 2026. R&D work on SM17 was carried out in both the U.S. and China. In the U.S., SM17 obtained the IND application for the treatment of asthma from the U.S. Food and Drug Administration ("**FDA**") in March 2022. The clinical report for the U.S. first-in-human (FIH) Phase 1 clinical study was obtained in the first quarter of 2024, data from which demonstrated an overall favourable safety, tolerability and pharmacokinetics ("**PK**") profile for SM17. In April 2024, study results of SM17 pre-clinical work, demonstrating SM17 to be as effective as Janus Kinase 1 inhibitor ("**JAK1 inhibitor**") in treating AD in mice, were published in *Allergy*, an official journal of the European Academy of Allergy and Clinical Immunology (EAACI). In China, SM17 obtained the IND approvals for the treatment of asthma and AD from the NMPA on 11 August 2023 and 8 September 2023, respectively. Phase 1b positive topline results for SM17 for the treatment of moderate to severe AD patients were published by the Company on 7 April 2025. Topline results highlight SM17's strong potential as a novel biologic for AD, demonstrating superior pruritic relief effects and skin clearance comparable to or exceeding leading AD therapies. Notably, SM17 delivers faster and more robust itch relief than other targeted biologics, along with a favourable safety profile that avoids the safety risks associated with Janus Kinase inhibitors ("**JAK inhibitors**"). These advantages position SM17 as a promising first-in-class and best-in-class treatment for AD, offering patients both rapid symptom relief and durable skin improvement with an excellent benefit-risk profile.

Our flagship product, SM03 (Suciraslimab), is a potential global first-in-class (FIC) anti-CD22 mAb for the treatment of rheumatoid arthritis ("**RA**") and other immunological and neuro-immunological diseases such as systemic lupus erythematosus ("**SLE**"), Sjogren's syndrome ("**SS**"), mild cognitive impairment ("**MCI**") due to Alzheimer's disease, as well as Alzheimer's disease. In July 2025, Suciraslimab achieved breakthrough preclinical results from *in vivo* studies for the treatment of SLE. As a mAb targeting CD22, a sialic acid-binding transmembrane protein primarily expressed on B cells (with high neurological expression, including in microglia, and links to MCI, Alzheimer's disease and other autoimmune conditions), Suciraslimab leverages its unique mechanism by modulating the autoimmune network through B cell regulation and interaction with other immune effectors like T cells, with multi-organ benefits. It addresses unmet needs in SLE treatment, such as long-term safety and organ protection,

particularly showing promise in a murine model for alleviating proteinuria and potentially lupus nephritis ("**LN**"). This positions it to offer patients a safer, more effective option, and delivering possible differentiation beyond current therapies. As previously disclosed, Suciraslimab met its primary endpoint in a Phase 3 clinical study for the treatment of RA in China and its Biologics Licence Application ("**BLA**") was accepted by the NMPA in September 2023. Based on the clinical data from the Phase 3 clinical study and extension study, Suciraslimab demonstrated good long-term efficacy and safety. As announced by the Company on 14 July 2025, following communications with the CDE of NMPA and the Company's internal assessment, the Company has strategically chosen to voluntarily withdraw the BLA application for Suciraslimab in the treatment of RA. Meanwhile, the Company has decided to advance at full speed the clinical development of Suciraslimab for the treatment of SLE based on the encouraging pre-clinical results.

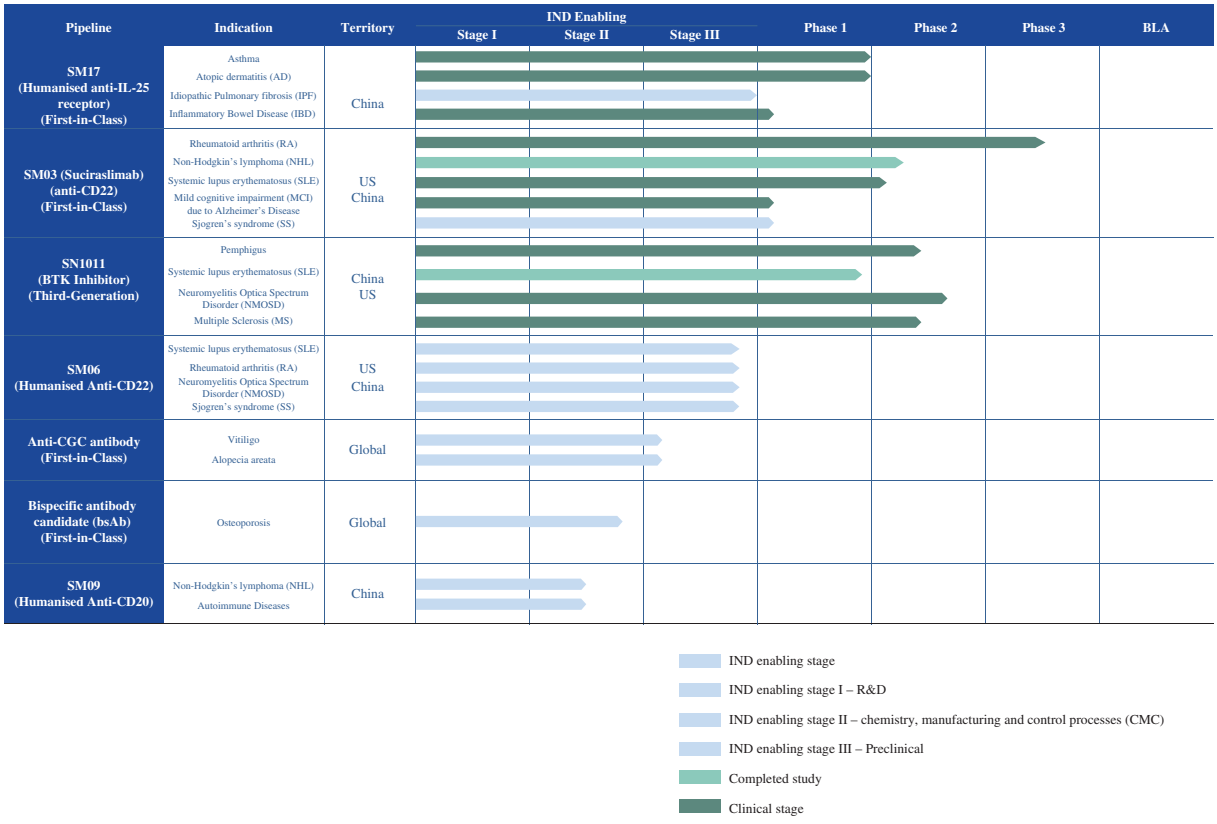
Our other drug candidates, anti-CGC antibody and bispecific antibody candidates are currently in the process of chemistry, manufacturing and control processes ("**CMC**") optimisation and toxicology studies. We are advancing preclinical preparations for these two products and expect to submit IND applications by the fourth quarter this year at the earliest.

Our other drug candidate, SM06, is a second-generation humanised anti-CD22 antibody derived from Suciraslimab with a similar mechanism of action. Our in-house *in vitro* studies demonstrated SM06 to have potentially enhanced efficacy in enacting immunomodulatory effects and drug half-life. The compound is at the IND enabling stage, and is currently in the process of optimisation for clinical studies.

Another key product, SN1011, is a third generation covalent reversible Bruton's tyrosine kinase ("**BTK**") inhibitor. SN1011 was designed to exhibit high selectivity with prolonged but controlled drug exposure to achieve superior efficacy and good safety profile for the potentially long-term treatment of patients with chronic immunological disorders. SN1011 obtained four IND approvals from the NMPA for the treatment of SLE, pemphigus, multiple sclerosis ("**MS**") and neuromyelitis optica spectrum disorders ("**NMOSD**"). In 2021, we entered into a licence agreement with Everest Medicines II (HK) Limited, a wholly owned subsidiary of Everest Medicines Limited ("**Everest Medicines**", a listed biopharmaceutical company (stock code: 1952.HK), as licensee), to out-licence the right to develop and commercialise SN1011 globally for the treatment of renal diseases. In July 2025, Everest Medicines announced updated positive results in preliminary analysis of its Phase 1b/2a clinical trial of EVER001 (known as SN1011 in the Company's product pipeline) for the treatment of primary membranous nephropathy (PMN) based on its data analysis as of 21 March 2025.

Progress of clinical projects

Product pipeline



Key Product — SM17

SM17 is a global, first-in-class, humanised, IgG4-κ mAb which is capable of modulating Type II allergic reaction by targeting the receptor of a critical "alarmin" molecule interleukin-25 (IL-25). SM17 could suppress T helper 2 (Th2) immune responses by binding to IL-25 receptor (also known as IL-17RB) on Type 2 Innate Lymphoid cells (ILC2s) and Th2 cells, blocking a cascade of responses induced by IL-25 and suppressing the release of the downstream Th2 cytokines such as IL-4, IL-5, IL-9 and IL-13. IL-25 is classified as "alarmin" which is overexpressed in biopsy tissues of patients with asthma, atopic dermatitis (AD) and idiopathic pulmonary fibrosis (IPF). Our *in vitro* studies clearly demonstrated that SM17 can suppress IL-25 induced type 2 immunity and the underlying mechanism supports its potential benefits in treating allergic and autoimmune diseases, such as AD, asthma and IPF.

When we evaluated SM17 in two murine asthma models induced by ovalbumin or house dust mite, blockage of IL-25 signalling pathway by SM17 offered protection against airway resistance and type 2 immune response in the lungs. SM17 also significantly reduced immune cell infiltration into the lung and serum levels of IgE. In another 1-Fluoro-2, 4-dinitrobenzene (DNFB) driven murine atopic dermatitis model, SM17 administration could attenuate epidermal thickening and improve skin condition by suppressing Th2 immune responses and immune cell infiltration into the skin layers. We expect that targeting upstream mediators of the Th2 inflammatory cascade, such as the receptor for IL-25, will have a broader effect on reducing airway resistance as well as skin inflammation.

R&D work of SM17 was carried out in both the U.S. and China. In the U.S., an IND application for asthma was approved by the FDA in March 2022. The first healthy subject was successfully dosed in a first-in-human Phase 1 clinical trial (NCT05332834) in the U.S. in June 2022. The Phase 1 clinical study consisting of single ascending dose and multiple ascending dose cohorts to evaluate its safety, tolerability and PK profile in healthy subjects was completed in 2023. The total number of healthy subjects enrolled in this Phase 1 study was 77. The clinical report was obtained in the first quarter of 2024, data from which demonstrated an overall favourable safety, tolerability and PK profile for SM17. Study results of SM17 pre-clinical work, demonstrating SM17 to be as effective as JAK1 inhibitor in treating AD in mice, were published in *Allergy*, an official journal of the European Academy of Allergy and Clinical Immunology (EAACI), on 9 April 2024. Results from pre-clinical models and Phase 1 clinical study of SM17 on healthy participants were also published in *Frontiers in Immunology*, on 9 December 2024.

