# AIM Vaccine Co., Ltd.
# 艾美疫苗股份有限公司

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

**(Stock Code: 06660)**

## ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2024

### FINANCIAL HIGHLIGHTS

| | Year ended December 31, | | |
|---|---|---|---|
| | **2024** | 2023 | Change |
| **Key income statement items** | ***RMB'000*** | *RMB'000* | *%* |
| Revenue | **1,285,031** | 1,187,468 | 8.2 |
| Gross profit | **953,508** | 901,016 | 5.8 |
| Loss attributable to owners of the parent | **(277,234)** | (1,301,005) | -78.7 |

The Board is pleased to announce the audited consolidated annual results of the Group for the year ended December 31, 2024 together with the comparative figures for the previous corresponding period as follows:

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*Year ended December 31, 2024*

| | | Year ended December 31, | |
|---|---|---|---|
| | *Notes* | **2024** | 2023 |
| | | ***RMB'000*** | *RMB'000* |
| REVENUE | *4* | **1,285,031** | 1,187,468 |
| Cost of sales | | **(331,523)** | (286,452) |
| Gross profit | | **953,508** | 901,016 |
| Other income and gains | *4* | **32,847** | 51,658 |
| Selling and distribution expenses | | **(542,666)** | (493,995) |
| Administrative expenses | | **(282,730)** | (254,292) |
| Research and development costs | | **(363,126)** | (636,401) |
| Impairment losses on financial assets, net | | **6,258** | (4,180) |
| Impairment losses on property, plant and equipment | | **(32,746)** | (61,091) |
| Impairment losses on goodwill | | **–** | (211,444) |
| Impairment losses on other intangible assets | | **–** | (1,512,230) |
| Other expenses | | **(1,267)** | (5,854) |
| Finance costs | *5* | **(60,796)** | (43,832) |
| LOSS BEFORE TAX | *6* | **(290,718)** | (2,270,645) |
| Income tax credit | *7* | **12,249** | 320,404 |
| LOSS FOR THE YEAR | | **(278,469)** | (1,950,241) |
| TOTAL COMPREHENSIVE LOSS FOR THE YEAR | | **(278,469)** | (1,950,241) |

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)**

*Year ended December 31, 2024*

| | Notes | Year ended December 31, | |
|---|---|---|---|
| | | **2024** | 2023 |
| | | ***RMB'000*** | *RMB'000* |
| Loss attributable to: | | | |
| Owners of the parent | | **(277,234)** | (1,301,005) |
| Non-controlling interests | | **(1,235)** | (649,236) |
| | | **(278,469)** | (1,950,241) |
| Total comprehensive loss attributable to: | | | |
| Owners of the parent | | **(277,234)** | (1,301,005) |
| Non-controlling interests | | **(1,235)** | (649,236) |
| | | **(278,469)** | (1,950,241) |
| LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT: | *9* | | |
| Basic | | | |
| – For loss for the year (RMB) | | **(0.23)** | (1.07) |
| Diluted | | | |
| – For loss for the year (RMB) | | **(0.23)** | (1.07) |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*December 31, 2024*

| | Notes | Year ended December 31, 2024 RMB'000 | 2023 RMB'000 |
|---|---|---|---|
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | | **3,274,315** | 3,293,917 |
| Right-of-use assets | | **205,104** | 227,612 |
| Goodwill | | **271,453** | 271,453 |
| Other intangible assets | | **989,358** | 805,415 |
| Prepayments for equipment | | **73,745** | 82,697 |
| Deferred tax assets | | **109,970** | 95,327 |
| Other non-current assets | | **2,979** | 2,638 |
| Total non-current assets | | **4,926,924** | 4,779,059 |
| CURRENT ASSETS | | | |
| Inventories | | **462,611** | 509,860 |
| Trade and bills receivables | *10* | **1,123,753** | 1,005,069 |
| Prepayments, other receivables and other assets | | **126,128** | 157,641 |
| Due from related parties | | **32,438** | 31,713 |
| Restricted cash | | **47,594** | 42,238 |
| Time deposits | | **100,608** | 153,272 |
| Cash and cash equivalents | | **494,265** | 583,143 |
| Total current assets | | **2,387,397** | 2,482,936 |
| CURRENT LIABILITIES | | | |
| Trade payables | *11* | **50,894** | 60,358 |
| Other payables and accruals | | **1,569,696** | 1,236,537 |
| Contract liabilities | | **35,289** | 56,934 |
| Interest-bearing bank borrowings | | **1,393,792** | 1,205,696 |
| Lease liabilities | | **13,957** | 20,544 |
| Tax payable | | **3,468** | 2,894 |
| Deferred government grants | | **6,024** | 6,106 |
| Provisions | | **17,148** | 12,830 |
| Total current liabilities | | **3,090,268** | 2,601,899 |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)**

*December 31, 2024*

| | Notes | Year ended December 31, 2024 RMB'000 | 2023 RMB'000 |
|---|---|---|---|
| NET CURRENT (LIABILITIES)/ASSETS | | **(702,871)** | (118,963) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | **4,224,053** | 4,660,096 |
| NON-CURRENT LIABILITIES | | | |
| Interest-bearing bank borrowings | | **424,993** | 556,944 |
| Lease liabilities | | **8,535** | 12,425 |
| Deferred tax liabilities | | **25,002** | 41,163 |
| Deferred government grants | | **154,415** | 159,987 |
| Total non-current liabilities | | **612,945** | 770,519 |
| NET ASSETS | | **3,611,108** | 3,889,577 |
| EQUITY | | | |
| Equity attributable to owners of the parent | | | |
| Share capital | | **1,211,063** | 1,211,063 |
| Reserves | | **2,154,457** | 2,431,691 |
| | | **3,365,520** | 3,642,754 |
| Non-controlling interests | | **245,588** | 246,823 |
| TOTAL EQUITY | | **3,611,108** | 3,889,577 |

## 1. CORPORATE AND GROUP INFORMATION

AIM Vaccine Co., Ltd. (the "**Company**") was incorporated as a limited liability company in the People's Republic of China (the "**PRC**") on 9 November 2011. Upon approval by the shareholders' general meeting held on 18 September 2020, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC and changed its registered name from "Beijing AIM Biological Vaccine Technology Group Co., Ltd.*" (北京艾美生物疫苗技術集團有限公司) to "AIM VACCINE CO., LTD.*" (艾美疫苗股份有限公司) on 23 September 2020. The registered office of the Company is located at Room 412, 4/F, Building 6, No. 105 Jinghai 3rd Road, Beijing Economic-Technological Development Area, Beijing.

During the year, the Group was involved in the research and development, manufacture and commercialisation of vaccine products for human use in the PRC.

The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 6 October 2022.

**Information about subsidiaries**

Particulars of the Company's subsidiaries as at 31 December 2024, all of which are limited liability companies incorporated in the PRC, are as follows:

| Name | Date of registration | Issued ordinary/ registered share capital | Percentage of equity attributable to the Company | | Principal activitie |
|---|---|---|---|---|---|
| | | | Direct | Indirect | Indirect |
| AIM Rongyu (Ningbo) Biopharmaceutical Co., Ltd.* ("艾美榮譽(寧波)生物製藥有限公司") ("**AIM Rongyu**") | 30-Apr-2001 | RMB700,000,000/ RMB700,000,000 | 20% | 80% | Vaccine development, manufacture and sale of vaccine |
| AIM Honesty Biopharmaceutical Co., Ltd.* ("艾美誠信生物製藥有限公司") ("**AIM Honesty**") | 20-Sep-1993 | RMB250,000,000/ RMB250,000,000 | 100% | – | Vaccine development, manufacture and sale of vaccine |
| AIM Persistence Biopharmaceutical Co., Ltd.* ("艾美堅持生物製藥有限公司") ("**AIM Persistence**") | 24-Dec-2002 | RMB1,027,306,120/ RMB1,027,306,120 | 97.1174% | 2.8826% | Vaccine development, manufacture and sale of vaccine |
| AIM Action BioPharm Co., Ltd.* ("艾美行動生物製藥有限公司") ("**AIM Action**") | 13-Oct-2011 | RMB440,000,000/ RMB440,000,000 | 100% | – | Vaccine development, manufacture and sale of vaccine |
| AIM Explorer Biomedical R&D Co., Ltd.* ("艾美探索者生命科學研發有限公司") | 10-Sep-2018 | RMB450,000,000/ RMB450,000,000 | 100% | – | Vaccine development |
| Liverna Therapeutics Inc.* ("珠海麗凡達生物技術有限公司") ("**Liverna**") | 21-Jun-2019 | RMB7,500,000/ RMB7,500,000 | 50.1546% | – | Vaccine and drug development |

| Name | Date of registration | Issued ordinary/ registered share capital | Percentage of equity attributable to the Company | | Principal activitie |
|---|---|---|---|---|---|
| | | | Direct | Indirect | Indirect |
| AIM Innovator Biomedical Research (Shanghai) Co., Ltd.* ("艾美創新者生物醫藥研究(上海)有限公司") | 17-May-2021 | RMB47,500,000/ RMB50,000,000 | 95% | 5% | Vaccine development |
| AIM Vaccine Research Institute (Jiangsu) Co., Ltd.* ("艾美疫苗研究院(江蘇)有限公司") | 9-Dec-2013 | RMB100,000/ RMB50,000,000 | 100% | – | Vaccine development |
| AIM Innovative Biotechnology (Shanghai) Co., Ltd.* ("艾美創新生物技術(上海)有限公司") | 8-May-2019 | RMB9,000,000/ RMB50,000,000 | 100% | – | Vaccine development |
| Shanghai Beibi Road Cultural Development Co., Ltd.* ("上海北壁之路文化發展有限公司") | 28-Mar-2017 | RMB10,000,000/ RMB10,000,000 | 100% | – | Investment holding |
| AIM Responsibility Biopharmaceutical (Liaoning) Co., Ltd.* ("艾美責任生物製藥(遼寧)有限公司") | 28-Jan-2023 | Nil/ RMB50,000,000 | 100% | – | Vaccine development |
| AIM Vaccine Research Institute (Liaoning) Co., Ltd.* ("艾美疫苗研究院(遼寧)有限公司") | 18-Apr-2023 | Nil/ RMB50,000,000 | 94% | 6% | Vaccine development |
| AIM Leader (Beijing) Biomedical Research Co., Ltd.* ("艾美引領者(北京)生物醫藥研究有限公司") | 8-Nov-2023 | Nil/ RMB50,000,000 | 100% | – | Vaccine development |
| AIM Dream Biotechnology (Beijing) Co., Ltd.* ("艾美夢想生物技術(北京)有限公司") | 1-Nov-2023 | Nil/ RMB50,000,000 | 100% | – | Vaccine development |

* The English names of these subsidiaries registered in the PRC represent the translated names of these companies as no English names have been registered.

## 2. ACCOUNTING POLICIES

### 2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRSs**") (which include all International Financial Reporting Standards, International Accounting Standards ("**IASs**") and Interpretations) issued by the International Accounting Standards Board ("**IASB**") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for wealth investment products 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.

The Group recorded net current liabilities of RMB702,871,000 as at 31 December 2024 (31 December 2023: RMB118,963,000). In view of the net current liabilities position, the Group's management prepared a cash flow forecast covering a period of twelve months from the end of the reporting period after taking into consideration the following:

– The Group's ability and historical records in negotiating with the banks for new bank borrowings and high renewal rate of existing bank borrowings. Subsequent to 31 December 2024, the Group has renewed bank borrowings of RMB140,000,000 and obtained new bank borrowings of RMB74,000,000. In addition, as at the date of the approval of these financial statements, the Group has unused bank facilities of RMB17,000,000.

– Subsequent to 31 December 2024, the Group has completed a directed share placement with total proceeds of RMB71,638,000.

– The Group's continued efforts in expediting the collection of outstanding trade receivables, improving sales and controlling the pace of the Group's operation expansion and capital expenditures.

The cash flow forecast indicates that the Group will have sufficient financial resources to settle the borrowings and payables that will be due in the next twelve months. Therefore, the directors are of the opinion that there are no material uncertainties that may cast significant doubt over the going concern assumption and concluded it is appropriate to prepare the financial statements on a going concern basis.

**Basis of consolidation**

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 December 2024. 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.

