

**PHARMESIS INTERNATIONAL LTD.**

Co. Registration No. 200309641E

**Unaudited Condensed Interim Financial Statements for the 6 months ended 30 June 2025**
**A. UNAUDITED CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT FOR THE FIRST HALF ENDED 30 JUNE 2025**

	Group		
	6 months ended 30.06.2025	6 months ended 30.06.2024	+ / (-) %
	RMB'000	RMB'000	
<b>Revenue</b>	27,202	23,874	13.9
Cost of sales	(16,864)	(15,177)	11.1
<b>Gross Profit</b>	<b>10,338</b>	<b>8,697</b>	18.9
Other income	104	31	229.3
Selling and distribution costs	(5,275)	(5,585)	(5.6)
Administrative costs	(6,206)	(5,712)	8.6
<b>Loss from operations</b>	<b>(1,039)</b>	<b>(2,569)</b>	(59.5)
Finance income	26	1	n.m.
Finance costs	(359)	(352)	2.0
<b>Net finance costs</b>	<b>(333)</b>	<b>(351)</b>	(5.0)
<b>Loss before tax</b>	<b>(1,372)</b>	<b>(2,920)</b>	(53.0)
Income tax expense	—	(1,094)	n.m.
<b>Loss for the period</b>	<b>(1,372)</b>	<b>(4,014)</b>	(65.8)
<b>Attributable to:</b>			
<b>Equity holders of the Company</b>	<b>(1,372)</b>	<b>(3,482)</b>	(60.6)
Non-controlling interest	—	(532)	n.m.
<b>Loss for the period</b>	<b>(1,372)</b>	<b>(4,014)</b>	(65.8)
<b>Loss per share (RMB cents)</b>			
Basic and diluted	(4.3)	(12.4)	

## NOTES TO THE CONSOLIDATED INCOME STATEMENT

(a) Loss for the period is arrived at after crediting/(charging):-

	Group		
	6 months ended 30.06.2025	6 months ended 30.06.2024	+ / (-) %
	RMB'000	RMB'000	
Finance income	26	1	n.m.
Government grant	33	24	37.5
(Allowance)/Reversal of allowance for expected credit loss - trade	(113)	57	n.m.
Depreciation and amortisation	(1,449)	(946)	53.2
Foreign exchange gain/(loss)	28	(25)	n.m.

n.m. denotes not meaningful

## UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

	Group	
	6 months ended 30.06.2025	6 months ended 30.06.2024
	RMB'000	RMB'000
<b>Loss for the period</b>	<b>(1,372)</b>	<b>(4,014)</b>
Other comprehensive income	—	—
<b>Total comprehensive income</b>	<b>(1,372)</b>	<b>(4,014)</b>
Total comprehensive income attributable to:		
<b>Equity holders of the Company</b>	<b>(1,372)</b>	<b>(3,482)</b>
Non-controlling interest	—	(532)
	<b>(1,372)</b>	<b>(4,014)</b>

## B. UNAUDITED CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	GROUP		COMPANY	
	As at 30.6.2025 RMB'000	As at 31.12.2024 RMB'000	As at 30.6.2025 RMB'000	As at 31.12.2024 RMB'000
<b>Non-current assets</b>				
Property, plant and equipment	16,098	49,408	—	—
Investment Property	32,516	—	—	—
Right-of-use assets	7,097	7,184	85	120
Investments in subsidiaries	—	—	54,999	54,999
Goodwill on consolidation	1,323	1,323	—	—
Deferred tax asset	315	315	—	—
Other current assets	1,095	1,095	—	—
	<b>58,444</b>	<b>59,325</b>	<b>55,084</b>	<b>55,119</b>
<b>Current assets</b>				
Inventories	14,232	14,154	—	—
Trade receivables	12,107	36,011	—	—
Prepaid expenses	134	63	—	—
Other receivables	1,207	1,688	3,020	21
Cash and cash equivalents	3,261	4,604	1,082	800
	<b>30,941</b>	<b>56,520</b>	<b>4,102</b>	<b>821</b>
<b>Current liabilities</b>				
Bank borrowings	15,000	15,000	—	—
Trade payables	4,752	25,056	—	—
Accrued liabilities and other payables	8,487	12,812	938	959
Lease liabilities	587	571	72	72
Tax payable	24	142	11	20
	<b>28,850</b>	<b>53,581</b>	<b>1,021</b>	<b>1,051</b>
<b>Net current assets/(liabilities)</b>	<b>2,091</b>	<b>2,939</b>	<b>3,081</b>	<b>(230)</b>
<b>Non-current liabilities</b>				
Lease liabilities	335	692	16	50
	<b>335</b>	<b>692</b>	<b>16</b>	<b>50</b>
<b>Net assets</b>	<b>60,200</b>	<b>61,572</b>	<b>58,149</b>	<b>54,838</b>
<b>Equity attributable to equity holders of the Company</b>				
Share capital	54,838	88,446	54,838	88,446
Reserves	5,362	(26,874)	3,311	(33,608)
<b>Total equity</b>	<b>60,200</b>	<b>61,572</b>	<b>58,149</b>	<b>54,838</b>