In China, an IND application for asthma was approved by the NMPA on 11 August 2023, while another IND application for AD was approved by the NMPA on 8 September 2023. A bridging Phase 1a clinical trial to evaluate the safety, tolerability and PK profile in the Chinese population was completed in China in May 2024. Results indicated SM17 to have good tolerability and safety profile and comparable PK profile as in Caucasian population. A proof-of-concept Phase 1b clinical trial was initiated to evaluate the preliminary efficacy of SM17 in moderate to severe AD patients in China. A total of 32 moderate-to-severe AD patients were enrolled in this Phase 1b study, and positive topline results for this Phase 1b clinical trial were published by the Company on 7 April 2025. Clinical data demonstrated that a high dose of SM17 achieved promising results, showing obvious improvement from baseline in all other secondary endpoints, including skin healing effect (EASI50, 75, 90, BSA, SCORAD) and patients' quality of life (DLQI). For the high dose group, 91.7% of patients achieved pruritus relief (NRS-4), 75% achieved skin healing (EASI 75), and 41.7% achieved clear or almost clear signs of AD (IGA0/1). A low dose of SM17, albeit not as effective as the high dose group, also showed a dose-response trend in alleviating pruritus symptoms, as well as improvement in skin healing by comparing with placebo. Based on the topline results, SM17 demonstrates its competitive advantage as the first AD biologic with dual efficacy in

pruritus relief and skin-healing. It delivers faster and deeper itch relief compared to anti-IL-4/13 agents and has a safer profile than JAK inhibitors, positioning SM17 as a potential first-in class and best-in-class treatment for AD. The strong topline results from SM17's Phase 1b proof-of-concept study in AD drive us to move forward with our clinical program. A Phase 2 clinical trial for AD is expected to be initiated as early as mid-2026.

The Company has initiated its clinical bridging study for the route of administration conversion of SM17 in China. The first cohort of healthy subjects has been successfully dosed with the subcutaneous formulation in October 2025 and the follow-up visits for all 30 healthy participants were completed in February 2026. This study is expected to be completed by the second quarter of 2026.

On 11 December 2025, an IND for SM17 in the indication of Inflammatory Bowel Disease (IBD) was accepted by the CDE of NMPA. The IND was subsequently approved by the NMPA on 24 February 2026. This IND approval represents an important step toward expanding SM17's therapeutic scope beyond AD to IBD, including Crohn's disease (CD) and ulcerative colitis (UC). In respect of the IBD indication, the novel multi-mechanistic profile differentiates SM17 from existing single-pathway therapies and may provide a novel therapeutic option for patients with refractory or complex disease phenotypes. For UC, SM17 positions itself as a promising therapeutic candidate as IL-25 has been shown to play a pro-inflammatory role in UC pathogenesis. Furthermore, SM17 may offer benefits in CD through modulation of Th17-associated inflammation and potential anti-fibrotic effects, which could help address complications of transmural inflammation, such as strictures and fistulas. Data from our clinical bridging study for the route of administration conversation will also be leveraged to support the advancement of the IBD indication towards further clinical development, including preparation of Phase 2 studies.

The compound has the potential for treating AD, asthma, IPF, IBD including CD and UC, chronic rhinosinusitis with nasal polyps (CRSwNP), and other immunological disorders.

Please also refer to the Company's announcements dated 16 February 2022, 14 March 2022, 15 June 2022, 22 May 2023, 12 June 2023, 14 August 2023, 11 September 2023, 27 November 2023, 11 June 2024, 7 April 2025, 14 October 2025, 11 December 2025 and 24 February 2026 for further information about the latest R&D progress of SM17.

Flagship Product — SM03 (Suciraslimab)

Our self-developed SM03 (Suciraslimab) is a potential global first-in-class anti-CD22 mAb for the treatment of rheumatoid arthritis (RA) and other immunological and neuro-immunological diseases, such as systemic lupus erythematosus (SLE), Sjogren's syndrome (SS), mild cognitive impairment (MCI) due to Alzheimer's disease, as well as Alzheimer's disease. Suciraslimab adopts a novel mechanism of action, which differentiates itself from the current treatments available in the market.

In July 2025, Suciraslimab achieved breakthrough preclinical results from *in vivo* studies for the treatment of SLE. As a mAb targeting CD22, a sialic acid-binding transmembrane protein primarily expressed on B cells (with high neurological expression, including in microglia, and links to MCI, Alzheimer's disease and other autoimmune conditions), Suciraslimab leverages its unique mechanism: modulating the autoimmune network through B cell regulation and interaction with other immune effectors like T cells, with multi-organ benefits. It addresses unmet needs in SLE treatment, such as long-term safety and organ protection, particularly showing promise in a murine model for alleviating proteinuria and potentially lupus nephritis (LN). This positions it to offer patients a safer, more effective option, and delivering possible differentiation beyond current therapies. The novel mechanism of Suciraslimab confers three key competitive advantages in the treatment of SLE.

Suciraslimab met its primary endpoint in a Phase 3 clinical study for the treatment of RA in China in April 2023 and its BLA for the treatment of RA was accepted by the NMPA in September 2023. The unblinded pivotal Phase 3 data demonstrated Suciraslimab's clear and significant therapeutic efficacy in RA patients. The primary endpoint (ACR20 response rate at Week 24 of the double-blind phase) achieved an approximately 50% response rate and showed statistically significant differences versus the control group. With long-term treatment, ACR20 response rates continued to improve over time and exceeded 65% at Week 52 and surpassed 70% through Week 104 of the extension period, with no new safety risks revealed. Based on the clinical data from the Phase 3 clinical study and extension study, Suciraslimab demonstrated good long-term efficacy and safety. On 14 July 2025, the Company announced that, following recent communications with the CDE of the NMPA. and the Company's internal assessment, the Company has strategically chosen to voluntarily withdraw the BLA application for Suciraslimab in the treatment of RA. Meanwhile, the Company has decided to advance at full speed the clinical development of Suciraslimab for the treatment of SLE.

B Cell Modulation Without Depletion:

Unlike traditional B cell depletion therapies (BCDTs) such as anti-CD20 agents, Suciraslimab specifically modulates autoreactive B cells without depleting normal B cells, thereby reducing infection risks and preserving immune surveillance.

Dual Mechanism and Dual Regulation:

Suciraslimab acts through a dual mechanism involving both upstream inhibition of autoreactive B cell activation and autoantibody production, which addresses humoral immune dysregulation (humoral immune axis), while also modulating B cell interactions with other immune cells. This dual regulation of both the humoral immune axis and the broader immune network leads to systemic control of autoreactive inflammation.

Organ Protection:

Suciraslimab offers a unique advantage among competitors by reducing proteinuria and mitigating immune complex-mediated glomerular tissue damage, which is critical in LN. Furthermore, through its dual-regulation effects, Suciraslimab alleviates immune-driven pulmonary complications in SLE, such as recurrent alveolar hemorrhage or pulmonary arterial hypertension. These organ-protective effects have clinical significance and are vital for treatment prognosis in SLE.

By utilising a humanised animal (murine) model that closely recapitulates key pathological features of human systemic lupus erythematosus (SLE), including the production of pathogenic autoantibodies, multi-organ immune complex deposition, and progressive tissue damage, Suciraslimab treatment demonstrated distinct and favourable immunomodulatory properties. Suciraslimab selectively inhibits activated B cell subsets (e.g., CD27+/CD38+) while sparing the overall B cell population, marking a significant differentiation from prevailing immunosuppression therapies induced by commercially available drugs. Notably, Suciraslimab significantly reduces serum levels of anti-double-stranded DNA (anti-dsDNA) antibodies. These findings hold clinical significance, as anti-dsDNA antibodies are highly prevalent, found in approximately 70% of SLE patients. These autoantibodies not only serve as biomarkers for disease activity but also contribute directly to organ damage by forming immune complexes in tissues such as kidneys, skin, and joints. These complexes activate the complement cascade and drive progressive organ injury, playing a particularly critical role in the pathological deterioration of LN.

Current B cell-targeted therapies in clinical use can reduce autoantibody levels but often fail to significantly improve end-organ damage — an issue particularly prominent in LN, which affects approximately 50% of SLE patients. Moreover, systemic complications such as pulmonary interstitial disease also lack effective therapies. In contrast, Suciraslimab has demonstrated breakthrough organ-protective effects in preclinical studies: it restored proteinuria to levels comparative to those in healthy animals while significantly reducing the intensity of glomerular immune complex deposition. Additionally, Suciraslimab suppressed pulmonary inflammatory infiltration and fibrosis progression, with histopathological improvements surpassing those observed with comparator drugs.

This differentiated advantage stems from Suciraslimab's novel mechanism of action, by regulating autoreactive B cell function in a non-depleting manner, it modulates autoantibody production while enhancing B cell interactions with other immune cells to regulate immune cell interaction networks, thereby suppressing downstream immune cell activation cascades. This enables coordinated protection across multiple organs. Given its clearly demonstrated *in vivo* efficacy and favourable safety profile, Suciraslimab is expected to be a superior therapeutic option for LN and multi-organ damage in SLE.

Beyond its potential therapeutic effects in SLE, Suciraslimab has also shown promise as a candidate for treating neurodegenerative diseases, particularly Alzheimer's disease. A paper titled "*CD22 modulation alleviates amyloid β-induced neuroinflammation*" unveiling the dual mechanism of action of Suciraslimab in simultaneously promoting amyloid-beta clearance and exerting anti-inflammatory effects was published in the *Journal of Neuroinflammation* in February 2025.

The Company has initiated planning for a Phase 2 clinical program for Suciraslimab in the treatment of SLE and is working to enable an IND application for using Suciraslimab for treating Alzheimer's disease.

Key Product — SN1011

SN1011 is a third generation, covalent reversible BTK inhibitor designed to exhibit high selectivity with prolonged but controlled drug exposure to achieve superior efficacy and good safety profile for the potentially long-term treatment of systemic lupus erythematosus (SLE), pemphigus, multiple sclerosis (MS), neuromyelitis optica spectrum disorder (NMOSD) and other rheumatology or neuro-immunological diseases. SN1011 differentiates from existing BTK inhibitors currently available in the market, such as Ibrutinib, in terms of mechanism of action, affinity, selectivity and safety.

The Phase 1 study (first-in-human) in Australia was conducted in 2019 while Phase 1 study (first-in-human) in China was conducted and completed in 2021. The studies have demonstrated a good safety and PK profile. SN1011 obtained four IND approvals from the NMPA for the treatment of SLE, pemphigus, MS and NMOSD on 27 August 2020, 23 June 2021, 19 April 2022 and 22 August 2022, respectively. Please also refer to the Company's announcements dated 14 November 2019, 29 January 2020, 29 June 2020, 1 September 2020, 15 January 2021, 24 June 2021, 23 July 2021, 7 February 2022, 20 April 2022, 9 June 2022 and 23 August 2022 for further information about the latest R&D progress of SN1011.

Other drug candidates

SM06

SM06 is a second-generation, anti-CD22 antibody that is humanised using our proprietary framework-patching technology. SM06 is a humanised version of SM03 (Suciraslimab) with a similar mechanism of action. Our in-house *in vitro* studies demonstrated SM06 to have potentially enhanced efficacy in enacting immunomodulatory effects and drug half-life. We are currently in the process of optimising the CMC for SM06.

Anti-CGC Antibody

Anti-CGC antibody is an in-house developed, first-in-class humanised anti-γc antibody. Our *in vitro* assays suggested that our antibody could suppress inflammation and autoimmunity driven B, T and NK cell activation. Animal studies demonstrated that our antibody could be a potential therapeutic agent for the treatment of vitiligo, alopecia areata and possibly other autoimmune diseases through the modulation of immune cell expansion, autoreactivity and tissue infiltration. We are currently in the process of CMC optimisation and toxicology studies for our antibody and plan to submit our IND application for the treatment of alopecia areata by the fourth quarter of 2026 at the earliest.