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised IFRSs for the first time for the current year's financial statements.

| | |
|---|---|
| Amendments to IFRS 16 | *Lease Liability in a Sale and Leaseback* |
| Amendments to IAS 1 | *Classification of Liabilities as Current or Non-current (the "**2020 Amendments**")* |
| Amendments to IAS 1 | *Non-current Liabilities with Covenants (the "**2022 Amendments**")* |
| Amendments to IAS 7 and IFRS 7 | *Supplier Finance Arrangements* |

The nature and the impact of the revised IFRSs that are applicable to the Group are described below:

(a) Amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of IFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

(b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

(c) Amendments to IAS 7 and IFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

## 2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Group has not applied the following revised IFRSs, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these revised IFRSs, if applicable, when they become effective.

| | |
|---|---|
| IFRS 18 | *Presentation and Disclosure in Financial Statements*[3] |
| IFRS 19 | *Subsidiaries without Public Accountability: Disclosures*[3] |
| Amendments to IFRS 9 and IFRS 7 | *Amendments to the Classification and Measurement of Financial Instruments*[2] |
| Amendments to IFRS 10 and IAS 28 | *Sale or Contribution of Assets between an Investor and its Associate Joint Venture*[4] |
| Amendments to IAS 21 | *Lack of Exchangeability*[1] |
| Annual Improvements to IFRS Accounting Standards – Volume 11 | *Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7*[2] |

[1] Effective for annual periods beginning on or after 1 January 2025
[2] Effective for annual periods beginning on or after 1 January 2026
[3] Effective for annual/reporting periods beginning on or after 1 January 2027
[4] No mandatory effective date yet determined but available for adoption

Further information about those IFRSs that are expected to be applicable to the Group is described below.

IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from IAS 1 with limited changes, IFRS 18 introduces new requirements for presentation within the statement of profit or loss and other comprehensive income, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in IAS 1 are moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors,* which is renamed as IAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of IFRS 18, limited, but widely applicable, amendments are made to IAS 7 *Statement of Cash Flows*, IAS 33 *Earnings per Share* and IAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other IFRSs. IFRS 18 and the consequential amendments to other IFRSs are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of IFRS 18 on the presentation and disclosure of the Group's financial statements.

IFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS Accounting Standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10 *Consolidated Financial Statements*, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements available for public use which comply with IFRS Accounting Standards. Earlier application is permitted. As the Company is a listed company, it is not eligible to elect to apply IFRS 19. IFRS 19 is not expected to have any significant impact on the Company's subsidiaries.

Amendments to IFRS 9 and IFRS 7 clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to IFRS 10 and IAS 28 was removed by the IASB. However, the amendments are available for adoption now. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. Earlier application is permitted. When applying the amendments, an entity cannot restate comparative information. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening balance of retained profits or to the cumulative amount of translation differences accumulated in a separate component of equity, where appropriate, at the date of initial application. The amendments are not expected to have any significant impact on the Group's financial statements.

*Annual Improvements to IFRS Accounting Standards – Volume 11* set out amendments to IFRS 1, IFRS 7 (and the accompanying *Guidance on implementing IFRS 7*), IFRS 9, IFRS 10 and IAS 7. Details of the amendments that are expected to be applicable to the Group are as follows:

- IFRS 7 *Financial Instruments: Disclosures*: The amendments have updated certain wording in paragraph B38 of IFRS 7 and paragraphs IG1, IG14 and IG20B of the *Guidance on implementing IFRS 7* for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the *Guidance on implementing IFRS 7* does not necessarily illustrate all the requirements in the referenced paragraphs of HKFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- IFRS 9 *Financial Instruments*: The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply paragraph 3.3.3 of IFRS 9 and recognise any resulting gain or loss in profit or loss. In addition, the amendments have updated certain wording in paragraph 5.1.3 of IFRS 9 and Appendix A of IFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- IFRS 10 *Consolidated Financial Statements*: The amendments clarify that the relationship described in paragraph B74 of IFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of IFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- IFRS 7 *Statement of Cash Flows*: The amendments replace the term "cost method" with "at cost" in paragraph 37 of IFRS 7 following the prior deletion of the definition of "cost method". Earlier application is permitted. The amendments are not expected to have any impact on the Group's financial statements.

## 3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into one single business unit that is the sale of vaccine and research and development services. Management reviews the overall results and financial position of the Group as a whole based on the same accounting policies. Accordingly, the Group has only a single operating segment and no further analysis of the single operating segment is presented.

### Geographical information

As the Group generates all of its non-current assets are located in PRC during the year, no further geographical information is presented. The revenue information of continuing operations below is based on the locations of the customers.

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Mainland China | **1,278,217** | 1,187,468 |
| Other countries/regions | **6,814** | – |
| Total revenue | **1,285,031** | 1,187,468 |

### Information about major customers

No revenue accounting for 10 percent or more of the Group's total revenue was derived from sale to a single customer during the year (2023: Nil).

## 4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

| | **Year ended 31 December** | |
|---|---|---|
| | **2024** | 2023 |
| | ***RMB'000*** | *RMB'000* |
| Revenue from contracts with customers | **1,285,031** | 1,187,468 |

**Revenue from contracts with customers**

***(i) Disaggregated revenue information***

| | Year ended 31 December | |
|---|---|---|
| | **2024** | 2023 |
| | ***RMB'000*** | *RMB'000* |
| **Types of goods or services** | | |
| Sale of vaccine | **1,261,446** | 1,187,468 |
| Research and development services | **23,585** | – |
| **Total** | **1,285,031** | 1,187,468 |
| **Geographical markets** | | |
| Mainland China | **1,278,217** | 1,187,468 |
| Other countries/regions | **6,814** | – |
| **Total** | **1,285,031** | 1,187,468 |
| **Timing of revenue recognition** | | |
| Goods or services transferred at a point in time | **1,285,031** | 1,187,468 |

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

| | Year ended 31 December | |
|---|---|---|
| | **2024** | 2023 |
| | ***RMB'000*** | *RMB'000* |
| Sale of vaccine | **22,994** | 15,803 |

***(ii) Performance obligations***

Information about the Group's performance obligations is summarised below:

*Sale of vaccine*

The performance obligation is satisfied upon the acceptance of the products by the customers and the payment is generally due within 180 days from delivery.

*Research and development services*

Based on the terms of the contract, the performance obligation is satisfied at the point in time as the services are rendered and accepted and payment is billed based on the milestone achieved.

An analysis of other income and gains is as follows:

| | Year ended 31 December | |
|---|---|---|
| | **2024** | 2023 |
| | ***RMB'000*** | *RMB'000* |
| Other income and gains | | |
| Government grants related to | | |
| – Assets *(i)* | **5,879** | 5,278 |
| – Income | **18,220** | 27,694 |
| Bank interest income | **7,491** | 10,707 |
| Foreign exchange gains, net | **–** | 662 |
| Gain on disposal of right-in-use asset | **–** | 6,915 |
| Others | **1,257** | 402 |
| **Total** | **32,847** | 51,658 |

(i) The Group has received certain government grants related to assets for investment in leasehold land, property, plant and equipment. The grants related to assets were recognised in profit or loss over the useful lives of the relevant assets.

## 5. FINANCE COSTS

An analysis of finance costs is as follows:

| | Year ended 31 December | |
|---|---|---|
| | **2024** | 2023 |
| | ***RMB'000*** | *RMB'000* |
| Interest on bank loans | **82,323** | 71,545 |
| Interest on lease liabilities | **1,188** | 1,814 |
| Less: Interest capitalised | **22,715** | 29,527 |
| **Total** | **60,796** | 43,832 |

## 6. LOSS BEFORE TAX

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

| | Notes | Year ended 31 December 2024 RMB'000 | 2023 RMB'000 |
|---|---|---|---|
| Cost of inventories sold* | | **331,523** | 286,452 |
| Depreciation of property, plant and equipment | | **103,319** | 111,636 |
| Depreciation of right-of-use assets | | **34,367** | 27,797 |
| Amortisation of other intangible assets | | **34,343** | 35,264 |
| Lease payments not included in the measurement of lease liabilities | | **5,164** | 5,394 |
| Auditors' remuneration | | **3,900** | 3,880 |
| Employee benefit expenses (including directors' and chief executive's remuneration) | | | |
| Wages and salaries | | **282,843** | 298,674 |
| Equity-settled share-based compensation | | **–** | (14,201) |
| Pension scheme contributions** | | **74,076** | 77,888 |
| | | **356,919** | 362,361 |
| Foreign exchange differences, net | | **937** | (662) |
| (Reversal of)/Provision for impairment of trade and bills receivables *(note 10)* | | **(6,258)** | 4,177 |
| Provision for impairment of prepayments, other receivables and other assets | | **–** | 3 |
| Write-down of inventories to net realisable value | | **26,802** | 10,518 |
| Impairment of property, plant and equipment | | **32,746** | 61,091 |
| Impairment of goodwill | | **–** | 211,444 |
| Impairment of other intangible assets | | **–** | 1,512,230 |
| Loss on disposal of property, plant and equipment | | **144** | 218 |
| Gain on disposal of items of right-of-use assets | | **–** | 6,915 |
| Interest income | | **(7,491)** | (10,707) |
| Gain on disposal of wealth investment products at fair value | | **(78)** | – |

* Cost of inventories sold include expenses relating to staff cost, depreciation and amortisation expenses, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

## 7. INCOME TAX CREDIT

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

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and the Implementation Regulation of the EIT Law, the EIT rate of the PRC subsidiaries is 25% unless they are subject to preferential tax as set out below.

- AIM Action BioPharm Co., Ltd. was renewed as a "High and New Technology Enterprise" on 12 October 2022, and therefore, AIM Action BioPharm Co., Ltd. was entitled to a preferential CIT rate of 15% (2023: 15%) for the year ended 31 December 2024. This qualification is subject to review by the relevant tax authority in the PRC for every three years.

- AIM Honesty Biopharmaceutical Co., Ltd. was renewed as a "High and New Technology Enterprise" on 24 December 2024, and therefore, AIM Honesty Biopharmaceutical Co., Ltd. was entitled to a preferential CIT rate of 15% (2023: 15%) for the year ended 31 December 2024. This qualification is subject to review by the relevant tax authority in the PRC for every three years.

- AIM Rongyu (Ningbo) Biopharmaceutical Co., Ltd. was renewed as a "High and New Technology Enterprise" on 6 December 2024, and therefore, AIM Rongyu (Ningbo) Biopharmaceutical Co., Ltd. was entitled to a preferential CIT rate of 15% (2023: 15%) for the year ended 31 December 2024. This qualification is subject to review by the relevant tax authority in the PRC for every three years.

- AIM Persistence Biopharmaceutical Co., Ltd. was renewed as a "High and New Technology Enterprise" on 6 December 2024, and therefore, AIM Persistence Biopharmaceutical Co., Ltd. was entitled to a preferential CIT rate of 15% (2023: 15%) for the year ended 31 December 2024. This qualification is subject to review by the relevant tax authority in the PRC for every three years.

- AIM Explorer Biomedical R&D Co., Ltd. became a "High and New Technology Enterprise" on 12 December 2023, and therefore, AIM Explorer Biomedical R&D Co., Ltd. was entitled to a preferential CIT rate of 15% (2023: 15%) for the year ended 31 December 2024. This qualification is subject to review by the relevant tax authority in the PRC for every three years.

- On 17 May 2022, Liverna Therapeutics Inc. was entitled to a preferential CIT rate of 15% effective for annual periods beginning on 1 January 2021.

| | **Year ended 31 December** | |
|---|---|---|
| | **2024** | 2023 |
| | ***RMB'000*** | *RMB'000* |
| Current income tax | **18,555** | 4,284 |
| Deferred | **(30,804)** | (324,688) |
| Income tax credit for the year | **(12,249)** | (320,404) |

A reconciliation of the tax credit applicable to profit before tax at the statutory tax rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates, and a reconciliation of the applicable rates (i.e., the statutory tax rates) to the effective tax rates, are as follows:

| | Year ended 31 December | |
|---|---|---|
| | **2024** | 2023 |
| | ***RMB'000*** | *RMB'000* |
| Loss before tax | **(290,718)** | (2,270,645) |
| Tax at the statutory tax rate | **72,680** | (567,661) |
| Lower tax rate enacted by local authority | **19,126** | 223,921 |
| Adjustments in respect of current tax of previous periods | **(4,589)** | (121) |
| Additional deductible allowance for research and development expenses | **(65,868)** | (77,136) |
| Expenses not deductible for tax *(i)* | **5,301** | 43,237 |
| Utilisation of losses in previous years | **–** | (2,709) |
| Temporary difference and tax losses not recognised | **106,461** | 60,065 |
| Income tax credit at the Group's effective rate | **(12,249)** | (320,404) |

(i) Expenses not deductible for tax mainly represent expenses that exceed the tax-deductible limitation such as impairment of goodwill, entertainment, commission and expense without invoices. These expenses are not to be deductible for tax.

## 8. DIVIDENDS

The board did not recommend the payment of any dividend during the year ended 31 December 2024 (2023: nil).

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

The calculation of the basic loss per share amount is based on the loss for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,211,062,599 (2023: 1,211,062,599) outstanding during the year, as adjusted to reflect the rights issue during the year.

