
MATERIAL VARIANCES BETWEEN UNAUDITED FULL-YEAR FINANCIAL RESULTS ANNOUNCEMENT AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

The Board of Directors (“**Board**”) of Pharmesis International Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the unaudited full year results announcement for the financial year ended 31 December 2025 (“**FY2025**”) made on 27 February 2026 (the “**Unaudited Results**”).

Pursuant to Rule 704(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board wishes to announce the material variances between the audited financial statements of the Group for FY2025 (the “**Audited Results**”) and the Unaudited Results following the finalisation of audit by the Company’s Independent Auditors, Ernst & Young LLP. Details and clarifications of the differences of the respective line items are as follows:

CONSOLIDATED STATEMENT OF CASH FLOWS

	Audited	Unaudited	Variance
	RMB'000	RMB'000	RMB'000
Cash flows from operating activities			
Write back for expected credit losses on other receivables	(50)	-	(50)
Depreciation of right-of-use assets	600	715	(115)
Depreciation of property, plant, and equipment	1,190	1,241	(51)
Depreciation of investment property	1,105	939	166
Operating profit before working capital changes	(1,110)	(1,060)	(50)
Decrease/(increase) in prepaid expenses and other receivables	256	206	50
Cash flows used in from operations	2,683	2,683	-
Interest paid	(9)	(687)	678
Net cash flows generated from/(used in) operating activities	2,646	1,968	678
Cash flows from financing activities			
Interest paid on bank borrowings	(612)	-	(612)
Lease interest paid	(66)	-	(66)
Net cash flows (used in)/generated from financing activities	(1,246)	(568)	(678)

The variances are due to the reclassification of line items within operating activities and between operating and financing activities. There are no changes to the net decrease in cash and cash equivalents as well as cash and cash equivalents as at 31 December 2025.

BY ORDER OF THE BOARD

Wu Xuedan
 Executive Director and Chief Executive Officer
 14 April 2026