Bispecific Antibody Candidate (bsAb)

Bispecific antibody candidate is a novel, bispecific antibody targeting Receptor activator of the nuclear factor kappa-B ligand (RANKL) and sclerostin for bone-related indications. bsAb processes differential mechanisms of action tailored for the treatment of osteoporosis. Our in-house *in vitro* and *in vivo* studies demonstrated our candidate to have enhanced efficacy over market-approved antibodies such as Denosumab and Romosozumab. We are currently in the process of optimising CMC and testing toxicity in non-human primates and plan to submit our IND application by the first half of 2027 at the earliest.

SM09

SM09 is a framework-patched (humanised) anti-CD20 antibody that targets an epitope different from that of other market-approved anti-CD20 antibodies such as rituximab, obinutuzumab and ofatumumab for the treatment of non-Hodgkin's lymphoma (NHL) and other auto-immune diseases.

Collaboration

We are committed to collaborating with our partners to develop the most innovative therapies to address unmet medical needs in the area of immunological diseases. Given our strong in-house research and development capabilities, we have established global collaboration relationships with reputable companies and scientific research institutions.

SYSU-IAS

Sun Yat-sen University Institute of Advanced Studies Hong Kong Limited ("**SYSU-IAS**") is a research institution established by the Sun Yat-sen University. On 12 August 2025, a comprehensive strategic cooperation agreement was entered into between the Company and SYSU-IAS for the purpose to accelerate the development of innovative drugs and promote the translation of scientific research into clinical applications worldwide. Pursuant to the agreement, SYSU-IAS and the Company shall cooperate in five main areas, including, (i) joint research efforts; (ii) joint usage of facilities, the Sun Yat-sen University Institute of Advanced Studies Hong Kong — SinoMab BioScience Limited Joint Laboratory located at Shenzhen Futian International Biomedical Industry Park, Shenzhen, China; (iii) technical support; (iv) drug development; and (v) training and knowledge exchange.

LifeArc

LifeArc is a United Kingdom-based medical research charity, whose mission is to pioneer new ways to turn great science into great patient impact. We have been entrusted by LifeArc to further develop and commercialise SM17 in all fields and worldwide. According to public information, LifeArc provides intellectual property identification, technology development, early stage drug discovery and antibody humanisation services for academia, biotechnology and pharmaceutical organisations and charities, aiming to propel promising medical researches into viable and accessible patient treatments.

Everest Medicines

Everest Medicines is a listed biopharmaceutical company that integrates discovery, licensing, clinical development, commercialisation and manufacturing of potentially novel or differentiated therapies to address critical unmet medical needs in initially Asia Pacific markets, and eventually around the world. In 2021, we entered into a licence agreement with Suzhou Sinovent Pharmaceuticals Co., Ltd.* (蘇州信諾維醫藥科技股份有限公司), (now known as Evopoint Biosciences Co., Ltd.* (蘇州信諾維醫藥科技股份有限公司)), together with the Company as licensor, and Everest Medicines II (HK) Limited, a wholly owned subsidiary of Everest Medicines, as licensee, to out-license the right to develop and commercialise SN1011 globally for the treatment of renal diseases. In July 2025, Everest Medicines announced updated positive results in preliminary

* *for identification purposes only*

analysis of its Phase 1b/2a clinical trial of EVER001 (known as SN1011 in the Company's product pipeline) for the treatment of primary membranous nephropathy based on its data analysis as of 21 March 2025.

Production

In line with our strategy to optimize resource allocation and enhance operational flexibility, we are transitioning towards a light-asset manufacturing model. While our existing facilities were essential under earlier regulatory frameworks, the current industry trend toward outsourcing production to Contract Development and Manufacturing Organisations (CDMOs) offers significant cost advantages. Depending on market demand and partnership opportunities, we are assessing the transition of manufacturing to external providers.

Haikou Production Base

Subsequent to the Reporting Period, the Company entered into an agreement to terminate the lease for our Haikou production base. This decision reflects our strategic shift towards a more flexible, asset-light operational structure, allowing us to reduce fixed operational costs and focus internal resources on core competencies such as R&D and commercialisation. Please refer to the Company's announcement dated 12 March 2026 for further details.

Suzhou Production Base

We purchased a piece of land of 43,158 square metres in Suzhou Dushu Lake Higher Education Town, China in June 2020. The total floor area would be approximately 75,000 square metres. This production base is designed as commercial-sale manufacturing facilities. The Real Estate Ownership Certificate was granted in March 2026.

Intellectual property

Core technology of main drugs (products)

For SM03 (Suciraslimab), the Group has four invention patents granted and registered in the PRC, one of which is also applicable to SM06, and four invention patents which are granted and registered in the United States, all of which are also applicable to SM06, and one invention patent granted and registered in South Africa.

For SN1011, the Group has one invention patent granted and registered in the United States, one invention patent granted and registered in the European Union and one invention patent granted and vested in Australia.

For SM09, the Group has two invention patents granted and registered in the PRC, three invention patents granted and registered in the United States, and one in each of various jurisdictions, including the European Union, India, Singapore and Japan.

During the Reporting Period, the Group filed one Patent Cooperation Treaty ("**PCT**") application for SM06, one PCT application for SM17 and one PCT application for Suciraslimab. In addition, one invention patent was granted and registered in the PRC, and one PCT patent for SM18 was entering national phase into different countries during the Reporting Period.

As at 31 December 2025, the Group had six pending patent applications in the United States, eight pending patent applications in the PRC, seven pending patent applications in the European Union, and five pending PCT patent applications.

Well-known or famous trademarks

The Company conducts its business under the brand name of "SinoMab" ("**中國抗體**"). As at the end of the Reporting Period, the Company had various registered trademarks in Hong Kong and the PRC, with multiple trademark applications pending approval in the PRC.

Patents

Item	**As at 31 December 2025**	As at 31 December 2024
Number of invention patents owned by the Group*	**93**	91

* *including patent pending and granted patent.*

R&D personnel

Education level	**Number at the end of the Reporting Period**	**Number at the beginning of the Reporting Period**
PhD	**5**	6
Master	**23**	24
Undergraduate or below	**8**	10
Total number of R&D personnel	**36**	40

The above number of R&D personnel does not include our employees in manufacturing, quality assurance or quality control for the clinically related operation.

Future and prospects

We strive to become a leading global biopharmaceutical company for the development of novel drugs to fulfil unmet medical needs through our Hong Kong-based innovative R&D team, and PRC-based manufacturing capabilities. Our vision is to become a global leader in the innovation of therapeutics for immunological and other debilitating diseases.

Our portfolio of drug candidates encompasses the entire immunological field which, we believe, will enable us to provide comprehensive treatment options for field-wide indications to patients. We believe our dedication, experience and achievements in the field of immunology have expedited the process, and elevated the industry standard, for the discovery and development of novel therapeutics against a variety of immunological diseases. We have accumulated significant experience in the discovery of new treatment modalities for immunological diseases, which will allow us to better capture a substantial share of the immunological disease market. We believe that our strategic specialisation and dedicated focus on immunological diseases are effective ways to differentiate ourselves from our peers. By specialising in innovative treatments of immunological diseases, we seek to solidify our leading position in the field, thereby creating a higher barrier to entry for our peers to compete with us in the development of first-in-class drug candidates.

Further, our product pipeline is backed by our established full-spectrum platform integrating in-house capabilities across the industry chain, from our strong and independent target identification, drug candidate development, pre-clinical research, clinical trials, clinical production, quality control, quality assurance, regulatory approval and commercial-scale production up to the commercialisation stage, as well as all other processes in the discovery and development of our drug candidates. We believe that this full-fledged capability is matched by only a few biopharmaceutical companies in the Greater China region. With a diverse and expanding product pipeline, we believe that we are well positioned to become an industry leader in the development of treatments for immunological diseases.

The Group will continue to focus on exploring international partnership for our pipeline product, especially for our SM17, anti-CGC antibody and bispecific antibody candidate, further develop our existing product pipeline, discover and develop novel drugs for the treatment of immunological diseases by leveraging our R&D capabilities and strengthen our global presence through leveraging our position as a Hong Kong-based biopharmaceutical company.

Apart from continuously expanding our product pipeline and advancing our clinical development, we will also continue to actively explore strategic collaboration opportunities. We have developed a pipeline of pre-clinical, clinical and pre-registration stage first-in-class assets addressing various inflammatory and immunological diseases. To maximise the commercial values of our assets as well as to accelerate the development of our innovative drug candidates, we are open to collaboration, partnerships and licensing agreements with partners worldwide.

Clinical development plan

We will continue to advance clinical trials for SM03 (Suciraslimab) for SLE and other autoimmune diseases to broaden its therapeutic uses for addressing other unmet medical needs. Regulatory pathways to extrapolate the clinical indications of neuro-immunological diseases, Alzheimer's disease, for Suciraslimab will also be sought. The initiation of an IND application for Alzheimer's disease and proof-of-concept Phase 2 clinical study for SLE in China are also in our plan.

In respect of SM17, on 7 April 2025, the Company published positive topline results from a Phase 1b study in which a total of 32 moderate-to-severe AD patients were enrolled. The Phase 1b clinical trial aims to explore the preliminary efficacy of SM17 in moderate to severe AD patients, as well as to study its safety, tolerability, and PK profile. The Company expects to initiate a Phase 2 clinical trial for AD as early as mid-2026. The Company has also initiated its clinical bridging study for the route of administration conversion of SM17 in China. The first cohort of healthy subjects had been successfully dosed with the subcutaneous formulation of SM17 in October 2025 and the follow-up visits for all 30 healthy participants were completed in February 2026. This study is expected to be completed by the second quarter of 2026.

We also plan to submit IND applications in both the U.S. and China for the treatment of IPF with SM17.

Pre-clinical R&D

We have built a pre-clinical R&D platform for studying pathogenesis of autoimmune diseases, as well as exploring and identifying treatments for them. Our internal R&D team will continue to discover novel mechanisms for treatments of multiple autoimmune disease areas for rheumatology, neuro-immunology, respiratory and dermatology. Our R&D team possesses the capability of generating pre-clinical pharmacology internally and is developing in-depth collaboration with well-known clinical KOLs from our on-going clinical programs. By utilising established business and cooperation relationship with vendors and partners, the Company is in the process of generating and collecting the IND-enabling data package for our products under pre-clinical development, such as SM06, and will thereafter conduct pre-clinical studies to test their efficacies, safety and PK/pharmacodynamics, and fulfil other regulatory requirements.

Our SM06 is currently at the IND enabling stage and is in the process of optimisation for clinical trials. We will advance the first IND application process, aiming for a bio-better product development for known indications based on the good therapeutic potential of Suciraslimab, as well as further exploration into other immunological diseases.

Our anti-CGC antibody and bispecific antibody candidates are currently in the process of CMC optimisation and toxicology studies.

Novel drug targets identification

The Company has been actively exploring novel targets identification and has developed a strong team of R&D talents with a mix of resources that instill an innovative culture at all levels. Led by the Chief Executive Officer of the Company, who also undertakes the function of the Chief Scientific Officer, the research team has established five strategic in-house platforms, namely, the "B-cell Therapeutic Platform", "Alarmins-pathway Therapeutic Platform", "Selective-T Cell Therapeutic Platform", "Neurological Disease Platform" and "Antibody Framework-Patching Humanisation Platform" that allow the Company to continuously identify novel drug targets and develop new antibody candidates, broadening and enriching our product pipelines for other autoimmune diseases with unmet medical needs.