The calculation of the diluted loss per share amount is based on the loss for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the year, as used in the basic loss per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculation of basic and diluted loss per share is based on:

| | Year ended 31 December | |
|---|---|---|
| | **2024** | 2023 |
| | ***RMB'000*** | *RMB'000* |
| **Loss** | | |
| Loss attributable to ordinary equity holders of the parent, used in the basic and diluted loss per share calculation | **(277,234)** | (1,301,005) |

| | Year ended 31 December | |
|---|---|---|
| | **2024** | 2023 |
| **Shares** | | |
| Weighted average number of ordinary shares outstanding during the year used in the basic and diluted loss per share calculation | **1,211,062,599** | 1,211,062,599 |

The diluted loss per share is equal to the basic loss per share as there was no potential ordinary shares outstanding during the year ended 31 December 2024.

As the Group incurred losses for the year ended 31 December 2023, the potential ordinary shares were not included in the calculation of diluted loss per share as the potential ordinary shares had an anti-dilutive effect on the basic loss per share.

## 10. TRADE AND BILLS RECEIVABLES

| | As at 31 December | |
|---|---|---|
| | **2024** | 2023 |
| | ***RMB'000*** | *RMB'000* |
| Trade receivables | **1,173,906** | 1,062,137 |
| Bills receivables | **1,000** | 343 |
| Impairment | **(51,153)** | (57,411) |
| **Total** | **1,123,753** | 1,005,069 |

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

The Group's bills receivables were all aged within six months and were neither past due nor impaired.

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

| | As at 31 December | |
|---|---|---|
| | **2024** | 2023 |
| | ***RMB'000*** | *RMB'000* |
| Within 1 year | **892,494** | 825,890 |
| 1-2 years | **192,021** | 142,037 |
| 2-3 years | **27,383** | 32,073 |
| 3-4 years | **9,467** | 4,413 |
| 4-5 years | **1,388** | 313 |
| **Total** | **1,122,753** | 1,004,726 |

The movements in the loss allowance for impairment of trade and bills receivables are as follows:

| | As at 31 December | |
|---|---|---|
| | **2024** | 2023 |
| | ***RMB'000*** | *RMB'000* |
| At beginning of year | **57,411** | 53,405 |
| (Reversal of)/provided for impairment losses, net | **(6,258)** | 4,177 |
| Amount written off as uncollectible | **–** | (171) |
| At end of year | **51,153** | 57,411 |

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on ageing analysis of customers that have similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off according to management approval.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

**As at 31 December 2024**

| | **Expected credit loss rate** *(%)* | **Gross carrying amount** ***RMB'000*** | **Expected credit losses** ***RMB'000*** | **Net carrying amount** ***RMB'000*** |
|---|---|---|---|---|
| Provision on an individual basis | **100.00** | **3,430** | **3,430** | **–** |
| Provision on a collective basis | | | | |
| Aged less than 1 year | **1.11** | **902,342** | **9,848** | **892,494** |
| Aged 1 to 2 years | **5.19** | **202,533** | **10,512** | **192,021** |
| Aged 2 to 3 years | **20.52** | **34,454** | **7,071** | **27,383** |
| Aged 3 to 4 years | **44.68** | **17,112** | **7,645** | **9,467** |
| Aged 4 to 5 years | **77.87** | **6,272** | **4,884** | **1,388** |
| Aged over 5 years | **100.00** | **7,763** | **7,763** | **–** |
| **Total** | | **1,173,906** | **51,153** | **1,122,753** |

As at 31 December 2023

| | Expected credit loss rate *(%)* | Gross carrying amount *RMB'000* | Expected credit losses *RMB'000* | Net carrying amount *RMB'000* |
|---|---|---|---|---|
| Provision on an individual basis | 100.00 | 3,430 | 3,430 | – |
| Provision on a collective basis | | | | |
| Aged less than 1 year | 1.47 | 838,199 | 12,309 | 825,890 |
| Aged 1 to 2 years | 8.18 | 154,691 | 12,654 | 142,037 |
| Aged 2 to 3 years | 29.64 | 45,585 | 13,512 | 32,073 |
| Aged 3 to 4 years | 54.59 | 9,718 | 5,305 | 4,413 |
| Aged 4 to 5 years | 88.56 | 2,732 | 2,419 | 313 |
| Aged over 5 years | 100.00 | 7,782 | 7,782 | – |
| **Total** | | 1,062,137 | 57,411 | 1,004,726 |

## 11. TRADE PAYABLES

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

| | As at 31 December | |
|---|---|---|
| | **2024** | 2023 |
| | ***RMB'000*** | *RMB'000* |
| Within 1 year | **44,664** | 50,260 |
| 1 to 2 years | **4,690** | 9,225 |
| 2 to 3 years | **672** | 3 |
| Over 3 years | **868** | 870 |
| **Total** | **50,894** | 60,358 |

The trade payables are non-interest-bearing and are normally settled on terms of 30 to 90 days.

## Business Overview and Outlook

### *Overview*

As a leading enterprise in the vaccine industry in China, we cover the full value chain from research and development to manufacturing and to commercialization. We have five proven human vaccine technology platforms, including bacterial vaccine technology platform, viral vaccine technology platform, genetically engineered vaccine technology platform, combination vaccine technology platform and mRNA vaccine technology platform. We also have four wholly-owned licensed vaccine manufacturing enterprises, including AIM Rongyu, AIM Persistence, AIM Action and AIM Honesty and three vaccine research institutes, including AIM Explorer, AIM Innovator, and AIM Liverna. These seven research and development teams ensure the ability of delivering milestones of pipeline products. We are one of the first two human vaccine companies in the PRC that have been granted permission under the 14th Five-Year Plan of the PRC to build a bio-safety level 3 laboratory. Our product categories are comprised of vaccines under the immunization program and vaccines not covered by the immunization program, and the commercialized products have occupied a leading position in the Chinese market for a long time, which have been sold in all 31 provinces and cities, and autonomous regions in China, reaching CDCs of more than 2,000 counties and districts. Our 8 commercialized products include recombinant HBV vaccine (Hansenula Polymorpha), freezedried human rabies vaccine (Vero cell), inactivated HAV vaccine (HDC), and ACY W135 Meningococcal Polysaccharide Vaccine (MPSV4), etc. We have 21 vaccine products in our pipeline, of which the 13-valent pneumococcal conjugate vaccine and the serum-free next-generation rabies vaccine have completed Phase III clinical trials and are in the process of registration for market approval. Additionally, our next-generation mRNA technology platform possesses leading advantages, with the mRNA herpes zoster vaccine and mRNA respiratory syncytial virus vaccine having already obtained clinical approval in the United States. AIM Vaccine is an extremely rare comprehensive vaccine industry group with strengths in the four dimensions of pipeline, R&D, manufacturing and sales.

As to-date, we obtained 20 clinical approvals and conducted 21 clinical trials. The construction of the production workshops for 13-valent pneumonia conjugate vaccine, iterative serum-free rabies vaccine and 23-valent pneumonia polysaccharide vaccine has been completed, and we are accelerating the work of marketing registration.

The year 2024 is a year of concentrated market registration applications for the company's product pipeline. The 13-valent pneumococcal conjugate vaccine (PCV13) has been submitted to the National Medical Products Administration (NMPA) for marketing registration application and has obtained the corresponding drug manufacturing license

Currently, the iterative serum-free rabies vaccine has completed the on-site work for Phase III clinical trials and has obtained the corresponding drug manufacturing license. The marketing registration application has been formally submitted to the NMPA.

The 23-valent pneumococcal polysaccharide vaccine (PPSV23) has completed the on-site work for Phase III clinical trials and we plan to submit a pre-application for marketing registration to the NMPA.

The Company has secured clinical trial approvals from the Center for Drug Evaluation (CDE) of the NMPA for four products: mRNA-based respiratory syncytial virus (RSV) vaccine, next-generation process high-potency human diploid cell rabies vaccine, quadrivalent influenza virus vaccine (MDCK Cells), and absorbed tetanus vaccine. Clinical trial applications have been submitted for two vaccine candidates: an mRNA-based herpes zoster vaccine application was filed with the CDE of the NMPA, while applications for both the mRNA-based RSV vaccine and mRNA-based herpes zoster vaccine were concurrently submitted to the United States Food and Drug Administration (FDA). Both of them have received clinical approval from the United States Food and Drug Administration (FDA). Pre-application for clinical trials have been submitted for two additional vaccine candidates: 20-valent pneumococcal conjugate vaccine (PCV20) and Haemophilus influenzae type b (Hib) conjugate vaccine.

In 2024, we actively expanded into international markets, positioning our Freeze-dried Rabies Vaccine for Human Use (Vero Cell) and Quadrivalent Meningococcal Vaccine in global competition, securing tenders in Pakistan, and Egypt.

Concurrently, we progressively launched a comprehensive series of vaccine temperature monitoring products to ensure vaccine safety and efficacy. This monitoring system covers our Freeze-dried Rabies Vaccine for Human Use (Vero Cell), Recombinant Hepatitis B Vaccine (Hansenula Polymorpha), Meningococcal Polysaccharide Vaccine Groups ACYW135 (MPSV4), and Inactivated Hepatitis A Vaccine (Human Diploid Cell). These innovations address diverse customer requirements by offering multiple product specifications for different market segments, while providing enhanced temperature control and identification capabilities. This further elevates our vaccine quality management standards and strengthens the competitive position of our products in the marketplace.

Our sales and marketing function is centralized, specialized, and market-oriented, which enables us to accelerate strategy formulation and execution, achieve high cost-efficiency and gain cross-selling opportunities. We set up a collectivized and centralized marketing model through a two-pronged "in-house sales and marketing" development model to optimize sale efficiency. For the year ended December 31, 2024, the Company achieved operating revenue of approximately RMB1,285.0 million, representing an increase of 8.2% as compared to the same period in 2023.

The sales of each type of products and services are as follows:

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| **Revenue from sales of vaccine products** | | |
| Revenue from sales of Class I vaccine | **140,189** | 72,796 |
| Revenue from sales of Class II vaccine | **1,121,257** | 1,114,672 |
| **Revenue from research and development services** | **23,585** | 0 |
| **Total** | **1,285,031** | 1,187,468 |

***Our Products and Pipelines***

We strive to access the best industry resources. Through more than one decade of organic growth and external resource integration, we have become a major player in the Chinese vaccine industry. We have currently commercialized eight vaccine products against six disease areas, of which the recombinant HBV vaccines and freeze-dried human rabies vaccines are our key commercialized market-leading vaccine products. We also have 21 vaccine candidates against 11 disease areas in our pipelines, and up to now, the Company has obtained 20 clinical approvals for 13 varieties of vaccines. In particular, the 13-valent pneumonia conjugate vaccine (PCV13) has completed the full course of vaccination in Phase III clinical trial, and we have submitted the application for marketing registration to the NMPA; the 23-valent pneumonia polysaccharide vaccine (PPSV23) has completed the full course of vaccination in Phase III clinical trial, is in the process of serology testing, and will soon proceed to statistics unblinding work; iterative serum-free rabies vaccine has completed the full course of vaccination in Phase III clinical trial, and a submission for marketing authorization has been filed with the NMPA; the Group ACYW135 MCV (also known as tetravalent meningococcal conjugate vaccine) (MCV4) has completed the primary vaccination phase of all subjects for

the Phase II clinical trials; the global innovative EV71-CA16 bivalent HFMD vaccine (HDC) has entered into clinical stage. To date, the Company has received clinical trial approvals from the CDE of the NMPA for the next-generation process high-potency human diploid rabies vaccine, quadrivalent influenza virus vaccine (MDCK Cells), and absorbed tetanus vaccine. The mRNA RSV vaccine (respiratory syncytial virus vaccine) has been approved for clinical trial from CDE and FDA. The mRNA-based herpes zoster vaccine has received clinical approval from the United States Food and Drug Administration (FDA) and a clinical trial application has been submitted to the CDE of the NMPA. The 20-valent pneumococcal conjugate vaccine (PCV20) and Haemophilus influenzae type b (Hib) conjugate vaccine have been submitted to the NMPA for pre-application for clinical trials.

***Our Vaccine Product***

*Recombinant HBV Vaccines (Hansenula Polymorpha)*

Recombinant HBV vaccine series products have been and are expected to continue to be one major type of our commercialized products. Currently, we are the first and only company in China with steady production and approved lot release of HBV vaccines using Hansenula Polymorpha for antigen expression.