**1(b)(ii) Aggregate amount of group's borrowing and debt securities**

**Amount repayable in one year or less, or on demand**

In RMB'000

As at 30 June 2025		As at 31 December 2024	
Secured	Unsecured	Secured	Unsecured
15,000	–	15,000	–

**Amount repayable after one year**

In RMB'000

As at 30 June 2025		As at 31 December 2024	
Secured	Unsecured	Secured	Unsecured
–	–	–	–

The above does not include the lease liabilities recognised under SFRS(I) 16.

**Details of any collateral**

The bank borrowings are secured over the land use rights and buildings of a subsidiary.

**C. UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2025**

	Group	
	6 months ended 30.06.2025 RMB'000	6 months ended 30.06.2024 RMB'000
<b>Cash flows from operating activities</b>		
Loss before tax	(1,372)	(2,920)
Adjustments for:		
Allowance/(Reversal of allowance) for expected credit loss - trade	113	(57)
Depreciation and amortisation	1,449	946
Interest expense	359	345
Interest income	(26)	(1)
Operating profit/(loss) before changes in working capital	523	(1,687)
Changes in working capital		
Trade receivables	23,741	128
Prepayments, deposits and other receivables	459	(123)
Inventories	(78)	102
Trade payables	(20,304)	(568)
Accrued liabilities and other payables	(4,325)	(4,781)
Cash used in operations	16	(6,929)
Interest received	26	1
Interest paid	(359)	(345)
Income tax paid	(118)	(1,142)
<b>Net cash flows used in operating activities</b>	<b>(435)</b>	<b>(8,415)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(299)	(27)
Purchase of right of use asset	(268)	—
<b>Net cash flows used in investing activities</b>	<b>(567)</b>	<b>(27)</b>
<b>Cash flows from financing activities</b>		
Net proceeds from issuance of shares	—	2,604
Repayment of principal portion of lease liabilities	(341)	(196)
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(341)</b>	<b>2,408</b>
Net decrease in cash and cash equivalents	(1,343)	(6,034)
Cash and cash equivalents at beginning of period	4,604	9,477
<b>Cash and cash equivalents at end of period</b>	<b>3,261</b>	<b>3,443</b>

**D. UNAUDITED CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**

<u>Group</u> <u>In RMB'000</u>	Attributable to equity holders of the Company						Total Equity
	Share Capital	Premium paid on acquisition of non- controlling interest	Statutory Reserve	Accumulated Losses	Total	Non- controlling interest	
<b>At 1 January 2025</b>	88,446	(10,854)	9,507	(25,527)	61,572	—	61,572
Capital reduction	(33,608)	—	—	33,608	—	—	—
Total comprehensive income	—	—	—	(1,372)	(1,372)	—	(1,372)
<b>At 30 June 2025</b>	<b>54,838</b>	<b>(10,854)</b>	<b>9,507</b>	<b>6,709</b>	<b>60,200</b>	<b>—</b>	<b>60,200</b>
<b>At 1 January 2024</b>	85,842	(10,471)	11,979	(36,277)	51,073	3,117	54,190
Issuance of new shares	2,604	—	—	—	2,604	—	2,604
Total comprehensive income	—	—	—	(3,482)	(3,482)	(532)	(4,014)
<b>At 30 June 2024</b>	<b>88,446</b>	<b>(10,471)</b>	<b>11,979</b>	<b>(39,759)</b>	<b>50,195</b>	<b>2,585</b>	<b>52,780</b>

<u>Company</u> <u>In RMB'000</u>	Share Capital	Accumulated Losses	Total Equity
<b>At 1 January 2025</b>	88,446	(33,608)	54,838
Capital reduction	(33,608)	33,608	—
Total comprehensive income	—	3,311	3,311
<b>At 30 June 2025</b>	<b>54,838</b>	<b>3,311</b>	<b>58,149</b>
<b>At 1 January 2024</b>	85,842	(30,786)	55,056
Issue of new shares	2,604	—	2,604
Total comprehensive income	—	(1,379)	(1,379)
<b>At 30 June 2024</b>	<b>88,446</b>	<b>(32,165)</b>	<b>56,281</b>

## **E. Notes to the condensed interim consolidated financial statements**

### **E1. Corporate information**

Pharmesis International Ltd. (the "Company") is a limited liability company incorporated in Singapore and is listed on the Singapore Exchange. The registered office and principal place of business of the Company is located at 5 Kallang Sector #03-02, Singapore 349279.