Production

As previously reported, the Group purchased a piece of land of 43,158 square metres in Suzhou Dushu Lake High Education Town in China in June 2020. The land is used for constructing the Group's second production base, and the total floor area would be of approximately 75,000 square metres. This new Suzhou campus consists of commercial manufacturing facilities, a pilot plant, an R&D centre, a quality control centre, a clinical study centre and an administration building. The Real Estate Ownership Certificate was granted in March 2026.

Commercialisation and Partnerships

As of the Reporting Period, we have established a marketing team. In addition, we are actively exploring and identifying opportunities for collaboration and/or partnership, including but not limited to licensing in or licensing out, to enhance our commercialisation and business development capabilities.

CAUTIONARY STATEMENT REQUIRED BY RULE 18A.05 OF THE LISTING RULES: WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR PRODUCT CANDIDATES SUCCESSFULLY.

MARKET OVERVIEW

Systemic Lupus Erythematosus (SLE)

SLE treatment refers to a range of medical interventions aimed at managing and alleviating the symptoms of the disease. SLE is a chronic autoimmune disorder characterised by the immune system attacking the body's own tissues and organs, resulting in widespread inflammation and tissue damage. In recent years, the incidence of SLE has been rising globally, and the SLE treatment market is experiencing unprecedented rapid expansion. According to a report by Frost & Sullivan, there are currently approximately 1.0349 million SLE patients in China, a figure projected to increase to 1.0947 million by 2030. Research Nester estimates that the global SLE treatment market exceeded USD2.4 billion in 2024 and is forecasted to grow at a compound annual growth rate (CAGR) of more than 7.8%, reaching over USD6.37 billion by 2037.

Atopic Dermatitis (AD)

As a long-standing chronic disease, new cases of AD are growing rapidly globally with broad market potential. Patients with AD have an increasing all-cause mortality rate and disease-specific mortality rate in diseases, such as infections, respiratory diseases, gastrointestinal diseases, and oncological diseases. Currently approved therapies for AD, including biologics, can significantly improve eczema area and severity index and patient's quality of life. However, there is still an unmet medical need for patients showing irresponsiveness to those approved therapies. According to Frost & Sullivan, there were approximately 65.7 million AD patients in China in 2019 with an expected growth to 81.7 million in 2030, of which 30% being moderate-to-severe patients. The AD medicine market in China was valued at US$600 million in 2019, and has reached US$1.5 billion in 2024, further increasing to US$4.3 billion in 2030. According to a report by Grand View Research, Inc., the global market size for AD is estimated to reach US$27.7 billion by 2030. We believe the mechanism of action of SM17 by targeting upstream of the Th2 inflammatory cytokine pathway, such as IL-25 receptor, will have broad effects on skin inflammation, implicating a great potential for SM17 to be a differentiating, safer and more effective product for the treatment of AD.

Asthma

The number of asthma patients worldwide is increasing year by year, and a large patient base is in urgent need of effective therapeutic drugs. According to Frost & Sullivan, the number of asthma patients worldwide is expected to increase to approximately 860 million in 2030, of which 78.1 million will be in China, a country with a higher growth rate than that for the global patient population. Severe, uncontrolled asthma patients are at risk of recurrent asthma exacerbations and hospitalisations, and uncontrolled severe asthma is associated with increased mortality/morbidity, diminished quality of life and increased health expenditures. Current approved therapies for severe asthma, including biologics, can reduce asthma exacerbations to a certain extent. However, there is still an unmet medical need for additional effective therapies, particularly for patients who do not respond to current treatments. We believe the mechanism of action of SM17 by targeting upstream of the Th2 inflammatory cytokine pathway, such as IL-25 receptor, will have broad effects on airway inflammation, which is expected to provide a new therapeutic channel with efficacy and safety for asthma diseases and bring relief and treatment to asthma patients.

Rheumatoid Arthritis (RA)

According to Frost & Sullivan, the global market for autoimmune disease drugs is expected to increase from US$120.5 billion in 2020 to US$163.8 billion in 2030, at a compound annual growth rate (CAGR) of 3.1%. The overall scale of existing patients with autoimmune diseases in China is huge. According to "*Rheumatoid Arthritis in China: A National Report of 2020*" issued by the National Clinical Research Center for Dermatologic and Immunologic Diseases in October 2021, there are about 5 million RA patients in China. With the continuous improvement of the diagnosis and treatment rate of autoimmune diseases in China and the continuous progress of related medical technologies, the market size of RA in China is expected to expand rapidly. According to Frost & Sullivan, the RA therapeutics market in the PRC is expected to reach RMB83.3 billion by 2030. The biologics market share in the RA therapeutics market in PRC is expected to increase from 43.4% in 2024 to 59.8% in 2030. We have been focusing on the R&D of mAb drugs in the field of autoimmune diseases for more than 20 years and our existing product pipeline covers all indications in the field of autoimmune diseases. We are one of a few biopharmaceutical companies in China with full-fledged capability that integrates all-industry functionalities, including R&D, production and commercialisation. Once Suciraslimab receives NMPA marketing approval, leveraging the first-mover advantage of the first-in-class status of Suciraslimab and its competitive advantage in its better safety profile over existing and potential market competitors, coupled with our targeted sales and marketing strategy and execution, we believe that we can successfully launch Suciraslimab, which will be an important milestone in the development of the Group.

Strategic in-house platforms for establishing strong pipeline

We are armed with several innovative technological and therapeutic platforms, allowing us to identify novel antibody candidates that are specific for novel targets and have the potential to achieve therapeutic effects via novel mechanisms of actions:

B-cell Therapeutic Platform

The Company was established with an initial focus on developing therapeutics that target B cells. As more and more data was accumulated and the functions of these B cell antigens/targets and the roles of B cells played in the immune system were better understood, B cell's potentials for treating autoimmune diseases has become prominent — forming our bases for "B cell therapy approach". There are possibilities of use in combination of our different products developed on our B cell therapeutic platform in the future. These antigens and targets include:

a. CD22 — our SM03 (Suciraslimab) and SM06, anti-CD22 antibody, were developed under our B-cell therapeutic platform.

b. CD20 — our SM09, a novel, framework-patched, humanised anti-CD20 antibody, was developed under our B-cell therapeutic platform.

c. BTK — our SN1011, a third generation covalent reversible BTK inhibitor, was developed to maximise the therapeutic benefits of B cell therapy.

Alarmins-pathway Therapeutic Platform

The immune system is an interplay between different cell lineages and factors; but the majority of which include B cells, T cells and cytokines. Albeit our good coverage on B cell specific targets, there are other areas we need to fill in order to address other immune related ailments. While most cytokines are well studied, and products against which have been approved, there emerges a new class of factors known as alarmins that are upstream of the immune pathway and have not been well studied. These alarmins play crucial roles in autoimmune diseases involving the respiratory tract dermatological tissues, and digestive tract, such as asthma, AD, IPF, IBD, and so on.

IL-25 is one of the three alarmins that targets a particular receptor called IL-17RB. Our SM17 is a humanised, IgG4-κ monoclonal antibody targeting the receptor for IL-25 (also known as IL-17RB), which was developed under our alarmins-pathway therapeutic platform.

Selective-T Cell Therapeutic Platform

Our pipeline covers B cells, alarmins/cytokines, and another major piece in the immunotherapy portfolio — T cells. The T-cell associated receptor is not well researched in the biopharma area as its function is promiscuous. We have developed a platform to isolate antibodies that have selective binding to T-cell associated receptors, resulting in the identification of a battery of antibodies with differentiated functionality covering a wide range of immunological diseases. Our anti-CGC antibody, humanised anti-γc antibody, was developed under our selective T-cell therapeutic platform.

A paper titled "*Discovery of a New Anti-γc Antibody in Clinical Development for the Treatment of Autoimmune Diseases*" revealing our study on hC2, a humanised anti-γc antibody, in addressing autoimmune diseases, was published in *The Journal of Immunology* in March 2025. The study demonstrates that hC2 specifically targets the γc receptor, offering global suppression on Signal Transducer and Activator of Transcription (STAT) phosphorylation and cellular activities in all studied immune cell types. Combined with the efficacies observed in *in vitro* assays and graft-versus-host disease (GvHD) animal studies, the current data support the clinical development of hC2 for the treatment of autoimmune diseases in the future.

Neurological Disease Platform

In 2019, there was a paper published in the journal *Nature* that demonstrated that anti-CD22 antibody would have therapeutic effects on degenerative neurological disease in a murine model. We researched the possibility of using SM03 (Suciraslimab) for treating MCI due to Alzheimer's disease and Alzheimer's disease and found that CD22 is significantly expressed in microglia and other neurological cells.

The discovery that our anti-CD22 antibody can induce the internalisation of Aβ protein has led to the development of bispecific antibodies that target anti-inflammatory cell surface antigens and Aβ protein for treating Alzheimer's disease and other neurological diseases.

A paper titled "*CD22 modulation alleviates amyloid β-induced neuroinflammation*" revealing Suciraslimab's dual mechanism of action in combating Alzheimer's disease, was published in the *Journal of Neuroinflammation* in February 2025.

Product candidates are descendants of the SM03 (Suciraslimab)/SM06 lineage.

Antibody Framework-Patching Humanisation Platform

Most antibodies are produced in a murine background, and antibody humanisation (a genetic engineering approach) is needed to convert the murine sequence into human sequence without affecting the affinity and specificity of the original antibody (parent antibody). We employ a novel approach known as "framework-patching" to introduce "human-ness" in a functional perspective (functional humanisation). Our SM06 and SM09 antibodies were humanised using this novel, proprietary technology unique to the Company.

RISK FACTORS

R&D risk of new drugs

Classified as technical innovations, the R&D of new drugs is characterised by long R&D cycles, significant investment, high risks and a low success rate. From laboratory research to obtaining approval, new drugs have to go through a lengthy process linked by complicated stages, including pre-clinical studies, clinical trials, registration and marketing of new drugs and after-sales supervision. Any of the above stages is subject to the risk of failure.

The Company will strengthen its forward-looking strategic research, and determine the direction of new drug R&D according to the needs of clinical drug use. The Company will also formulate reasonable new drug technology solutions, continuously increase the investment in R&D of new drugs, and uphold the principle of prudence in launching R&D projects for new drugs. In particular, the Company implements phase-based assessments on product candidates in the course of R&D. If it is found that the expected result cannot be achieved, the subsequent R&D of such product candidates will be terminated at once, so as to minimise the R&D risk of new drugs.

Market competition risk

The R&D and commercialisation of new drugs is highly competitive. The Company's recent drug candidates and any new drugs that may be sought for R&D and commercialisation in the future will face competition from pharmaceutical companies and biotechnology companies around the world. The Company's commercial opportunity could be reduced or eliminated if our competitors develop and commercialise drugs that are safer, are more effective or have fewer side effects than the drugs we have developed. The Company's competitors may also obtain approval from the NMPA or FDA sooner than the Company obtaining approval for its drugs, such that the competitors may establish a strong market position before the Company is able to enter the market. The Company will maintain its market competitiveness with its rapid advancement in R&D and clinical trials of drugs, corroborant efficacy and stable production process.