Hansenula Polymorpha is widely recognized as the best manufacturing technology route for HBV vaccines among all three currently available manufacturing technologies (Hansenula Polymorpha, Saccharomyces cerevisiae and Chinese hamster ovary (CHO) cells), featuring better genetic stability, higher purity and stronger antigen expression capabilities. In addition, we manufacture HBV vaccines with adjuvants under a patented process, which prolongs the action time of antigens in the human body, serves to strengthen the stimulation of immune response and provides longer protection. Also, no preservatives, antibiotics or bovine serum albumin are added, thereby greatly enhancing product safety. We have been granted patents for this process in the PRC which are valid until May 2032, distinguishing our recombinant HBV vaccine series products from others and creating a high technological entry barrier for later entrants.

China has a high infection rate of HBV. Based on the World Health Organization's goal of "eliminating viral hepatitis as a public health threat by 2030", the incidence rate shall decrease by 90% and the mortality rate shall decrease by 65% in China in order to achieve this goal. Combined with the actual situation in China, the Hepatology Branch and Infectious Disease Branch of Chinese Medical Association updated and formed the Guidelines for the Prevention and Treatment of Chronic Hepatitis B (2022 edition) (《慢性乙型肝炎防治指南(2022 年版)》). Based on the principles of broader screening and more proactive antiviral treatment, the Guidelines serve to provide an important basis for the prevention, diagnosis and treatment of chronic hepatitis B. HBV vaccination is the most effective way to prevent HBV infection. Currently, the Company is actively cooperating with local CDCs to conduct projects on eliminating the threat of hepatitis. The Company plans to swift the promotion of the HBV vaccination from being exclusively for newborns to the entire population in the future. In April 2022, the Advisory Committee on Immunization Practices (ACIP) of the United States made an updated recommendation on general HBV vaccination for adults aged 19 to 59. The future promotion of vaccination of HBV in adults in China is expected to become a new growth opportunity in the market.

We have developed two sizes of recombinant HBV vaccine products, 10μg/0.5ml and 20μg/0.5ml per dose. The 10μg dosage recombinant HBV vaccine is allowed to be administered in all age groups, including newborns, children and adults, and is the only yeast-derived hepatitis B vaccine currently in the Chinese market for use by the entire population. The 20μg dosage recombinant HBV vaccine has been approved to be administered in people in the age group of 16 years old and above. Its unique 0.5ml small package reduces the vaccination time and pain time and provides a better vaccination experience, and we are the only enterprise which provides 0.5ml small package of 20μg hepatitis B vaccine in the current domestic market, which fills the gap in the domestic market. Our recombinant HBV vaccine series products have maintained a 100% pass rate in lot release quality audits of NIFDC since their approvals.

*Freeze-dried Human Rabies Vaccine (Vero Cell)*

The freeze-dried human rabies vaccine (Vero cell), one of our major products, is an injectable vaccine administered under the intramuscular route to persons of all ages to prevent rabies after exposure or when in a high-risk environment of exposure to rabies. We manufacture this vaccine product in AIM Rongyu, which obtained the NDA approval in September 2007 and the GMP certificate in June 2008.

With the product occupying a leading position in the market for a long time, we are now the second largest supplier in the rabies vaccine market. High and stable product quality has been and will continue to be critically significant to compete in this market. Since its commercialization in 2007, our freeze-dried human rabies vaccine (Vero cell) has maintained a 100% pass rate in lot release quality audits by the NIFDC for 17 years. In the future, the Company will launch products including the iterative serum-free rabies vaccine, the iterative novel-process high-potency human diploid rabies vaccine and the iterative mRNA rabies vaccine, spearheading the in-depth technological iteration of rabies vaccines in the world, and deliver iterative rabies vaccine products with better quality, higher safety and fewer shots of vaccination in the market, so as to enhance the Company's competitiveness in the rabies vaccines market.

*Inactivated HAV Vaccines (HDC)*

Hepatitis A is caused by the hepatitis A virus (HAV). We have developed two inactivated HAV vaccine products, differentiated in terms of isolated HAV antigen concentration: the 320Eu/0.5ml per dose indicated for the age group of 1 to 15 years old, and the 640Eu/1.0ml per dose indicated for people older than 15. We ceased production of our HAV vaccines between May and September 2021 to perform maintenance and upgrades to our production facilities and we resumed vaccine stoste production in September 2021. Production of the prefilled dosage form of the vaccine formulation resumed in June 2022 and passed the GMP compliance inspection in the second half of 2022.

*Group A, C, Y and W135 MPSV (MPSV4)*

We launched MPSV4 in March 2020. Our MPSV4 covers A, C, Y, and W135 serogroups, and can be administered to individuals over the age of two. We obtained the NDA approval for the MPSV4 in October 2018 and the GMP certificate in December 2018. We have adopted advanced production equipment and production processes to ensure that our MPSV4 has good safety and efficacy. At the same time, several key quality indicators of our MPSV4 surpass the relevant PRC national standards. We are the only company which does not add any antibiotics or preservatives to our MPSV4, which still maintains good stability and is valid for up to three years. The Company is further developing tetravalent meningococcal conjugate vaccine (MCV4) product, which is currently under Phase II clinical stage. The Company expects to enhance its competitiveness in the market of meningococcal vaccine later through the marketing of the product.

## *Our Vaccine Candidates*

The following table summarizes our vaccine candidate portfolio:

| Technology platform | Indication | Vaccine Candidate | In-house R&D/ Joint Development | Preclinical | CTA | Phase I | Phase II | Phase III | NDA & NDA Approval |
|---|---|---|---|---|---|---|---|---|---|
| **Bacterial vaccine** | Pneumonia disease | 13-Valent Pneumonia Conjugate Vaccine (PCV13) | In-house R&D | Application for marketing registration has been submitted | | | | | |
| | | 20-Valent Pneumonia Conjugate Vaccine (PCV20) | In-house R&D | Pre-application for clinical trials has been submitted | | | | | |
| | | 24-Valent Pneumonia Conjugate Vaccine (PCV24) | In-house R&D | Plan to submit CTA in 2026 | | | | | |
| | | 23-Valent Pneumonia Polysaccharide Vaccine (PPSV23) | In-house R&D | Plan to submit pre-application for marketing registration in 2025 | | | | | |
| | Meningococcal disease | Tetravalent Meningococcal Conjugate Vaccine (MCV4) | In-house R&D | Phase II clinical trial is ongoing | | | | | |
| | | Hexavalent Meningococcal Vaccine | In-house R&D | Preclinical Research | | | | | |
| | Group B strep disease | Hexavalent Group B Streptococcus Polysaccharide Conjugate Vaccine | In-house R&D | Plan to submit CTA in 2026 | | | | | |
| | Tetanus | Absorbed Tetanus Vaccine | In-house R&D | Clinical approval has been obtained | | | | | |
| | Hib infection | Haemophilus Influenzae Type B (Hib) Conjugate Vaccine | In-house R&D | Pre-application for clinical trials has been submitted | | | | | |
| **Viral vaccine** | HFMD | EV71-CA16 Bivalent HFMD Vaccine (HDC) | In-house R&D | Plan to start Phase I in 2025 | | | | | |
| | Influenza | Quadrivalent Influenza Virus Vaccine (MDCK Cells) | In-house R&D | Clinical approval has been obtained | | | | | |
| | Rabies | Iterative Serum-free Rabies Vaccine | In-house R&D | Application for marketing registration has been submitted | | | | | |
| | | Novel-process Highly-effective Human Diploid Rabies Vaccine | In-house R&D | Clinical approval has been obtained | | | | | |
| **mRNA vaccine** | Rabies | Iterative mRNA Rabies Vaccine | In-house R&D | CTA under assessment | | | | | |
| | Shingles/Herpes Zoster | mRNA Shingles/Herpes Zoster Vaccine | In-house R&D | Clinical approval has been obtained (the United States) Application for clinical trials has been submitted (China) | | | | | |
| | Respiratory Syncytial Virus Infection | mRNA Respiratory Syncytial Virus Vaccine (RSV) | In-house R&D | Clinical approval has been obtained (China & the United States) | | | | | |
| | Influenza | mRNA Influenza Vaccine | In-house R&D | Preclinical Research | | | | | |
| **Combination vaccine** | DTP | Diphtheria, Tetanus and Pertussis and Haemophilus Influenzae Type B (DTP-Hib) Combination Vaccine | In-house R&D | Plan to submit CTA in 2026 | | | | | |
| | | Diphtheria, Tetanus and Acellular Pertussis Combined Vaccine (DTaP) | In-house R&D | Plan to submit CTA in 2026 | | | | | |
| | | Diphtheria, Tetanus and Acellular Pertussis (Components) Combined Vaccine (DTcP) | In-house R&D | Plan to submit CTA in 2026 | | | | | |
| **Genetically engineered vaccine** | Meningococcal disease | Recombinant Group B Meningococcal Vaccine | In-house R&D | Preclinical Research | | | | | |

**Research and Development Progress of Iterative Products**

***Iterative Pneumonia Vaccine Products***

Following the established corporate strategy of the Company, we proactively advance the development of the vaccine pipelines and accelerate the research and development of iterative pneumonia series vaccines through on-going technological innovation, achieving new productive forces at an accelerated pace. Leveraging the advantages of the polysaccharide conjugate vaccine technology platform, we have developed a series of pneumonia vaccines, including: (1) the 13-valent pneumococcal conjugate vaccine (PCV13) has been submitted to the National Medical Products Administration (NMPA) for marketing registration application and has obtained the corresponding drug manufacturing license; (2) the 23-valent pneumococcal polysaccharide vaccine has completed on-site work for Phase III clinical trials, and Phase III clinical serum testing is in progress; (3) the 20-valent pneumonia conjugate vaccine has submitted a pre-application for clinical trials; and (4) the 24-valent pneumonia conjugate vaccine, which is being simultaneously developed globally for the first time, has completed preclinical research.

Our PCV13 vaccine is a pneumonia conjugate vaccine to be indicated for children aged six weeks to 71 months. As of the end of 2024, PCV13 vaccine has been officially submitted to the NMPA for marketing registration application.

We have tested and proven our manufacturing techniques of the PCV13 vaccine using our bacterial platform technologies. As of the end of 2024, we have completed process validation production of PCV13 vaccine and have submitted a marketing authorization application to the NMPA. The pre-approval inspection results comply with all quality standards. The completed Phase III clinical trial is a non-inferiority clinical trial that is single-centered, randomized, blinded and parallel-controlled between similar vaccines, with the main aim of assessing the immunogenicity (efficacy) and safety of the vaccine in the age group of six weeks to 71 months. According to the unblinded Phase III clinical study results, our PCV13 vaccine demonstrates good immunogenicity and safety, meeting the predetermined clinical objectives. Additionally, our wholly-owned subsidiary, AIM Persistence, has obtained the drug manufacturing license for the production of this product.

According to the classification of the World Health Organization, pneumococcal disease is one of the diseases with very high priority use of vaccines for prevention. The 13-valent pneumonia conjugate vaccine approved in the United States covers all age groups, while the one approved in China only covers those under 6 years old. The market for those over 6 years old is still blank. China Insights Industry Consultancy Limited, an industry consultant, predicts that the market size of this vaccine in China is expected to exceed RMB20 billion by 2030, indicating tremendous market potential. In addition, the estimated penetration rate of the 13-valent pneumonia conjugate vaccine in the approved age group in China is 25.9%, while the penetration rate in the corresponding age group in the United States exceeds 80%, indicating that there is still significant room for growth in the Chinese market.

It is estimated that the global underserved demand for the 13-valent pneumonia conjugate vaccines is as high as 180 million doses. However, currently only three companies have been approved to supply them globally. After the launch of its 13-valent pneumonia conjugate vaccine, the Company is expected to become an important supplier in the market.

The Company's pneumococcal vaccine series GMP workshops have been completed in phases, meeting international standards. Phase III clinical samples of the 13-valent pneumococcal conjugate vaccine and 23-valent pneumococcal polysaccharide vaccine were all produced in these workshops. After market launch, this iterative series of pneumococcal vaccines will be able to fully meet market demand for pneumococcal vaccines, achieve new productive forces in the industry, and lead international industrial innovation.

***Iterative Rabies Vaccine Products***

Following the established corporate strategy of the Company, we proactively advance the development of the vaccine pipelines and accelerate the research and development of the iterative rabies series vaccines through on-going technological innovation, achieving new productive forces at an accelerated pace. As the second largest supplier of rabies vaccine globally, the Company has expedited the development of iterative rabies series vaccines, in particular: (1) the marketing registration application for iterative serum-free rabies vaccine has been officially submitted; and (2) the novel-process high-potency human diploid cell rabies vaccine has received clinical trial approval.