Quality control risk of drugs

The quality and safety of drugs not only concern the health of drug users but also arouse wide public concern. Due to various factors, drugs are subject to quality control risks in all stages, including R&D, manufacturing, distribution and use. Therefore, risk control runs through the entire process of drug development, manufacturing, distribution, and use. The Company will secure necessary resources, strengthen training in risk management, and improve various rules and regulations, so as to ensure strict compliance with the GMP standards and control the quality risk of drugs.

Risk of not making profit in short run

One of the most prominent characteristics of the biopharmaceutical industry is a long profit cycle. Generally, a biopharmaceutical enterprise at the R&D stage takes a longer time to reach profitability. As an early-stage biopharmaceutical enterprise, the Company is under a period of making significant R&D investment. With the further supplement of product pipelines, as well as rapid advancement in domestic and international clinical trials for drug candidates, the Company will continue to make significant R&D investment. Our future profit will depend on the marketing progress of drug candidates and the sale of marketed drugs. In addition, significant R&D investment, business promotion costs and operation costs create more uncertainties over making profits. Therefore, the Company is subject to the risk of not making a profit in the short run.

Risk of industry regulations and policies

In view of the various reforms in the medical industry, encouragement of innovation and reduction in drug prices by pharmaceutical enterprises have become an inevitable trend. The Company will adapt to changes in external policies and strive to enhance R&D, in order to respond to challenges through innovation. The Company will also adhere to legal compliance by adapting its business activities to changes in regulatory policies, thereby preventing policy risks.

In the face of industry and policy risks, the Company will adapt to changes in external policies by continuous improvement in capabilities of innovation and sustainable development, increased R&D investment, accelerated clinical trials and launching of innovative drugs, in order to respond to challenges through innovation. On this basis, the Company will further expand its production capacity and reduce the unit cost of its products, so as to address the trend of price reduction of drugs.

Foreign exchange risk

Foreign currency risk is the risk of loss resulting from changes in foreign currency exchange rates. Fluctuations in exchange rates between RMB and other currencies in which the Group conducts business may affect the Group's financial condition and results of operations.

In response to the foreign exchange risk, the Company seeks to limit its exposure to foreign currency risk by minimising its net foreign currency position to reduce the impact of the foreign exchange risk on the Company.

FINANCIAL REVIEW

Other income and gains

Our other income and gains consist primarily of bank interest income, changes in fair value on financial assets at fair value through profit or loss, government grants and foreign exchange gain. Total other income and gains were approximately RMB29.3 million for the Reporting Period, representing an increase of approximately RMB21.7 million from the year ended 31 December 2024, mainly due to (i) an increase of foreign exchange gain of approximately RMB11.4 million; (ii) an increase of gain on lease termination of approximately RMB7.4 million and (iii) an increase in government grants amounting to approximately RMB4.1 million.

R&D costs

	Year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Laboratory consumable and experiment costs	**40,852**	42,289
Employment costs	**22,957**	32,519
Others	**17,815**	19,945
	81,624	94,753

Our R&D costs mainly include laboratory consumables, experiment costs, employment costs of R&D employees, depreciation of right-of-use assets relating to leases of research facilities and depreciation of research and testing equipment.

For the years ended 31 December 2025 and 2024, we incurred R&D costs of approximately RMB81.6 million and RMB94.8 million, respectively. The decrease in R&D cost during the Reporting Period was mainly attributable to the decrease in employment costs of R&D employees of approximately RMB9.5 million mainly due to optimisation of our R&D team for better efficiency.

Administrative expenses

Our administrative expenses primarily consist of employee costs of administrative personnel, depreciation of right-of-use assets relating to leases of office space, depreciation and amortisation, rental and property management fees, consulting and auditing fees, legal and other professional advisory service fees, office expenses, transportation costs and others.

For the years ended 31 December 2025 and 2024, our total administrative expenses were approximately RMB46.4 million and RMB67.7 million, respectively. The decrease was mainly attributable to (i) a decrease of approximately RMB16.4 million due to optimisation of company administrative staff cost and (ii) a decrease in non-cash share-based payments of approximately RMB2.8 million.

Other expenses

Total other expenses were approximately RMB0.7 million for the Reporting Period, representing a decrease of approximately RMB21.5 million from the year ended 31 December 2024 mainly due to (i) change from foreign exchange loss of RMB9.5 million in the year ended 31 December 2024 to foreign exchange gain in the Reporting Period and (ii) the one-off loss of approximately RMB12.6 million due to termination of purchase contract in the year ended 31 December 2024 was not incurred in the Reporting period.

Liquidity and capital resources

The Group has always adopted a prudent treasury management policy. The Group places strong emphasis on having funds readily available and accessible and is in a stable liquidity position with sufficient funds in standby banking facilities to cope with daily operations and meet its future development demands for capital.

The following table sets forth a condensed summary of the Group's consolidated statement of cash flows for the years ended indicated and analysis of balances of cash and cash equivalents for the years ended indicated:

	31 December 2025	31 December 2024
	RMB'000	*RMB'000*
Net cash flows used in operating activities	**(70,478)**	(130,801)
Net cash flows from/(used in) investing activities	**16,251**	(94,482)
Net cash flows from financing activities	**329,388**	73,268
Net increase/(decrease) in cash and cash equivalents	**275,161**	(152,015)
Cash and cash equivalents at the beginning of year	**61,900**	203,664
Effect of foreign exchange rate changes, net	**(14,353)**	10,251
Cash and cash equivalents at the end of year	**322,708**	61,900

As at 31 December 2025, cash and cash equivalents were mainly denominated in Hong Kong dollars, Renminbi and United States dollars.

As at 31 December 2025, total funding available to use including cash and cash equivalents, pledged and restricted deposits and wealth management products is RMB351.5 million, compared to RMB141.4 million as at 31 December 2024.

	31 December 2025	31 December 2024
	RMB'000	*RMB'000*
Cash and cash equivalents	**322,708**	61,900
Wealth management products (included in the financial assets at fair value through profit or loss)	**17,956**	13,523
Pledged and restricted deposits	**10,814**	66,002
Total funding available to use	**351,478**	141,425

The net increase in total funding available to use of approximately RMB210.1 million was mainly due to (i) the net proceeds from issue of shares of approximately RMB428.1 million; offset by (ii) the net repayment of bank borrowings of approximately RMB81.4 million, (iii) the net cash flows used in operating activities of approximately RMB70.5 million and (iv) spending on capital expenditures of approximately RMB25.3 million in the Reporting Period.

Bank borrowings and gearing ratio

As at 31 December 2025, the Group's outstanding borrowings of RMB326.8 million (31 December 2024: RMB419.3 million) were denominated in RMB and at the effective interest rates ranging from 3.00% to 3.90% (31 December 2024: 3.15% to 3.90%) per annum.

As at 31 December 2025, the amount of unutilised banking facilities of the Group is approximately RMB311.7 million.

The Group monitored capital using gearing ratio. Gearing ratio is calculated using interest-bearing bank borrowing less cash and cash equivalents divided by total equity and multiplied by 100%. As at 31 December 2025, the gearing ratio was 0.8% (31 December 2024: 185.3%).

Pledge of assets

As at 31 December 2025, the Group had mortgaged its land use right and construction in progress with a carrying value of RMB340.0 million (2024: RMB334.3 million), and did not pledge any of its deposits (2024: RMB45.0 million) for the purpose of securing bank loans. In accordance with the agreement with the bank, the maximum mortgage amount of land use right and construction in progress is RMB158.4 million.

Significant investment held and disposed

The Group did not have any significant investment which accounted for more than 5% of the Group's total assets as at 31 December 2025.

USE OF PROCEEDS FROM NEW SHARE SUBSCRIPTIONS UNDER GENERAL MANDATE

During the year 2025, the Company has conducted two fund raising activities by subscriptions of new shares under general mandate, details of which were disclosed under 2025 July Share Subscriptions and 2025 May Share Subscriptions below.

2025 July Share Subscriptions

On 22 July 2025, the Company entered into twenty-three subscription agreements with twenty-three subscribers for the issuance of an aggregate of 182,072,400 new ordinary shares at a subscription price of HK$2.03 per share ("**2025 July Share Subscriptions**"). The Company completed an issue of 157,107,000 new shares on 15 August 2025 and 24,965,400 new shares on 29 August 2025, representing a net subscription price of approximately HK$2.03 per subscription share. The subscription price of HK$2.03 per share represents (i) a discount of approximately 16.12% to the closing price per Share of HK$2.42 as quoted on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 22 July 2025, being the date of the subscription agreements; (ii) a discount of approximately 18.80% to the average closing price per Share of HK$2.50 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the subscription agreements; and (iii) a discount of approximately 9.38% to the average closing price per Share of HK$2.24 as quoted on the Stock Exchange for the last ten consecutive trading days immediately preceding the date of the subscription agreements.

Each of the subscribers and its ultimate beneficial owner(s), are independent third parties of the Company. Each of the Subscribers is either an individual private investor or a company principally engaged in investment holding. The 2025 July Share Subscriptions were conditional upon the approval of the listing of, and permission to deal in, all the new shares being granted by the Listing Committee of the Stock Exchange, and such approval was given by the Stock Exchange in August 2025.

The Directors consider that the 2025 July Share Subscriptions represent a good opportunity for the Company to raise capital to support its continued growth and development, as well as to enhance financial flexibility of the Company. For details of the 2025 July Share Subscriptions, please refer to the announcements of the Company dated 22 July 2025, 15 August 2025 and 29 August 2025.

2025 May Share Subscriptions

On 13 May 2025, the Company entered into twenty-six subscription agreements with twenty-six subscribers for the issuance of an aggregate of 112,810,817 new ordinary shares at a subscription price of HK$1.10 per share (the "**2025 May Share Subscriptions**"). The completion of the 2025 May Share Subscriptions took place in May 2025 and raised net proceeds of approximately HK$123,956,911, representing a net subscription price of approximately HK$1.10 per subscription share. The subscription price of HK$1.10 per share represents (i) a discount of approximately 11.29% to the closing price per Share of HK$1.240 as quoted on the Stock Exchange on 13 May 2025, being the date of the subscription agreements; and (ii) a discount of approximately 19.94% to the average closing price per Share of HK$1.374 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the subscription agreements. Each of the subscribers and its ultimate beneficial owner(s), are independent third parties of the Company. All subscribers are individuals (including employees of the Company) with extensive investment experience in capital market and/or professional investors and/or professionals/scientists in biopharmaceutical industry procured by the Company. The 2025 May Share Subscriptions were conditional upon the approval of the listing of, and permission to deal in, all the new shares being granted by the Listing Committee of the Stock Exchange, and such approval was given by the Stock Exchange in May 2025.

The Directors consider that the 2025 May Share Subscriptions represent a good opportunity for the Company to raise capital to meet the Company's funding needs and strengthen the shareholding base of the Company.

For details of the 2025 May Share Subscriptions, please refer to the announcements of the Company dated 13 May 2025, 29 May 2025 and 15 August 2025.

Change in use of proceeds raised from 2025 July Share Subscriptions

Seeking opportunities to license out our pipeline assets is the Company's core strategy. Given the overwhelmingly positive feedback received from potential partners on our key product, SM17, we will prioritise and accelerate the development of SM17 for the treatment of atopic dermatitis. Therefore, the Company decides to reallocate HK$25.0 million from the use of net proceeds raised from the 2025 July Share Subscriptions from "(ii) For all clinical trials and new clinical development program for SM03" to "(i) For R&D and clinical programmes and potential global cooperations of SM17, especially for the subcutaneous bridging study and Phase 2 clinical study of atopic dermatitis in China, for the trial expense, related production cost and related employment cost".