Completely unlike the existing Vero cell rabies vaccine containing serum and human diploid rabies vaccine containing serum, the iterative serum-free rabies vaccine is an iterative product. Animal serum residues in vaccine products are one of the important factors leading to adverse reactions such as allergies in vaccinated populations, and the iterative serum-free rabies vaccine developed by the Company does not contain animal serum, which significantly improves safety and reduces the probability of adverse reactions. To date, there is no serum-free rabies vaccine approved for launch in the global market.

The next-generation process high-potency human diploid cell rabies vaccine developed by the Company became the first to break through the technical bottleneck of low virus titer and small yield in the traditional process, with optimized and innovative purification process, which has notably improved product quality and safety as compared with similar marketed products in China, and has the production capacity for large-scale commercialization.

In the meantime, the Company's mRNA technology platform has been tested by the clinical trial data from tens of thousands of subjects, verifying the safety and efficacy of our mRNA vaccine technology platform, and the iterative mRNA rabies vaccine has been developed on such platform. It has been proven by a massive number of animal tests that the vaccine is characterized by markedly decreased number of vaccinations, significantly accelerated pace of protective neutralizing antibodies generation and remarkably enhanced comprehensive protective effect as compared with the traditional virus cultured rabies vaccine.

We have completed construction of production facilities that meet international standards for both the serum-free next-generation rabies vaccine workshop and the next-generation process high-potency human diploid cell rabies vaccine workshop. Process validation meeting commercial-scale production and quality requirements has been successfully completed in these facilities. As the second largest supplier of rabies vaccines globally, the Company spearheads the in-depth technological iteration of rabies vaccines in the world, and will deliver rabies vaccine products with better quality and higher safety in the market after the above iterative rabies series vaccines are marketed, so that new productive forces will be achieved in the industry.

**Iterative mRNA VACCINE TECHNOLOGY PLATFORM AND PRODUCT**

The Company's iterative mRNA technology platform was tested by the clinical trial data from tens of thousands of subjects, and the safety and efficacy of products developed on the platform have been fully verified. The iterative mRNA rabies vaccine has been developed on this platform. As proven by a massive number of animal tests, the vaccine is characterized by markedly decreased number of vaccinations, higher level of protective neutralizing antibodies, significantly accelerated pace of generation, and strong immune persistence as compared with traditional virus-cultured rabies vaccines, which provides better options for improving the prevention and control level of rabies.

In the meantime, the mRNA RSV vaccine and mRNA shingles/herpes zoster vaccine being developed by us have adopted the Group's own mRNA technology platform and are global blockbuster products. RSV vaccines of Pfizer and GSK were successively approved for marketing in May 2023, the sales of which amounted to US$2.46 billion in 2023. The sales of GSK's shingles/herpes zoster vaccines amounted to US$4.37 billion in 2023. Given that the Group has already developed several mRNA COVID-19 vaccines which have been proven in clinical trials, we are able to quickly advance the R&D and registration of the products on that basis. So far, the mRNA RSV vaccine has received clinical trial approval from the CDE of the NMPA and the U.S. FDA. The mRNA herpes zoster vaccine has received clinical trial approval fromthe U.S. FDA, and the clinical trial application has been submitted to the CDE of the NMPA. In the future, the Company will further focus on the mRNA platform key technologies and continuously promote product innovation on that basis, concentrating on the unmet clinical needs in the core disease areas and further enhancing the Company's innovation capabilities, core competitiveness and comprehensive strengths.

Currently, the Company has established mature mRNA vaccine platform production process and stable testing methods to ensure the safety and effectiveness of products. Further, such platform technology has extensive applicability and has strong advantages of quick and timely response especially in the face of sudden infectious disease.

**Progress of other Vaccine Candidates**

***Group ACY W135 Meningococcal Conjugate Vaccine (also known as tetravalent meningococcal conjugate vaccine) (MCV4)***

Currently, the main meningococcal vaccines sold in China are polysaccharide vaccines (MPSV). The incidence of meningococcal disease is highest among infants under 12 months of age; however, polysaccharide vaccines cannot effectively induce immune responses in children under 2 years. Conjugate vaccines, on the other hand, can address this immunization challenge, allowing even younger children to receive MCV4 and establish immune protection at an early stage, effectively reducing infection risk. As a conjugate vaccine, MCV4's superior immunological efficacy stems from its ability to simultaneously stimulate antibody production and immune memory, thereby providing more durable protection. Its immunological effectiveness exceeds that of polysaccharide vaccines. Compared to MCV2, which is also a conjugate vaccine, MCV4 can prevent two additional groups of meningococcal disease, positioning it to become the mainstream vaccine for meningococcal infection prevention. Our MCV4 vaccine is a meningococcal polysaccharide conjugate vaccine and ranks among the top ten blockbuster vaccine products globally. It can prevent epidemic cerebrospinal meningitis and other invasive diseases caused by meningococcal serogroups A, C, Y, and W135, and is indicated for populations aged three months to 15 years. Our quadrivalent conjugate meningococcal vaccine has completed Phase II clinical trials, with all subjects having completed the primary vaccination phase.

***EV71-CA16 Bivalent HFMD Vaccine***

HFMD falls into the scope of Class C infectious diseases in China. Each year, over one million people are infected with the disease and there are death cases. Enterovirus type 71 (EV71) and coxsackievirus A16 (CA16) are the major pathogens of HFMD. As currently no approved vaccine against CA16 viral strains has launched in the market, China sees a trend of CA16 outbreak on a full scale. We are developing a global EV71-CA16 Bivalent HFMD Vaccine. Our investigational EV71-CA16 Bivalent HFMD Vaccine candidate is the first vaccine candidate in the world designed to provide immunization against both EV71 and CA16 viral strains. It has pioneered in obtaining clinical trial approval and represents an innovative vaccine product globally.

***Vaccine development platform technologies and in-house R&D teams***

We have five proven human vaccine platform technologies covering innovative technologies, such as mRNA vaccine, genetically engineered vaccine, and combination vaccine technologies, as well as traditional technologies, such as bacterial vaccine and viral vaccine technologies. Leveraging these platforms, we are well positioned to develop a steady and fit-for-purpose stream of vaccines that are efficient to manufacture. We have at least one approved product or one vaccine candidate at CTA or clinical stages under each platform. At the same time, the Company is currently designing the structure of antigens and mRNA sequence of vaccines leveraging artificial intelligence, and is trying to leverage artificial intelligence to assist in process research and development of vaccines. Looking forward, the Company expects to increase the depth of existing applications and expand its applications in clinical trial data analysis.

Our in-house R&D teams are responsible for all stages of vaccine candidate development, including preclinical studies, clinical trials, and registration and filings. Our R&D teams primarily consist of (i) three vaccine research institutes, namely AIM Explorer, AIM Liverna and AIM Innovator; and (ii) the R&D team in each of our four vaccine manufacturing subsidiaries, namely AIM Rongyu R&D Center, AIM Persistence R&D Center, AIM Honesty R&D Center and AIM Action R&D Center. Each R&D team has its own research foci. AIM Explorer mainly develops vaccine candidates using bacterial vaccine platform technologies. AIM Liverna develops mRNA vaccines by leveraging its expertise in mRNA technologies. AIM Innovator focuses on the research and development and commercialization of mRNA vaccines and genetically engineered vaccines. AIM Action focuses on viral vaccine platform technologies. AIM Rongyu focuses on mRNA vaccines and viral vaccine platform technologies. AIM Honesty concentrates on genetically engineered vaccine platform technologies. In addition, AIM Persistence is developing several vaccine candidates using combination and bacterial vaccine platform technologies.

***Manufacturing***

All of our vaccine products are produced in house by our four individual Licensed Manufacturing Facilities in our manufacturing subsidiaries. For the year ended December 31, 2024, we passed all GMP inspections conducted by the NMPA or its local counterparts on the four individual Licensed Manufacturing Facilities. The following table sets forth key information of our four individual Licensed Manufacturing Facilities as of December 31, 2024:

| Name | Location | GFA *(sq.m.)* | Production capacity *(million doses)* | Responsible products | Production Line(s) |
|---|---|---|---|---|---|
| AIM Rongyu Licensed Manufacturing Facility | Ningbo, Zhejiang Province | 25,318 | 25.0 | Freeze-dried human rabies vaccine (Vero cell) | Two |
| AIM Honesty Licensed Manufacturing Facility | Dalian, Liaoning Province | 11,877 | 45.0 | Recombinant HBV vaccine (Hansenula Polymorpha) | One |
| AIM Action Licensed Manufacturing Facility | Taizhou, Jiangsu Province | 18,711 | 5.3 | Inactivated HAV vaccine | One |
| AIM Persistence Licensed Manufacturing Facility | Ningbo, Zhejiang Province | 72,313 | 16.0 | Bivalent inactivated HFRS vaccine (Vero cell), mumps vaccine and Group A, C, Y and W135 MPSV (MPSV4) | Three |

We have equipped all our Licensed Manufacturing Facilities with advanced equipment and machinery procured from leading international and domestic brands, such as bioreactors, centrifuges, ultra-filtration system and large-scale purification system and product filling and packaging lines. We regularly inspect and maintain our equipment and machinery to ensure that they remain in good condition for operation. In each Licensed Manufacturing Facility, we have been actively taking measures to ensure a stable and quality supply, including designating dedicated personnel to optimize production planning and coordination among different divisions, preventing contamination, improving automation in our production procedures, and strengthening the maintenance of our equipment and facilities to reduce the occurrence of failures.

*Industry Overview*

The Vaccine Administration Law of the People's Republic of China (《中華人民共和國疫苗管理法》), which came into effect on December 1, 2019, contains specific provisions on the development, production, circulation and vaccination of vaccines as well as supervision and administration, and further defines vaccines as vaccines under the immunization program and vaccines not covered by the immunization program. The promulgation of the Vaccine Administration Law of the People's Republic of China began a new stage of vaccine development in China.

China's vaccine market (excluding COVID-19 vaccines) exhibited a recovery trajectory during 2022–2023, with total market size growing from RMB85.07 billion to RMB101.77 billion, representing a 19.6% year-on-year increase. This was principally driven by the launch of innovative vaccine products and improving demand for non-National Immunization Program (NIP) vaccines. However, the 2024 vaccine market profile continued to confront multiple challenges, encompassing persistent post-pandemic implications, macroeconomic downward pressure, intensified anti-corruption governance in healthcare, and declining birth rates.

From the perspective of market structure, China's vaccine market demonstrates evident differentiation: On one hand, some mature vaccine varieties, due to intensified market competition, have entered a development stage marked by sales volume growth and channel optimization. On the other hand, innovative vaccine products, relying on their clinical value and market scarcity, enjoy significant edges in pricing mechanisms and market share. A clear gap still exists between China and developed European/American vaccine markets regarding innovative product pricing, which presents strategic opportunities for China's vaccine enterprises to achieve value enhancement through product iteration and upgrading.

An estimated 254 million people worldwide are living with hepatitis B, with 6,000 new cases of viral hepatitis daily, according to the Global Hepatitis Report 2024 issued by the World Health Organization (WHO). July 28, 2024 marked the 14th "World Hepatitis Day". The National Disease Control and Prevention Administration launched a themed public awareness campaign for 2024 "World Hepatitis Day" in order to enhance public awareness of viral hepatitis prevention and control, mobilize societal engagement to minimize new infections, improve case detection and treatment efficacy, lighten disease burden, thereby moving faster to make possible the "Elimination of Viral Hepatitis as a Public Health Threat" target. Updated evidence from the Fourth National Seroepidemiological Survey conducted in 2020 (published in the sub-journal of The Lancet in October 2024) reveals that the nationwide HBsAg prevalence reduced to 5.86%, translating to approximately 75 million chronic HBV-infected people in China. This constitutes the world's largest HBV reservoir, contributing to an estimated approximately 270,000 annual deaths from hepatitis B-related cirrhosis and liver cancer. In response to this, in 2024, China further refined its adult hepatitis B prevention and control policies, explicitly designating hepatitis B vaccination as the most effective

primary prevention measure against liver cancer for the first time. Under the guidance of relevant national authorities, the Chinese Preventive Medicine Association issued the Expert Consensus on Screening for Hepatitis B Virus Infection in Adults (《成人乙型肝炎病毒感染篩查專家意見》) and the Expert Consensus on Hepatitis B Vaccination in Adults (《成人乙型肝炎疫苗免疫接種專家意見》). They proposed that adults (especially those born before 2002) should receive HBV infection screening as early as possible, with at least one screening in their lifetime. Susceptible populations, adolescents, and unvaccinated adults should receive hepatitis B vaccination to accelerate the realization of the goal of eliminating hepatitis-related harm. To advance the achievement of this goal, provinces such as Fujian, Hainan, Shandong, and Guangdong have actively introduced policies to eliminate hepatitis-related harm. Notably, following the release of national action plans for tuberculosis and HIV/AIDS prevention (2024–2030), the National Disease Control and Prevention Administration is drafting the National Viral Hepatitis Prevention and Control Plan (2025–2030) (《中國病毒性肝炎防治規劃2025–2030》). This initiative will bring China's hepatitis control efforts into a new phase of "targeted elimination," with hepatitis B vaccination expected to expand from high-risk groups to the entire population.

In addition, the clinical application potential of the mRNA vaccine has been verified due to its excellent performance in the COVID-19 pandemic. Compared to other COVID-19 vaccines, mRNA vaccine has advantages such as faster research and development, lower infectivity, higher effectiveness and lower production cost, and the technology of mRNA has become the focus of the major vaccine manufacturers in the world. mRNA can be rapidly expressed and promptly degraded after entering the human body, so it is not easy to disrupt homeostasis and burden on the body will be eased; the component of the mRNA vaccine is single and there is no need for cell culture or animal-derived matrices, and the vaccine has higher safety. Most importantly, the production of mRNA vaccines is easy to be standardized, and mRNA can be synthesized based on DNA sequences, which can be digitized and rapidly shared, thus allowing for the development of similar vaccines in a short period of time, as well as large-scale, short-term vaccine research and development and production in response to outbreaks of infectious diseases. Currently, major enterprises in the world are focusing on the technology of mRNA applicable to the research and development of prophylactic vaccines and therapeutic vaccines. The FDA is one of the most stringent regulatory authorities globally, with only a select few drugs receiving review designation qualification each year, recognized by the World Health Organization as meeting the highest safety standards. Since the FDA first granted review designation qualification to an mRNA vaccine in 2018, a total of 25 vaccines have received this designation. In 2023, mRNA vaccines received a record 9 review designations from the FDA, targeting eight different diseases, compared to only two FDA review qualifications for mRNA products in 2022, indicating the FDA's commitment to encouraging the development of these products across a broader range of indications. As more mRNA vaccines will be successfully developed and launched on the market in the future, the mRNA vaccine market will grow rapidly and the market prospect is broad.

In the area of pneumonia vaccines, innovative vaccines have the absolute dominant position in the market. With the price of PCV13 being three times higher than that of PPSV23, in 2018, Pfizer accounted for 34.6% of the total approved lot release volume and 65.6% of the total sales volume in the market of pneumonia vaccines only by virtue of its PCV13 product. By 2022, all PCV13 vaccines accounted for 72.6% of the approved lot release volume, with its sales volume accounting for as high as 88.3%. In the future, it will further replace PPSV23 vaccines. Due to the rapid growth of PCV13, the pneumonia vaccine market in China has increased to RMB10.75 billion in 2022, and it is expected to steadily increase at a compound annual growth rate of 22.7% and reach RMB24.0 billion by 2025. With the development of technology and the continuous enhancement of vaccine R&D technology, vaccine manufacturers are trying their best to overcome technical difficulties. Further vaccines with higher valent such as PCV13, PCV20 and PCV24 represent the development trend in the market in the future. PCV vaccines with higher valent can cover more types of pneumonia serum, including rarer types, thereby providing more comprehensive immunoprotection to people. Meanwhile, they also show obvious advantages in terms of immunological effect and duration, which can stimulate the immune system to generate enduring immune reactions in a more effective manner, extend the protection period of vaccines, significantly reduce the transmission and incidence risks of pneumonia infection, and provide a safer and more reliable choice of vaccines to people.

With respect to rabies vaccines in China, the approved lot release volume increased from 58.80 million in 2019 to 78.50 million in 2021, representing an increase of 33.6%. It is expected that the market scale will increase to RMB22.0 billion by 2030, partially due to the HDC vaccines, which are friendly to the human body and have relatively high safety as they are extracted from human embryos. The market will be continuously improved in the future despite the relatively high price with people's enhanced awareness of vaccination with high-quality vaccines and the improvement in economic level. Meanwhile, the development of serum-free rabies vaccines will also drive market growth. It has adopted the serum-free cell cultivation technology and has more stable compositions and higher safety, and it is expected that the technology will account for approximately 35.0% of the rabies vaccine market in China by 2030. In addition, the mRNA rabies vaccine will also drive the development of the industry as such rabies vaccine is characterized by a markedly decreased number of vaccinations, significantly accelerated protective neutralizing antibodies generation and remarkably enhanced comprehensive protective effect. Further, it is easier to produce as its production does not involve complex processes of cell cultivation. It is expected that the mRNA rabies vaccine will account for approximately 21.2% of the rabies vaccine market in China by 2030.

As of the end of 2024, there was no approved RSV vaccine for launch in China. However, RSV is one of the important causes of acute lower respiratory tract infection, bronchitis and pneumonia in children and the elderly, so the RSV vaccine is in great demand in the market. Globally, there are no approved antiviral drugs specifically targeting RSV available for clinical use. On May 31, 2024, Moderna's mRNA RSV vaccine received market approval in the United States, becoming the world's first approved non-COVID-19 mRNA vaccine, marking the beginning of a new wave of mRNA technology applications in the vaccine field. By 2030, China's RSV vaccine market is projected to exceed RMB15.4 billion.

Shingles/herpes zoster is a common disease and often occurs in the middle-aged and the elderly. This disease could result in inflammation and necrosis of the affected nerves, causing severe neuralgia that may last for months or even years. Therefore, the application of vaccines plays an important role in the prevention and control of shingles/herpes zoster. The application of mRNA technology to the development of shingles/herpes zoster vaccines can enhance protection for vaccinated populations. As it can induce strong innate and adaptive immunity, it ensures the effectiveness and safety while providing a long-lasting immunological protection effect, which addresses the pain point of low safety of existing shingles/herpes zoster vaccines. According to industry consultants' forecasts, the global shingles/herpes zoster vaccine market is expected to reach US$23.9 billion by 2030. Currently, the vaccination rate for herpes zoster vaccines among the target population in China is only about 0.1%, indicating enormous growth potential. It is anticipated that with the continuous improvement in health awareness, China's market size will approach RMB20 billion by 2030.

On the other hand, in terms of sales, the total market size of the vaccine industry in China increased by RMB61.7 billion in total from 2015 to 2022 at a compound annual growth rate of approximately 19.4% and is expected to increase to approximately RMB220.3 billion at a compound annual growth rate of 12.3% by 2030, which significantly outpaces the global market. By vaccine category, the market size of vaccines under the immunization program declined slightly, while vaccines not covered by the immunization programs became the driving factor for the continued expansion of the market size in China. The vaccine industry in China is expected to continue to grow rapidly as pharmaceutical companies continue to conduct research and development, innovative vaccines covering more diseases and more serotypes/subtypes become increasingly popular, average life expectancy and ageing population ratio increase, and health awareness, vaccination awareness and average disposable income of the PRC residents increase. At the same time, the COVID-19 pandemic has had a profound impact on the vaccine industry. The research and development of the COVID-19 vaccine has accelerated the development of pharmaceutical companies in technological innovation, and vaccines with new technological routes such as mRNA and recombinant vaccines have sprung up, and vaccine companies have ushered in opportunities to upgrade technological innovation. The COVID-19 vaccine has become a well-known anti-epidemic

product, and with the increasing vaccination awareness among PRC residents, the demand for vaccination is expected to be boosted in the long run. Against this background, the vaccine industry in China is expected to enter a new stage of development in terms of iterative upgrading of vaccine technology platforms, research and development of new products and adult market expansion and other areas.

## PROSPECTS AND OUTLOOK

In recent years, the vaccine industry in China has strengthened the monopoly advantage of vaccines in disease prevention, elevated the status of vaccines in the overall biomedical industry, and facilitated the industrialization of new technologies for biotechnology and the implementation of related policies, establishing a foundation for the long-term development of the vaccine industry. The significant increase in exports of vaccines has greatly boosted the confidence of Chinese pharmaceutical companies in their international expansion.

It is worth mentioning that our research and development pipelines align with national policies. Our five technology platforms cover all the vaccine technologies that are encouraged and supported by the government as mentioned above and have been verified, with the research and development of related vaccine products rapidly progressing.

Furthermore, in order to accelerate the promotion of internationalized business, the Company specifically set up an international business department to push forward the implementation of series of internationalized layout, and is ready in all aspects such as overseas marketing permission, product research and development and manufacturing. The Company's vaccine products are entering the global market.

At present, the Company has various specific overseas markets and has begun the registration of marketed products in regions such as Southeast Asia, Africa, South America and the Middle East. In 2024, the Company's rabies vaccines and MPSV4 vaccines were smoothly exported to some countries along the Belt and Road Initiative such as Egypt and Pakistan to help with the prevention and control of local pandemic.

In terms of products under development, the Company has set up product pipelines with close reference to the needs of the international market. In accordance with the latest World Health Organization's vaccine prequalification list (2024–2026), the Company is rapidly promoting the research and development of the 13-valent pneumonia conjugate vaccine and the tetravalent meningococcal conjugate vaccine, both being high priority qualified vaccines. In addition, the Company is proactively researching and developing the RSV vaccine and the shingles/herpes zoster vaccine, both of which are also the varieties in short supply in the international market. The Company is making efforts to promote the marketing registration and sale of these products within and outside China, and to achieve the World Health Organization's prequalification for the vaccines.

Among our marketed products, the Company's hepatitis A vaccine, hepatitis B vaccine, and rabies vaccine are WHO prequalified products, all of which are well-received in international markets. We have successively launched a series of vaccine temperature monitoring products to ensure vaccine safety and efficacy, covering Freeze-dried Rabies Vaccine for Human Use (Vero Cell), Recombinant Hepatitis B Vaccine (Hansenula Polymorpha), Meningococcal Polysaccharide Vaccine (Serogroups ACY W135) (MPSV4), and Inactivated Hepatitis A Vaccine (Human Diploid Cell). These products meet the needs of diverse customer segments, offering various specifications to different customers, and improve vaccine temperature control and identification, further upgrading vaccine quality management standards and enhancing product market competitiveness.

In terms of production capacity construction, the Company has completed the construction of GMP workshops for iterative pneumonia series vaccines and iterative rabies series vaccines in batches, and all of these workshops meet the international standards. Phase III clinical samples of 13-valent pneumonia conjugate vaccine, 23-valent pneumonia polysaccharide vaccine and serum-free next-generation rabies vaccine and process validation samples are produced in these workshops, helping the Company get fully ready for the quick entry into the overseas market of such products upon marketing.

In conclusion, in 2025, AIM Vaccine will continue to accelerate the commercialization of blockbuster products including the 13-valent pneumococcal conjugate vaccine, serum-free iterative rabies vaccine, and 23-valent pneumococcal polysaccharide vaccine. We will deepen cooperative ties with "One Belt and One Road" countries, enabling more high-quality vaccines to benefit unmet medical needs globally. With our proprietary mRNA technology platform as the engine, we will break through research and development barriers for internationally scarce vaccines such as respiratory syncytial virus and herpes zoster. Simultaneously, with intelligent production capacity and a comprehensive temperature-controlled system, we will strengthen our global competitiveness in quality and supply, dedicated to fulfilling our mission of manufacturing conscientious vaccines and promoting health for all humanity.

## Financial Review

### *Overview*

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

### *Revenue*

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| **Revenue from sales of vaccine products** | | |
| Revenue from sales of Class I vaccine | **140,189** | 72,796 |
| Revenue from sales of Class II vaccine | **1,121,257** | 1,114,672 |
| **Revenue from research and development services** | **23,585** | 0 |
| **Total** | **1,285,031** | 1,187,468 |

Revenue from the Company's primary business for 2024 was RMB1,285.0 million, representing an increase of RMB97.5 million or 8.2% compared to that from the primary business of RMB1,187.5 million for 2023. The increase was primarily due to growth in revenue from sales of hepatitis B, hepatitis A and MPSV4.

### *Cost of Sales*

The Company's cost of sales primarily consisted of manufacturing cost, raw materials cost, direct labor cost and transportation cost.

The Company's cost of sales amounted to RMB331.5 million in 2024, representing an increase of RMB45.0 million or 15.7%, as compared to the cost of sales of RMB286.5 million in 2023, primarily due to the corresponding increase in costs associated with higher sales revenue.

### *Gross Profit and Gross Margin*

The Company's gross profit amounted to RMB953.5 million in 2024, representing an increase of RMB52.5 million or 5.8%, as compared to the gross profit of RMB901.0 million in 2023, primarily due to the increase in sales revenue.

The Company's gross margin was 74.2% in 2024, representing a decrease of 1.7%, as compared to the gross margin of 75.9% in 2023, primarily due to an increase in the proportion of sales revenue from Category I vaccines with relatively lower gross profit margins during the year, resulting in a slight decrease in the overall gross profit margin.

***Other Income and Gains***

The Company's other income and gains were primarily derived from income from government grants, and bank interest income.