Reference is made to the announcement of the Company dated 12 March 2026 in relation to the entering into of an agreement between SinoMab Biopharmaceutical (Haikou) Limited* (中抗生物製藥(海口)有限公司) and SinoMab BioScience (Shenzhen) Limited* (深圳賽樂敏生物科技有限公司) (together as Tenant), and Haikou Pharmaceutical Factory Co., Ltd. (海口市製藥廠有限公司) (as Landlord) to terminate a lease agreement for a property located at Haikou (the "**Termination**"). Subsequent to the Termination, the Company decides to reallocate HK$30.0 million from the use of net proceeds raised from the 2025 July Share Subscriptions from "(d) Rental expenses" under "(iv) For the Group's working capital, the expansion of internal capabilities and other general corporate purposes" to "(g) Other working capital purposes" under "(iv) For the Group's working capital, the expansion of internal capabilities and other general corporate purposes".

The Board considered the impact of the proposed change in the use of the proceeds on the Group's business and believes that, in view of the Group's operation and business development, the reallocation of the unutilised net proceeds raised from the 2025 July Share Subscriptions will facilitate efficient allocation of financial resources and strengthen the future development of the Group, and it is appropriate and in the interests of the Company and its shareholders as a whole.

To strive for better business performance of the Group, the Board will continuously assess the use of unutilised net proceeds and may revise or amend the plan for the use of the unutilised net proceeds where necessary in respond to the changing market conditions.

* *For identification purposes only*

The following table sets out the planned applications of the net proceeds from 2025 May Share Subscriptions and 2025 July Share Subscriptions and the actual usage up to 31 December 2025:

		Net proceeds from the 2025 May Share Subscriptions	Planned net proceeds from the 2025 July Share Subscriptions	Revised net proceeds from the 2025 July Share Subscriptions	Actual utilisation up to 31 December 2025	Unutilised net proceeds as at 31 December 2025	Expected timeline for full utilisation of the unutilised net proceeds[Note 1]
		(approximate HKD in millions)					
(i)	For R&D and clinical programmes and potential global cooperations of SM17, especially for the subcutaneous bridging study and Phase 2 clinical study of atopic dermatitis in China, for the trial expense, related production cost and related employment cost	55.781	None	25.000	21.668	59.113	by the end of 2027
(ii)	For all clinical trials and new clinical development program for SM03	None	73.892	48.892	8.206	40.686	by the end of 2027
(iii)	For pre-clinical research, clinical new drug candidates not currently in the Group's pipeline to diversify its product portfolio, as well as for investigational new drug (IND) enabling of new drug candidates, especially for preclinical studies, production cost and related employment cost, in particular:						
	(a) To fund the development of SM18, one of the Company's drug candidates. The Company is currently in the process of CMC optimisation and toxicology studies for SM18 ("**IND Enabling Stage**").	24.791	None	None	0.926	23.865	by the end of 2026
	(b) To fund the Phase 1 clinical study for SM18 after completion of its IND Enabling Stage.	None	15.000	15.000	–	15.000	by the end of 2027

		Net proceeds from the 2025 May Share Subscriptions	Planned net proceeds from the 2025 July Share Subscriptions	Revised net proceeds from the 2025 July Share Subscriptions	Actual utilisation up to 31 December 2025	Unutilised net proceeds as at 31 December 2025	Expected timeline for full utilisation of the unutilised net proceeds[Note 1]
				(approximate HKD in millions)			
(c)	To fund the development of another drug candidate of the Company, SM32. The Company plans to commence SM32's IND Enabling Stage, including CMC optimisation and the long-term toxicity test in non-human primates, soon.	None	25.000	25.000	0.880	24.120	by the end of 2027
(d)	To fund the Phase 1 clinical study for SM32 after completion of its IND Enabling Stage.	None	15.000	15.000	–	15.000	by the end of 2028
(e)	To fund the development of at least two other drug candidates (for which patent applications have not yet been filed) through the IND Enabling Stage, with each candidate being allocated approximately HK$25 million.	None	55.839	55.839	12.983	42.856	by the end of 2027
(iv)	For the Group's working capital, the expansion of internal capabilities and other general corporate purposes, including[2]:						
(a)	Near-term operational cash flow needs for the year 2025	43.385	10.000	10.000	53.385	–	N/A
(b)	Staff-related expenses, comprising (i) existing director's and non-clinical staff's remuneration (approximately HK$53.0 million) and (ii) incremental staff cost (approximately HK$16.0 million) due to the Company's expansion to further advance the Company's R&D projects	None	69.000	69.000	12.918	56.082	by the end of 2027

		Net proceeds from the 2025 May Share Subscriptions	Planned net proceeds from the 2025 July Share Subscriptions	Revised net proceeds from the 2025 July Share Subscriptions	Actual utilisation up to 31 December 2025	Unutilised net proceeds as at 31 December 2025	Expected timeline for full utilisation of the unutilised net proceeds[(Note 1)]
				(approximate HKD in millions)			
(c)	Professional fees (i.e. annual listing-related, legal and audit costs)	None	14.000	14.000	4.438	9.562	by the end of 2027
(d)	Rental expenses	None	44.000	14.000	2.908	11.092	by the end of 2027
(e)	Patent-related expenses	None	20.000	20.000	1.815	18.185	by the end of 2027
(f)	Various taxes and maintenance cost of the land and building in Suzhou	None	10.000	10.000	3.709	6.291	by the end of 2027
(g)	Other working capital purposes	None	17.730	47.730	6.791	40.939	by the end of 2027
Total		123.957	369.461	369.461	130.627	362.791	

Notes:

(1) The expected timeline for utilisation of the unutilised net proceeds is based on the best estimation made by the Group and is subject to change based on the future development and events which may be outside the Group's control. Please note that these expectations are based on the most current information available and may be subject to revision as the Company's businesses develop and/or operations evolve.

(2) 50% (approximately HK$184.7 million) of the proceeds from the subscriptions will be used for the Company's working capital, the expansion of internal capabilities, and other general corporate purposes. The allocation is intended to strengthen the financial position of the Group and fund its working capital.

2023 Share Subscriptions

On 14 December 2023, the Company entered into fifteen subscription agreements with fifteen subscribers for the issuance of an aggregate of 56,834,719 new ordinary shares at a subscription price of HK$1.29 per share (the "**2023 Subscriptions**"). The completion of the 2023 Subscriptions took place in January 2024 and raised net proceeds of approximately HK$73,181,794, representing a net subscription price of approximately HK$1.29 per subscription share. The Company completed an issue of 48,322,093 new ordinary shares for thirteen subscription agreements and 8,512,626 new ordinary shares for two subscription agreements on 12 January 2024 and 31 January 2024, respectively. The subscription price of HK$1.29 per share represents (i) a discount of approximately 18.35% to the closing price per Share of HK$1.58 as quoted on the Stock Exchange on 14 December 2023, being the date of the subscription agreements; (ii) a discount of approximately 16.77% to the average closing price per Share of HK$1.55 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the subscription agreements; and (iii) a discount of approximately 9.15% to the average closing price per Share of HK$1.42 as quoted on the Stock Exchange for the last ten consecutive trading days immediately preceding the date of the subscription agreements. Each of the subscribers and its ultimate beneficial owner(s), are independent third parties of the Company. All subscribers are individuals (including employees of the Company), corporations and/or professional investors procured by the Company. The 2023 Subscriptions were conditional upon the approval of the listing of, and permission to deal in, all the new shares being granted by the Listing Committee of the Stock Exchange, and such approval was given by the Stock Exchange in December 2023.

Change in use of proceeds raised from 2023 Subscriptions

As reported in the preceding Management Discussion and Analysis section, we are assessing the feasibility of transferring production to CDMOs. To align with our strategy of optimising resource allocation, enhancing operational flexibility, and primarily focusing on IND and clinical studies, the Company decides to reallocate (i) HK$5.1 million from "For marketing and commercialisation, including establishment of a sales and marketing team, post commercialisation medical activities and marketing and academic promotion activities for Suciraslimab," and (ii) HK$14.6 million from "For commercial production and post-launch site transfer for Suciraslimab" to "For the Group's working capital, the expansion of internal capabilities and other general corporate purposes".

The Board considered the impact of the proposed change in the use of the proceeds on the Group's business and believes that, in view of the Group's operation and business development, the reallocation of the unutilised net proceeds raised from the 2023 Subscriptions will facilitate efficient allocation of financial resources and strengthen the future development of the Group, and it is appropriate and in the interests of the Company and its shareholders as a whole. To strive for better business performance of the Group, the Board will continuously assess the use of unutilised net proceeds and may revise or amend the plan for the use of the unutilised net proceeds where necessary in respond to the changing market conditions.

The Directors consider that the 2023 Subscriptions represent a good opportunity for the Company to raise capital to meet the Company's funding needs and strengthen the shareholding base of the Company. References are made to the Company's announcements dated 14 December 2023, 12 January 2024, 31 January 2024, and 31 March 2025. Details of the planned applications of the net proceeds from the 2023 Subscriptions were disclosed in the Company's announcements dated 14 December 2023, 12 January 2024, 31 January 2024 and subsequently revised and disclosed in the Company's announcement dated 31 March 2025. The following table sets out the planned applications of the net proceeds and the actual usage up to 31 December 2025:

Use of proceeds	**Planned application**[Note 1] *(HK$ million)*	**Revised allocation** *(HK$ million)*	**Utilised amount of net proceeds during the Reporting Period** *(HK$ million)*	**Actual utilisation up to 31 December 2025** *(HK$ million)*	**Unutilised net proceeds as at 31 December 2025** *(HK$ million)*	**Expected timeline for full utilisation of the unutilised net proceeds**[Note 2]
For marketing and commercialisation, including establishment of a sales and marketing team, post commercialisation medical activities and marketing and academic promotion activities for Suciraslimab	25.6	20.5	18.5	20.5	–	N/A
For commercial production and post-launch site transfer for Suciraslimab	14.6	–	–	–	–	N/A
For BLA commercialisation application and extension study for Suciraslimab	11.0	11.0	9.9	11.0	–	N/A
For clinical studies for SM17 for the treatment of atopic dermatitis	22.0	22.0	15.1	22.0	–	N/A
For the Group's working capital, the expansion of internal capabilities and other general corporate purposes	–	19.7	–	–	19.7	By the end of 2026
Total	73.2	73.2	43.5	53.5	19.7	

Notes:

1. Planned applications as revised and disclosed in the Company's announcement dated 31 March 2025.

2. The expected timeline for utilisation of the unutilised net proceeds is based on the best estimation made by the Group and is subject to change based on the future development and events which may be outside the Group's control.

Such utilisation of the net proceeds was in accordance with the planned applications as set out in the above. The unutilised portion of the net proceeds will be applied in a manner consistent with the above planned applications.