The Company's other income and gains were RMB32.8 million in 2024, representing a decrease of RMB18.8 million or 36.4%, as compared to the other income and gains of RMB51.6 million in 2023, primarily due to a decrease in government grants and bank interest income during the year, as well as the absence of gain on disposal of right-in-use asset, which amounted to RMB6.9 million in the previous year.

Our operating expenses mainly include selling and distribution expenses, administrative expenses, and R&D expenses. The following table sets forth a breakdown of our operating expenses:

| | **Year ended December 31,** | |
|---|---|---|
| | **2024** | 2023 |
| | ***RMB'000*** | *RMB'000* |
| R&D expenses | **363,126** | 636,401 |
| Selling and distribution expenses | **542,666** | 493,995 |
| Administrative expenses | **282,730** | 254,292 |
| **Total** | **1,188,522** | 1,384,688 |

***R&D Expenses***

| Nature | Year ended December 31, 2024 *RMB'000* | 2023 *RMB'000* |
|---|---|---|
| Staff costs | **86,457** | 87,726 |
| Research materials costs | **41,397** | 82,389 |
| Professional service fees | **159,174** | 369,297 |
| Depreciation and amortization | **34,974** | 40,849 |
| Utility costs | **27,565** | 38,565 |
| Others | **13,559** | 17,575 |
| **Total** | **363,126** | 636,401 |

The Company's R&D expenses amounted to RMB363.1 million in 2024, representing a decrease of RMB273.3 million or 42.9%, as compared to the R&D expenses of RMB636.4 million in 2023, primarily due to a year-on-year decrease in R&D expenses related to the Company's overseas clinical trials in 2024. Additionally, the serum-free next-generation rabies vaccine and the 23-valent pneumococcal polysaccharide vaccine have both completed Phase III clinical trial field work. The serum-free next-generation rabies vaccine has been submitted to the NMPA for application marketing registration, and the 23-valent pneumococcal polysaccharide vaccine is planned for submission to the NMPA for pre-application marketing registration. According to the Company's accounting policies, R&D expenses related to Phase III clinical trials for the above products are recorded as deferred development costs, resulting in a year-on-year decrease in R&D expenses.

***Selling and Distribution Expenses***

The Company's selling and distribution expenses primarily consisted of marketing and promotion expenses, staff costs and market expansion expenses, etc. The marketing and promotion expenses primarily consisted of costs and expenses paid to our CSOs for various marketing and academic promotion activities, industry research and post-sales customer service. The staff costs primarily included salaries, benefits and other compensation for our sales staff.

The Company's selling and distribution expenses amounted to RMB542.7 million in 2024, representing an increase of RMB48.7 million or 9.9%, as compared to the selling and distribution expenses of RMB494.0 million in 2023, primarily due to the Company's strengthened marketing and promotional activities for vaccine products, resulting in a year-on-year increase in related promotional expenses.

***Administrative Expenses***

The Company's administrative expenses primarily consisted of staff costs, depreciation and amortization, professional service fees, etc.

The Company's administrative expenses amounted to RMB282.7 million in 2024, representing an increase of RMB28.4 million or 11.2%, as compared to the administrative expenses of RMB254.3 million in 2023, primarily due to the reversal of share-based compensation expenses in administrative expenses in the previous year, while there was no such reversal in the current year. Additionally, depreciation and amortization expenses increased in the current year, resulting in an overall increase in administrative expenses.

***Impairment Losses on Financial Assets***

The Company recorded a reversal of impairment losses on financial assets of RMB6.2 million in 2024, representing a decrease of RMB10.4 million or 249.7% compared to the impairment losses on financial assets of RMB4.2 million recorded in 2023. This was primarily due to a decrease in the expected credit loss rate calculated under the expected credit loss model, resulting in a partial reversal of the provision for bad debts.

***Impairment Losses on Property and Equipment***

During the year ended December 31, 2024, the Company recognized impairment losses of RMB32.7 million, mainly represented the write-down of carrying amounts of certain plant and machinery and equipment and others mainly because there was no planned usage of the property, plant and equipment in the foreseeable future.

***Finance Costs***

The Company's finance costs primarily consisted of interest on bank loans and interest on lease liabilities.

The Company's finance costs amounted to RMB60.8 million in 2024, representing an increase of RMB17.0 million or 38.7%, as compared to the finance costs of RMB43.8 million in 2023, primarily due to the increase in the average balance of bank loans resulting in the increase in interest of corresponding loan.

***Income Tax Expenses***

The Company's income tax was a credit of RMB12.2 million in 2024, representing a decrease of RMB308.2 million or 96.2%, as compared to the amount of income tax credit of RMB320.4 million in 2023, primarily due to the decrease in loss before tax for the year ended December 31, 2024.

***Loss for the Year***

The Company reported a loss of RMB278.4 million in 2024, representing a decrease of RMB1,671.8 million or 85.7% compared to the loss of RMB1,950.2 million in 2023. This improvement was primarily due to the absence of significant impairment losses on intangible assets and goodwill in the current year, along with increased revenue.

***Liquidity and Financial Resources***

As at December 31, 2024, the Company's cash and cash equivalents and time deposits totaled RMB594.9 million, representing a decrease of RMB141.5 million or approximately 19.2%, as compared to the cash and cash equivalents and time deposits of RMB736.4 million as at December 31, 2023. Such decrease was mainly due to the investments in research and development.

As at December 31, 2024, the Company's current assets were approximately RMB2,387.4 million, while current liabilities were approximately RMB3,090.3 million. Net current liabilities amounted to RMB702.9 million, representing an increase of RMB583.9 million compared to net current liabilities of RMB119.0 million as at December 31, 2023. This increase was primarily due to continued investments in development expenses for multiple pipeline products and deferred development costs for the 13-valent pneumococcal conjugate vaccine, serum-free next-generation rabies vaccine, and 23-valent pneumococcal polysaccharide vaccine. The Company has carefully considered future cash flow projections, available banking facilities, progress of R&D projects, and the management's ability to control the pace of operational expansion and capital expenditures. By continuously implementing measures such as accelerating the collection of overdue trade receivables and improving sales performance, the Directors are confident that the Company will be able to fully meet its financial obligations as they fall due in the foreseeable future.

***Inventories***

As at December 31, 2024, the Company's inventory balance was RMB462.6 million, representing a decrease of RMB47.3 million or 9.3% compared to the inventory balance of RMB509.9 million as at December 31, 2023. This decrease was primarily due to the Company's inventory management efforts, resulting in lower inventory levels at the end of the period.

***Trade Receivables***

The carrying amount of the Company's receivables amounted to RMB1,123.8 million as at December 31, 2024, representing an increase of RMB118.7 million or 11.8%, as compared to the carrying amount of receivables of RMB1,005.1 million as at December 31, 2023, primarily due to the increase in revenue.

***Capital Expenditure***

The Company's capital expenditure amounted to RMB238.3 million in 2024, primarily used for payments related to vaccine industrialization production facility construction projects and capitalized research and development expenses for vaccines under development. The Company's capital expenditure for 2024 decreased by RMB63.3 million or 21.0% as compared to capital expenditure of RMB301.6 million in 2023. This decrease was primarily due to the Company's purchase of a land use right for RMB48 million in the previous year with no such expense incurred in the current year, and the basic completion of industrialization construction for major vaccines under development, resulting in reduced expenditure on industrialization projects.

***Borrowings and Gearing Ratio***

The Company's total financial indebtedness (including interest-bearing bank borrowings, lease liabilities and amounts due to related parties) amounted to RMB1,841.3 million as at December 31, 2024, representing an increase of RMB45.7 million or 2.5%, as compared to the total financial indebtedness of RMB1,795.6 million as at December 31, 2023, primarily due to the increase in bank borrowings in the year.

The Company's gearing ratio (calculated by dividing total financial indebtedness by total equity as of the end of the period) was 51.0% as at December 31, 2024, representing an increase of 4.8%, as compared to the gearing ratio of 46.2% as at December 31, 2023, mainly due to the increase in the balance of bank borrowings.

***Charge on Assets***

As of December 31, 2024, part of the Group's bank loans were secured by (1) mortgages over the Group's buildings, which had a net carrying value as of December 31, 2024 of approximately RMB249.7 million (December 31, 2023: approximately RMB259.4 million); (2) mortgages over the Group's leasehold land, which had a net carrying value as of December 31, 2024 of approximately RMB71.1 million (December 31, 2023: approximately RMB59.0 million); and (3) guarantees provided by the Company and subsidiaries of the Group.

Save for the above, as of December 31, 2024, the Group did not have any other charges over its assets.

***Foreign Exchange Exposure***

The vast majority of the Group's businesses and all bank loans have been traded in RMB so there is no significant foreign exchange fluctuation risk. The Board does not expect that fluctuations in the RMB exchange rate and exchange fluctuations of other foreign currencies will have a significant impact on the Group's business or performance. The Group currently has no relevant foreign exchange risk hedging policies and therefore it has not carried out any hedging transactions to manage the potential risks of foreign currency fluctuations.

***Contingent Liabilities***

As of December 31, 2024, the Group did not have any significant contingent liabilities that would have a material impact on its financial position or results of operations.

## CORPORATE GOVERNANCE AND OTHER INFORMATION

### The Model Code for Securities Transactions by Directors and Supervisors

The Company has devised its own code of conduct regarding Directors' and Supervisors' dealings in the Company's securities on terms no less exacting than the Model Code. The Company has made specific inquiries to all Directors and Supervisors and they all confirmed that they have complied with the standards specified in the Company's own code for the year ended December 31, 2024.

### Corporate Governance Code

The Board has adopted the code provisions of the Corporate Governance Code. The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has complied with the code provisions set out in the Corporate Governance Code for the year ended December 31, 2024, with the exception of code provision C.2.1, which requires the roles of chairman and chief executive to be held by different individuals.

Pursuant to code provision C.2.1 in Part 2 of the Corporate Governance Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Yan ZHOU ("**Mr. Zhou**"), the chairman of the Board and chief executive officer, currently performs both of these roles. The Board believes that, in view of the experience, personal profile and role of Mr. Zhou in the Company, Mr. Zhou has an extensive understanding of our business as the chief executive officer of the Company and is therefore the Director best suited to identify strategic opportunities and to be the core of the Board. The

combined role of the chairman of the Board and chief executive officer of the Company by the same individual can promote the effective execution of strategic initiatives and facilitate the flow of information between the management and the Board. The Board will continue to review and consider splitting the roles of chairman of the Board and the chief executive officer at an appropriate time, taking into account the circumstances of the Group as a whole.

**Purchase, Sale or Redemption of the Company's Listed Securities**

For the year ended December 31, 2024, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares). As of December 31, 2024, the Company did not hold any treasury shares.

**Employee and Remuneration Policy**

As of December 31, 2024, we had approximately 1,535 employees, as compared to approximately 1,624 employees as of December 31, 2023. Total employee benefits expenses including Directors' remuneration in 2024 amounted to RMB356.9 million, as compared to the expenses of RMB362.4 million in 2023. Remuneration is determined with reference to performance, skills, qualifications and experience of the staff concerned and in accordance with the prevailing industry practice.

In addition to salaries and bonuses, other employee benefit expenses include pension, housing fund, medical insurance and other social insurance, as well as share-based payment expenses and others. We have adopted the employee stock incentive scheme prior to the IPO to offer valuable incentives to attract and retain quality personnel. We have been evaluating, and may adopt, new stock incentive schemes that comply with the requirements of the Listing Rules. The remuneration of the Directors is reviewed by the Remuneration Committee and approved by the Board. The relevant Director's experience, duties and responsibilities, time commitment, the Company's performance and the prevailing market conditions are taken into consideration in determining the emolument of the Directors.

**Significant Investments, Acquisitions and Disposals**

We did not have any significant investments, material acquisitions or material disposals of subsidiaries, associates and joint ventures for the year ended December 31, 2024.