2022 Share Subscriptions

On 16 November 2022, the Company completed an issue of 28,680,000 new ordinary shares at a subscription price of HK$1.78 per share to two subscribers and raised net proceeds of approximately HK$50,890,400, representing a net subscription price of approximately HK$1.77 per subscription share (the "**2022 Subscriptions**"). The subscription price of HK$1.78 per share represents (i) the closing price per Share of HK$1.78 as quoted on the Stock Exchange on 2 November 2022, being the date of the subscription agreements; and (ii) a discount of approximately 0.56% to the average closing price per Share of HK$1.79 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the subscription agreements. Each of the investors, namely Ms. Shun Kuen CHAN and Mr. Shanchun WANG subscribed 14,340,000 new ordinary shares. The 2022 Subscriptions were conditional upon the approval of the listing of, and permission to deal in, all the new shares being granted by the Listing Committee of the Stock Exchange, such approval was given by the Stock Exchange in November 2022.

The Directors consider that the 2022 Subscriptions represent a good opportunity for the Company to raise capital to meet the Company's funding needs and strengthen the shareholding base of the Company. References are made to the Company's announcements dated 2 November 2022, 7 November 2022, 16 November 2022 and 20 March 2023.

Details of the planned applications of the net proceeds from the 2022 Subscriptions were disclosed in the Company's announcement dated 7 November 2022 and subsequently revised and disclosed in the Company's announcement dated 20 March 2023. As at 30 June 2025, the net proceeds from 2022 Subscriptions has been fully utilised as intended. The following table sets forth the status of the use of the net proceeds as of 31 December 2025.

Use of proceeds	**Planned application** *(HK$ million)*	**Details of usage**	**Utilised amount of net proceeds during the Reporting Period** *(HK$ million)*	**Actual utilisation up to 31 December 2025** *(HK$ million)*	**Unutilised net proceeds as at 31 December 2025** *(HK$ million)*	**Expected timeline for full utilisation of the unutilised net proceeds**
(i) For the R&D and commercialisation of our drug candidate	39.6	For the R&D and commercialisation of our core product, SM03, to fund clinical trials for SM03 including (i) ongoing and planned clinical trials in the PRC; and (ii) New Drug Application registration filings and the commercial launch of SM03.	6.3	39.6	–	N/A
(ii) Further advance the Company's R&D programmes, expand its R&D team, build its commercialisation team, develop its proprietary technology and enhance its full-spectrum platform	0.2	For R&D programmes of SN1011, especially for the Phase 2 clinical study for neuromyelitis optica spectrum disorder (NMOSD) in China, for the trial expense and related production cost.	–	0.2	–	N/A
	4.0	To fund the expansion of R&D team.	1.7	4.0	–	N/A
	2.0	To build the Company's commercialisation team, develop its proprietary technology and enhance the Company's full-spectrum platform.	–	2.0	–	N/A
(iii) For general working capital purpose	5.1	For the general working capital of the Group, including but not limited to staff employment cost and rental and property management fees.	0.6	5.1	–	N/A
Total	50.9		8.6	50.9	–	

Note:

1. SM03 refers to SM03 (Suciraslimab), the flagship product of the Company.

USE OF PROCEEDS FROM GLOBAL OFFERING

On 12 November 2019, Shares were listed on the Stock Exchange (the "**Listing**") and the Company raised net proceeds of HK$1,272.8 million ("**Net Proceeds**").

Reference is made to the Company's prospectus dated 31 October 2019 (the "**Prospectus**") and subsequent changes in use of proceeds as disclosed in the announcements dated 22 July 2020, 14 August 2020, 21 March 2022, 20 March 2023, 25 March 2024, 19 August 2024 and 31 March 2025. As at 30 June 2025, the Net Proceeds have been fully utilised as intended.

The following table sets forth the status of the Company's use of Net Proceeds as of 31 December 2025:

Use of proceeds	Revised allocation (Note 1) *(HK$ million)*	Utilised amount of Net Proceeds during the Reporting Period *(HK$ million)*	Actual utilisation up to 31 December 2025 *(HK$ million)*	Unutilised Net Proceeds as at 31 December 2025 *(HK$ million)*	Expected timeline for full utilisation of the unutilised Net Proceeds
For the R&D and commercialisation of our drug candidates					
For the R&D and commercialisation of our core product, SM03, to fund clinical trials for SM03 including (i) ongoing and planned clinical trials in the PRC; (ii) additional clinical trials to be initiated in the PRC for additional indications; (iii) clinical trials in Australia and the United States; and (iv) New Drug Application registration filings and the commercial launch of SM03	250.9	–	250.9	–	N/A
To fund pre-clinical research, clinical trials, production, preparation for registration filings and potential commercial launches of the other drug candidates in our pipeline	299.4	4.7	299.4	–	N/A
To further advance our R&D programmes, expand our R&D team, build our commercialisation team, develop our proprietary technology and enhance our full-spectrum platform	52.4	–	52.4	–	N/A
For the discovery and development of new drug candidates not currently in our pipeline to diversify our product portfolio	99.9	2.9	99.9	–	N/A
For the construction of our Suzhou production base primarily for the commercial-scale production of our core product SM03					
For the purchase of laboratory equipment, primarily for the R&D of SM03 and potentially for the R&D of other products in our pipeline	75.8	–	75.8	–	N/A
For the purchase of manufacturing equipment, primarily for the production of SM03	49.7	15.6	49.7	–	N/A

Use of proceeds	Revised allocation (Note 1) (HK$ million)	Utilised amount of Net Proceeds during the Reporting Period (HK$ million)	Actual utilisation up to 31 December 2025 (HK$ million)	Unutilised Net Proceeds as at 31 December 2025 (HK$ million)	Expected timeline for full utilisation of the unutilised Net Proceeds
For the construction of the Suzhou production base					
For the construction of additional R&D facilities and purchase of laboratory equipment to aid the ongoing R&D of SM03 for the treatment of rheumatoid arthritis, systemic lupus erythematosus, non-Hodgkin's lymphoma and other potential indications, R&D of SM03 at commercialisation to enhance craftsmanship for large-scale production, as well as the development of other products in our pipeline	87.6	–	87.6	–	N/A
For the construction of an upstream production facility and downstream purification facility	23.2	–	23.2	–	N/A
For the purchase of land from the Suzhou Dushu Lake Higher Education Town and other expenses related to the expansion of our Suzhou production base	107.9	–	107.9	–	N/A
For our working capital, expanding internal capabilities and other general corporate purposes	187.2	20.4	187.2	–	N/A
Collaboration with D2M Group	38.8	–	38.8	–	N/A
Total	1,272.8	43.6	1,272.8	–	

Notes:

(1) Planned applications as revised and disclosed in the Company's announcements dated 22 July 2020, 14 August 2020, 21 March 2022, 20 March 2023, 25 March 2024 and 19 August 2024 and 31 March 2025.

(2) SM03 refers to SM03 (Suciraslimab), the flagship product of the Company.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

MATERIAL EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, the Directors are not aware of any material event after the Reporting Period and up to the date of this announcement.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries with each of the Directors, all the Directors confirmed that they had complied with such code of conduct throughout the year ended 31 December 2025.

PRELIMINARY ANNOUNCEMENT OF AUDITED ANNUAL RESULTS

The financial information relating to the years ended 31 December 2025 and 2024 included in this announcement does not constitute the Company's statutory annual consolidated financial statements for both years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "**Companies Ordinance**") is as follows:

- The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance and will deliver the financial statements for the year ended 31 December 2025 to the Registrar of Companies in due course.

- The Company's auditor has reported on the financial statements of the Group for both years. The auditor's reports were unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports, and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Companies Ordinance.

CORPORATE GOVERNANCE

The Board is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential to providing a framework for the Group to safeguard the interests of shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability. The Company has applied the principles and code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules throughout the Reporting Period.

The Board is of the view that throughout the Reporting Period, the Company has complied with all code provisions as set out in the CG Code, save for the deviation as disclosed in this announcement.

Pursuant to code provision C.2.1 in the CG Code, the roles of the chairman and chief executive should be separate and should not be performed by the same individual. Dr. Shui On LEUNG ("**Dr. Leung**") is currently both the chairman and the chief executive officer of the Company. The Board believes that Dr. Leung is the Director best suited, among all Directors, to identify strategic opportunities and focus in view of his extensive understanding of the Company's business as a founder and the chief executive officer. The Board further believes that the combined role of chairman and chief executive officer will not impair the balance of power and authority between the Board and the management of the Company, given that: (i) decisions to be made by the Board require approval by at least a majority of the Directors; (ii) Dr. Leung and other Directors are aware of and have undertaken to fulfil their fiduciary duties as Directors, which require, amongst other things, that they act for the benefit and in the best interests of the Company as a whole and will make decisions for the Company accordingly; (iii) the balance of power and authority is protected by the operations of the Board, which consists of an executive Director (Dr. Leung), four non-executive Directors and five independent non-executive Directors, and has a fairly strong independence element; and (iv) the overall strategies and other key business, financial, and operational policies of the Company are made collectively after thorough discussions at both the Board and senior management levels. Therefore, the Board considers that it is in the best interests of the Group for Dr. Leung to take up both roles for business development and effective management, and the deviation from the code provision C.2.1 of the CG Code is appropriate in such circumstances.

AUDIT COMMITTEE

The Audit Committee comprises five independent non-executive Directors, being Mr. Ping Cho Terence HON (Chairman), Mr. George William Hunter CAUTHERLEY, Dr. Chi Ming LEE, Ms. Chi Sau Giselle LEE and Mr. Nan SHEN. The primary duties of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, risk management and internal control and systems of the Group and overseeing the audit process and the relationship between the Company and its auditor.

The Audit Committee has reviewed alongside the management and external auditor the accounting principles and policies adopted by the Group and the audited consolidated financial statements for the Reporting Period.

SCOPE OF WORK OF THE GROUP'S AUDITOR

The figures in respect of the Group's consolidated statement of financial position, consolidated statements of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in this annual results announcement have been agreed by the Group's auditor, Ernst & Young, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2025 prepared in accordance with HKFRS Accounting Standards. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on this annual results announcement.

ANNUAL GENERAL MEETING

The annual general meeting of the Company (the "**AGM**") will be held on Friday, 12 June 2026. The notice of the AGM will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.sinomab.com) and despatched to the shareholders of the Company in the manner as required by the Listing Rules in due course.

FINAL DIVIDEND

The Board does not recommend payment of a final dividend for the Reporting Period.