## Use of IPO Proceeds

We received approximately HK$91.61 million in net proceeds (the "**Net Proceeds**") from the IPO. Since the completion of the IPO, the Company has been utilizing, and intends to continue to utilize, the Net Proceeds in the manner consistent with that mentioned in the section headed "Future Plans and Use of Proceeds" of the Prospectus and the announcement of the Company dated October 23, 2023 relating to the change in use of proceeds from the IPO (the "**Announcement on Change in Use of IPO Proceeds**"). The use of Net Proceeds for the year ended December 31, 2024 is set forth below:

| | | Net Proceeds allocated for related purposes *(HK$'000)* | Percentage of total Net Proceeds *(%)* | Unutilized proceeds as of December 31, 2023 *(HK$'000)* | Actual use of proceeds during the year ended December 31, 2024 *(HK$'000)* | Unutilized proceeds as of December 31, 2024 *(HK$'000)* | Expected timing for full utilization of the unused amount |
|---|---|---|---|---|---|---|---|
| 1. | The development of vaccines related to the mRNA technology platform | 38,747 | 42.30 | – | | – | N/A[1] |
| 2. | The development of our pneumonia vaccine candidates, including PCV13, PCV20 and PPSV23 | 6,412 | 7.00 | – | | – | N/A[2] |
| 3. | The development of other vaccine candidates in our pipeline | 9,801 | 10.70 | – | | – | N/A[1] |
| 4. | To fund the capital expenditure on the construction of new production facilities for our new vaccine products, as follows: | 32,060 | 35.00 | 18,850 | 18,850 | – | |
| | (1) to fund the capital expenditure on the new mRNA vaccine production facilities in Ningbo | 23,503 | 25.66 | 18,850 | 18,850 | – | N/A[3] |
| | (2) to fund the capital expenditure on construction of new production facilities by AIM Rongyu for iterative serum-free rabies vaccine, including: | 8,557 | 9.34 | – | | – | |
| | (i) equipment procurement | 5,575 | 6.09 | – | | – | N/A[1] |
| | (ii) plant decontamination and renovation, and equipment installation and testing | 2,982 | 3.25 | – | | – | N/A[1] |
| 5. | To be invested in our sales and marketing activities | 4,590 | 5.00 | – | | – | N/A[4] |
| | **Total** | **91,610** | **100.00%** | **18,850** | **18,850** | **–** | |

*Notes:*

(1) As of December 2023, the Net Proceeds allocated for development of vaccine candidates in our mRNA technology platform, development of other vaccine candidates in our pipelines, and construction of new production facilities by AIM Rongyu for iterative serum-free rabies vaccine were fully utilized.

(2) As of June 2023, the Net Proceeds allocated for development of pneumonia vaccine candidates (including PCV13, PCV20 and PPSV23) were fully utilized.

(3) As of December 2024, the Net Proceeds allocated for the funding of the capital expenditure on the new mRNA vaccine production facilities in Ningbo were fully utilized.

(4) The Net Proceeds allocated for investing in sales and marketing activities were fully utilized during January 2023.

## Final Dividend

No dividend was paid or declared by our Company for the year ended December 31, 2024.

## Audit Committee

The Company has established the Audit Committee in accordance with Rule 3.21 of the Listing Rules and the Corporate Governance Code and set out the terms of reference. As of December 31, 2024, the Audit Committee consists of three members, namely Professor Ker Wei PEI, Mr. Xiaoguang GUO and Mr. Hui OUYANG. Professor Ker Wei PEI, Mr. Xiaoguang GUO and Mr. Hui OUYANG are independent non-executive Directors. Professor Ker Wei PEI is the chairman of the Audit Committee and possesses the appropriate professional qualifications. As Mr. Jie ZHOU and Mr. Xin ZHOU were re-designated as executive Directors on August 29, 2024, they ceased to be members of the Audit Committee with effect from August 29, 2024.

The Audit Committee of the Company has reviewed the Group's 2024 annual results and the financial statements for the year ended December 31, 2024 prepared in accordance with the IFRSs.

**Scope of Work of Ernst & Young**

The figures above in respect of this annual results announcement for the year ended December 31, 2024 have been agreed with the Company's auditor, Ernst & Young, certified public accountants ("**Ernst & Young**"), to be consistent with the amounts set out in the Group's audited consolidated financial statements for the year. 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 announcement.

**Material Matters after the Reporting Period**

On February 28, 2025, the Company entered into the placing agreement with the placing agent, DBS Asia Capital Limited, pursuant to which the placing agent has conditionally agreed, as the Company's placing agent, to procure, on a best effort basis, a placee (who and whose ultimate beneficial owner(s) (where applicable) will be independent third parties) to purchase 15,500,000 placing shares at the placing price of HK$5.01 per placing Share. The placing shares have been placed to one placee, namely Factorial Master Fund. The gross placing proceeds from the placing amounted to HK$77,655,000 (equivalent to RMB71,638,000). Completion of the placing took place on March 6, 2025.

**Publication of the Annual Results Announcement, Annual Report and Notice of Annual General Meeting**

This results announcement is published on the HKEx website at www.hkexnews.hk and the Company's website at www.aimbio.com. The annual report of the Company for the year ended December 31, 2024 and the notice convening the 2024 annual general meeting of the Company will be published on the websites mentioned above.

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| "AIM Action" | AIM Action BioPharm Co., Ltd. (艾美行動生物製藥有限公司) (previously known as AIM Kanghuai Biopharmaceutical (Jiangsu) Co., Ltd. (艾美康淮生物製藥(江蘇)有限公司)), a company incorporated under the laws of PRC on October 13, 2011, a wholly-owned subsidiary of our Company; |
| "AIM Explorer" | AIM Explorer Biomedical R&D Co., Ltd. (艾美探索者生命科學研發有限公司), a company incorporated under the laws of PRC on September 10, 2018, a wholly-owned subsidiary of our Company; |
| "AIM Honesty" | AIM Honesty Biopharmaceutical Co., Ltd. (艾美誠信生物製藥有限公司), a company incorporated under the laws of PRC on September 20, 1993, a wholly-owned subsidiary of our Company; |
| "AIM Innovator" | AIM Innovator Biomedical Research (Shanghai) Co., Ltd. (艾美創新者生物醫藥研究(上海)有限公司), a company incorporated under the laws of PRC on May 17, 2021 and owned as to 95% by our Company, 1% by each of AIM Action, AIM Honesty, AIM Persistence, AIM Responsibility Biopharmaceutical (Liaoning) Co., Ltd. (艾美責任生物製藥(遼寧)有限公司) (a company incorporated under the laws of PRC on January 28, 2023 and a wholly-owned subsidiary of our Company), and AIM Rongyu; |
| "AIM Liverna" | Liverna Therapeutics Inc. (珠海麗凡達生物技術有限公司), a company incorporated under the laws of PRC on June 21, 2019 and owned as to 50.1546% by our Company. The other minority shareholders of AIM Liverna are Independent Third Parties; |

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| "AIM Persistence" | AIM Persistence Biopharmaceutical Co., Ltd. (艾美堅持生物製藥有限公司) (previously known as AIM Weixin Biopharmaceutical (Zhejiang) Co., Ltd. (艾美衛信生物藥業(浙江)有限公司)), a company incorporated under the laws of PRC on December 24, 2002 and owned as to 96.45% by our Company and 3.55% by Shanghai Beibi Road Cultural Development Co., Ltd. (上海北壁之路文化發展有限公司), a company incorporated under the laws of PRC on March 28, 2017, a wholly-owned subsidiary of our Company; |
| "AIM Rongyu" | AIM Rongyu (Ningbo) Biopharmaceutical Co., Ltd. (艾美榮譽(寧波)生物製藥有限公司), formerly known as Ningbo Rong'an Biological Pharmaceutical Co., Ltd. (寧波榮安生物藥業有限公司), a company incorporated under the laws of PRC on April 30, 2001 and owned as to 20% by our Company and 80% by AIM Persistence; |
| "Audit Committee" | the audit committee of the Board of Directors; |
| "Board" or "Board of Directors" | the board of Directors of our Company; |
| "CDC(s)" | Centre(s) for Disease Control and Prevention (疾病預防控制中心); |
| "China" or "the PRC" | the People's Republic of China, which for the purpose of this announcement only, references to "China" or "the PRC" exclude Taiwan, Macau Special Administration Region and Hong Kong; |
| "Companies Ordinance" | the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time; |

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| "Company", "our Company", or "the Company" | AIM Vaccine Co., Ltd. (艾美疫苗股份有限公司), a joint stock company incorporated in the PRC with limited liability on November 9, 2011; |
| "Corporate Governance Code" | the Corporate Governance Code as set out in Appendix C1 to the Listing Rules; |
| "COVID-19" | the Coronavirus Disease 2019; |
| "CSO(s)" | contract sales organization(s); |
| "CTA" | clinical trial application, the PRC equivalent of investigational new vaccine application; |
| "Director(s)" or "our Director(s)" | the director(s) of our Company; |
| "Domestic Share(s)" | ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is (are) subscribed for and paid up in Renminbi by PRC domestic investors and not listed on any stock exchange; |
| "GMP" | Good Manufacturing Practice, guidelines and regulations from time to time issued pursuant to the PRC Drug Administration Law (《中華人民共和國藥品管理法》) as part of quality assurance which aims to minimize the risks of contamination, cross contamination, confusion and errors during the manufacture process of pharmaceutical products and to ensure that pharmaceutical products subject to these guidelines and regulations are consistently produced and controlled in conformity to quality and standards appropriate for their intended use; |
| "Group A, C, Y and W135 MPSV" or "MPSV4" | Group A, C, Y and W135 MPSV, a vaccine used for the prevention of epidemic cerebrospinal meningitis in children aged above two years old; |
| "Group", "the Group", "our Group", "we" or "us" | our Company and its subsidiaries; |

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| "H Share(s)" | overseas listed foreign share(s) in the issued share capital of the Company, with a nominal value of RMB1.00 each, listed on the Stock Exchange; |
| "HAV" | hepatitis A virus; |
| "HBV" | hepatitis B virus; |
| "HDC" | human diploid cell; |
| "HFMD" | hand foot and mouth disease; |
| "HFRS" | hemorrhagic fever with renal syndrome; |
| "HK$" or "Hong Kong dollars" or "HK dollars" | Hong Kong dollars, the lawful currency of Hong Kong; |
| "HKEx" | Hong Kong Exchanges and Clearing Limited; |
| "Hong Kong" or "HK" | the Hong Kong Special Administrative Region of the PRC; |
| "Independent Third Party(ies)" | an individual or a company which, to the best of our Directors' knowledge, information and belief, having made all reasonable enquiries, is not a connected person of the Company within the meaning of the Listing Rules; |
| "IPO" | the initial public offering and listing of the Company's H Shares on the Main Board of the Stock Exchange on October 6, 2022; |
| "Licensed Manufacturing Facility" | our manufacturing facility in each of AIM Rongyu, AIM Honesty, AIM Action and AIM Weixin, which have obtained valid production permits and passed GMP inspections, each a Licensed Manufacturing Facility, collectively Licensed Manufacturing Facilities; |
| "Listing Rules" | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited; |

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| "Main Board" | the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange; |
| "Model Code" | Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules; |
| "mRNA" | messenger ribonucleic acid or messenger RNA, a single-stranded molecule of RNA that corresponds to the genetic sequence of a gene, and is read by a ribosome in the process of synthesizing a protein; |
| "NDA" | new drug application (藥品註冊證書申請); |
| "NDA approval" | new drug application approval (藥品註冊證書批准); |
| "NIFDC" | the National Institutes for Food and Drug Control of the PRC (中國食品藥品檢定研究院); |
| "NMPA" | the National Medical Products Administration (國家藥品監督管理局) and its predecessor, the China Food and Drug Administration (國家食品藥品監督管理總局); |
| "PCV" | pneumonia conjugate vaccines; |
| "Prospectus" | the Company's prospectus dated September 23, 2022; |
| "Remuneration Committee" | the remuneration and appraisal committee of the Board of Directors; |
| "RMB" or "Renminbi" | Renminbi, the lawful currency of the PRC; |
| "RSV" | respiratory syncytial virus; |
| "Share(s)" | ordinary share(s) in the issued share capital of our Company with a nominal value of RMB1.00 each; |
| "Shareholder(s)" | holder(s) of our Shares; |

| | |
|---|---|
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited; |
| "subsidiary(ies)" | has the meaning ascribed thereto in section 15 of the Companies Ordinance; |
| "Unlisted Foreign Share(s)" | ordinary share(s) issued by the Company with a nominal value of RMB1.00 each, which is (are) held by non-PRC investors and not listed on any stock exchange; |
| "Unlisted RMB Denominated Ordinary Share(s)" | Domestic Share(s) and/or Unlisted Foreign Share(s) (as the case may be); and |
| "%" | percentage. |

By order of the Board
**AIM Vaccine Co., Ltd.**
**Mr. Yan ZHOU**
*Chairman of the Board,*
*Executive Director and Chief Executive Officer*

Hong Kong, March 28, 2025

*As at the date of this announcement, the Board of the Company comprises Mr. Yan ZHOU, Mr. Xin ZHOU, Mr. Wen GUAN, Mr. Shaojun JIA and Mr. Jie ZHOU as executive directors; Mr. Jichen ZHAO and Ms. Aijun WANG as non-executive directors; and Professor Ker Wei PEI, Mr. Hui OUYANG, Ms. Jie WEN and Mr. Xiaoguang GUO as independent non-executive directors.*