CLOSURE OF THE REGISTER OF MEMBERS

The record date for determining the entitlement of the shareholders of the Company to attend, speak and vote at the AGM is Friday, 12 June 2026. The register of members of the Company will be closed from Tuesday, 9 June 2026 to Friday, 12 June 2026, both days inclusive, during which no transfer of shares will be registered, in order to determine the holders of the shares of the Company who are entitled to attend and vote at the AGM. In order to be eligible to attend, speak and vote at the AGM, all transfers of the shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Monday, 8 June 2026 (Hong Kong time, being the last share registration date).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

YEAR ENDED 31 DECEMBER 2025

	Notes	**2025** ***RMB'000***	2024 *RMB'000*
REVENUE	*4*	**–**	2,026
Cost of sales		**–**	(1,483)
Gross profit		**–**	543
Other income and gains	*4*	**29,271**	7,621
Research and development costs		**(81,624)**	(94,753)
Administrative expenses		**(46,384)**	(67,716)
Other expenses	*5*	**(722)**	(22,175)
Finance costs		**(5,526)**	(8,661)
LOSS BEFORE TAX		**(104,985)**	(185,141)
Income tax expense	*6*	**–**	–
LOSS FOR THE YEAR		**(104,985)**	(185,141)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)	*7*	**(0.09)**	(0.17)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 DECEMBER 2025

	2025	2024
	RMB'000	*RMB'000*
LOSS FOR THE YEAR	**(104,985)**	(185,141)
OTHER COMPREHENSIVE (LOSS)/INCOME		
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation to the presentation currency	**(15,303)**	10,750
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	**(120,288)**	(174,391)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2025

	Notes	**2025** ***RMB'000***	2024 *RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**480,223**	484,108
Right-of-use assets		**20,779**	66,614
Intangible assets		**354**	935
Deposits		**1,241**	801
Other non-current assets	*9*	**15,614**	15,305
Total non-current assets		**518,211**	567,763
CURRENT ASSETS			
Prepayments, deposits and other receivables		**7,666**	12,457
Financial assets at fair value through profit or loss	*10*	**48,713**	44,978
Pledged and restricted deposits		**10,814**	66,002
Cash and cash equivalents		**322,708**	61,900
Total current assets		**389,901**	185,337
CURRENT LIABILITIES			
Other payables and accruals	*11*	**61,740**	77,918
Lease liabilities		**7,583**	12,941
Interest-bearing bank borrowings	*12*	**134,716**	112,639
Total current liabilities		**204,039**	203,498
NET CURRENT ASSETS/(LIABILITIES)		**185,862**	(18,161)
TOTAL ASSETS LESS CURRENT LIABILITIES		**704,073**	549,602
NON-CURRENT LIABILITIES			
Lease liabilities		**4,106**	50,044
Interest-bearing bank borrowings	*12*	**192,089**	306,647
Total non-current liabilities		**196,195**	356,691
Net assets		**507,878**	192,911
EQUITY			
Equity attributable to owners of the parent			
Share capital	*13*	**2,218,200**	1,790,094
Reserves		**(1,710,322)**	(1,597,183)
Total equity		**507,878**	192,911

NOTES

1. GENERAL

The Company was established in Hong Kong on 27 April 2001 with limited liability. On 12 November 2019, the shares were listed on the Main Board of the Stock Exchange. The registered address of the Company is located at Units 303 and 305 to 307, No. 15 Science Park West Avenue, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong. The principal activities of the Group are mainly research and development of pharmaceutical products.

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the Hong Kong Companies Ordinance and the disclosure requirements of the Hong Kong Companies Ordinance.

These financial statements have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the year ended 31 December 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

3.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to HKAS 21 for the first time for the current year's financial statements.

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

3.2 ISSUED BUT NOT YET EFFECTIVE HKFRSs

The Group has not applied the following new and amended HKFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and amended HKFRS Accounting Standards, if applicable, when they become effective.

HKFRS 18	*Presentation and Disclosure in Financial Statements*[2]
HKFRS 19 and its amendments	*Subsidiaries without Public Accountability: Disclosures*[2]
Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[1]
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*[1]
Amendments to HKFRS 10 and HKAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Amendments to HKAS 21	*Translation to a Hyperinflationary Presentation Currency*[2]
Annual Improvements to HKFRS Accounting Standards — Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7[1]

1 Effective for annual periods beginning on or after 1 January 2026
2 Effective for annual/reporting periods beginning on or after 1 January 2027
3 No mandatory effective date yet determined but available for adoption

The directors of the Company anticipate that application of the new and amended HKFRS Accounting Standards will have no material impact on the Group's consolidated financial statements in the foreseeable future.

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2025	2024
	RMB'000	*RMB'000*
Revenue from contract with a customer	**–**	2,026

Disaggregated revenue information

	2025	2024
	RMB'000	*RMB'000*
Type of goods		
Sales of capsules	**–**	2,026
Geographical market		
Mainland China	**–**	2,026
Timing of revenue recognition		
Goods transferred at a point in time	**–**	2,026

Notes:

(i) The Company entered into a capsule sales agreement to sell the capsule which is the Bruton's tyrosine kinase ("**BTK**") inhibitor in 2022. During the year of 2024, the Company supplied capsules and recognised the corresponding revenue and costs separately.

(ii) The performance obligation is satisfied upon delivery of the capsule products.

An analysis of other income and gains is as follows:

	2025	2024
	RMB'000	*RMB'000*
Other income and gains		
Foreign exchange gain	**11,392**	–
Gain on lease termination	**7,409**	–
Government grants	**4,693**	571
Bank interest income	**3,713**	5,881
Fair value gain on financial instruments at fair value through profit or loss	**729**	496
Gain on disposal of items of property, plant and equipment	**–**	83
Others	**1,335**	590
Total other income and gains	**29,271**	7,621

The government grants mainly represent grants received from the local governments for supporting research activities, clinical trials and employment. There were no unfulfilled conditions or contingences relating to these grants received during the year.

5. OTHER EXPENSES

	2025	2024
	RMB'000	*RMB'000*
Loss on disposal items of property, plant and equipment	**92**	–
Loss on termination of purchase contracts	**–**	12,579
Foreign exchange loss	**–**	9,471
Others	**630**	125
Total other expenses	**722**	22,175

6. INCOME TAX

No Hong Kong profit tax has been made as the Company did not generate any assessable profit during the year (2024: Nil).

Under the Enterprise Income Tax Law of the People's Republic of China (the "**EIT Law**") and Implementation Regulation of the EIT Law, the estimated tax rate of the Group's subsidiaries in Mainland China is 25% during the years presented in the consolidated financial statements. No Enterprise Income tax under EIT Law was provided for as there was no estimated assessable profit of the Group's subsidiaries in Mainland China during the years presented in the consolidated financial statements.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

Deferred taxation had not been recognised on the unused tax losses and deductible temporary differences due to the unpredictability of future profit streams.

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

The calculation of the basic loss per share is based on the consolidated loss for the year attributable to ordinary equity holders of the parent of RMB104,985,000 (2024: RMB185,141,000), and the weighted average number of ordinary shares of 1,227,203,051 (2024: 1,073,649,559) outstanding during the year, as adjusted to exclude the shares held under the share award scheme of the Company.

No adjustment has been made to the basic loss per share amount presented for the year ended 31 December 2025 and 2024 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic loss per share amount presented.

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

	2025	2024
	RMB'000	*RMB'000*
Loss		
Loss attributable to ordinary equity holders of the parent	**104,985**	185,141

	Number of shares	
	2025	2024
Shares		
Weighted average number of ordinary shares outstanding during the year	**1,227,203,051**	1,073,649,559

There were 15,870,500 shares held under Share Award Scheme as of 31 December 2025 (2024: 15,955,500).

8. DIVIDEND

No dividend was paid or declared by the Company during the years ended 31 December 2025 and 2024.

9. OTHER NON-CURRENT ASSETS

Other non-current assets represent prepayments for purchases of property, plant and equipment mainly in relation to the construction of Suzhou production base primarily for the commercial-scale production.

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Note	**2025** ***RMB'000***	2024 *RMB'000*
Unlisted investment, at fair value		**30,757**	31,455
Wealth management products	*(i)*	**17,956**	13,523
Total		**48,713**	44,978

Note:

(i) The wealth management products were mandatorily classified as financial asset at fair value through profit or loss as its contractual cash flows are not solely payments of principal and interest. The Group has estimated the fair value of the wealth management products based on fair value provided by the financial institution.

11. OTHER PAYABLES AND ACCRUALS

	Note	**2025** ***RMB'000***	2024 *RMB'000*
Other payables and accrued expenses	*(i)*	**30,357**	33,899
Costs of construction and purchase of equipment payables		**29,103**	40,946
Payroll payable		**2,040**	2,807
Taxes other than corporate income tax		**240**	266
Total		**61,740**	77,918

Note:

(i) Other payables and accrued expenses are non-interest bearing and repayable on demand, or within one year.

12. INTEREST-BEARING BANK BORROWINGS

	2025 ***RMB'000***	2024 *RMB'000*
Non-current		
Unsecured bank borrowings	**73,805**	138,363
Secured bank borrowing	**118,284**	168,284
Total – non-current	**192,089**	306,647
Current		
Unsecured bank borrowings	**84,545**	41,624
Secured bank borrowings	**50,171**	71,015
Total – current	**134,716**	112,639
Total	**326,805**	419,286
Bank borrowings repayable analysed into:		
Within one year	**134,716**	112,639
In the second year	**92,550**	114,558
In the third to fifth years, inclusive	**99,539**	192,089
Total	**326,805**	419,286

Notes:

(a) The Group's overdraft facilities amounting to RMB697,555,000 (2024: RMB768,713,000), of which RMB385,839,000 (2024: RMB446,797,000) had been utilised as at the end of the reporting period.

(b) Certain of the Group's bank borrowings are secured by:

(i) mortgages over the Group's land use right and construction in progress, which had a net carrying value at the end of the reporting period of approximately RMB340,016,000 (2024: RMB334,261,000); and

(ii) The Group does not pledge any of its deposits as at 31 December 2025 (2024: RMB44,993,000).

(c) All borrowings are denominated in RMB.

(d) The effective interest rates of the bank borrowings as at 31 December 2025 range from 3.00% to 3.90% (31 December 2024: 3.15% to 3.90%) per annum.

13. SHARE CAPITAL

	2025	2024
	RMB'000	*RMB'000*
Issued and fully paid:		
1,386,638,336 (2024: 1,091,755,119) ordinary shares	**2,218,200**	1,790,094

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

	Number of shares in issue	**Share capital** *RMB'000*
At 31 December 2024 and 1 January 2025	1,091,755,119	1,790,094
New shares issued	294,883,217	428,106
At 31 December 2025	1,386,638,336	2,218,200

Note:

On 13 May 2025, the Company entered into twenty-six subscription agreements with twenty-six subscribers for the issuance of an aggregate of 112,810,817 new ordinary shares at a subscription price of HKD1.10 per share. The Company completed an issue of 112,810,817 new ordinary shares for twenty-six subscription agreements on 29 May 2025. On 22 July 2025, the Company entered into twenty-three subscription agreements with twenty-three subscribers for the issuance of an aggregate of 182,072,400 new ordinary shares at a subscription price of HKD2.03 per share. The Company completed an issue of 182,072,400 new ordinary shares for twenty-three subscription agreements on 29 August 2025. The total net proceeds accounting to approximately RMB428,106,000 were settled.

An aggregate of 294,883,217 shares, represents (i) approximately 27.01% of the issued share capital of the Company immediately before the completion of the share subscription; and (ii) approximately 21.27% of the issued share capital of the Company as enlarged by the allotment and issue of the subscription shares.

PUBLICATION OF AUDITED CONSOLIDATED ANNUAL RESULTS AND 2025 ANNUAL REPORT ON WEBSITES OF STOCK EXCHANGE AND COMPANY

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.sinomab.com). The 2025 annual report of the Company containing all the information required by the Listing Rules will be despatched to the shareholders of the Company and/or published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board of
SinoMab BioScience Limited
Dr. Shui On LEUNG
Executive Director, Chairman and Chief Executive Officer

Hong Kong, 23 March 2026

As at the date of this announcement, the executive Director is Dr. Shui On LEUNG, the non-executive Directors are Dr. Haigang CHEN, Mr. Xun DONG, Ms. Xiaosu WANG and Dr. Jianmin ZHANG and the independent non-executive Directors are Mr. George William Hunter CAUTHERLEY, Mr. Ping Cho Terence HON, Dr. Chi Ming LEE, Ms. Chi Sau Giselle LEE and Mr. Nan SHEN.