The principal activity of the Company is investment holding. The principal activities of the Group are development, manufacture, packaging and sale of western medicine, Traditional Chinese Medicine ("TCM"), health tonic products, wholesale of drugs, raw products, antibiotics and antibiotics agents. There have been no significant changes in the nature of these activities during the year.

The Group operates principally in the People's Republic of China ("PRC").

### **E2. Basis of Preparation**

The condensed interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except in the current financial period, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2025. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

The condensed interim financial statements are presented in Renminbi ("RMB") which is the Company's functional currency and all values are rounded to the nearest thousands, except when otherwise indicated.

#### **E2.1. New and amended standards adopted by the Group**

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

#### **E2.2. Use of judgements and estimates**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

### **E3. Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

#### E4. Segment information and revenue information

For management purposes, the Group is organised into business units based on their products, and has 3 reportable operating segments as follows:

- (i) **Western drugs** - refer mainly to chemically formulated drugs.
- (ii) **TCM formulated drugs** - refer to Traditional Chinese Medicine.
- (iii) **Distribution** - This segment refers to agency products and internally manufactured products which are marketed through the distribution arm.

##### Analysis by business segment

<b>6 months ended 30.06.2025</b>	Western drugs RMB'000	TCM formulated drugs RMB'000	Distribution RMB'000	Elimination RMB'000	Group RMB'000
<b>Revenue</b>					
External customers	1,296	8,304	17,602	–	27,202
Inter segment	9,310	6,435	–	(15,745)	–
<b>Total Revenue</b>	<b>10,606</b>	<b>14,739</b>	<b>17,602</b>	<b>(15,745)</b>	<b>27,202</b>
<b>Result</b>					
Segment result	1,180	(365)	(166)		649
Unallocated corporate expenses					(1,688)
Loss from operations					(1,039)
Finance income	1	25	–		26
Finance costs	(46)	(313)	–		(359)
Income tax expense					–
Loss before non-controlling interest					(1,372)
Non-controlling interest					–
Net loss attributable to equity holders of the Company					(1,372)
<b>Assets and liabilities</b>					
<b>Segment assets</b>	18,828	61,300	8,069		88,197
Unallocated corporate assets					1,188
<b>Total assets</b>					<b>89,385</b>
<b>Segment liabilities</b>	3,755	23,675	656		28,086
Unallocated corporate liabilities					1,100
<b>Total liabilities</b>					<b>29,186</b>
<b>Other segment information</b>					
Capital expenditure	–	567	–		567
Depreciation and amortisation	441	1,008	–		1,449
Finance income	(1)	(25)	–		(26)
Finance costs	46	313	–		359
Allowance for expected credit loss - trade	121	105	(113)		113



<b><u>6 months ended 30.06.2024</u></b>	Western drugs RMB'000	TCM formulated drugs RMB'000	Distribution RMB'000	Elimination RMB'000	Group RMB'000
<b>Revenue</b>					
External customers	7,418	7,161	9,295	–	23,874
Inter segment	3	1,998	–	(2,001)	–
<b>Total Revenue</b>	<b>7,421</b>	<b>9,159</b>	<b>9,295</b>	<b>(2,001)</b>	<b>23,874</b>
<b>Result</b>					
Segment result	(169)	(1,511)	490		(1,191)
Unallocated corporate expenses					(1,378)
Profit from operations					(2,569)
Finance income	–	1	–		1
Finance costs	(65)	(285)	(1)		(351)
Income tax expense	–	(1,094)	–		(1,094)
Loss before non-controlling interest					(4,013)
Non-controlling interest					533
Net loss attributable to equity holders of the Company					(3,480)
<b>Assets and liabilities</b>					
<b>Segment assets</b>	15,873	57,647	3,794		77,314
Unallocated corporate assets					1,580
Total assets					78,894
<b>Segment liabilities</b>	2,292	23,339	435		25,066
Unallocated corporate liabilities					1,048
Total liabilities					26,114
<b>Other segment information</b>					
Capital expenditure	–	27	–		27
Depreciation and amortisation	488	458	–		946
Finance income	–	1	–		(9)
Finance costs	65	285	1		351
Allowance for expected credit loss - trade	(79)	(20)	42		(57)

#### E4. Disaggregation of Revenue

	Western drugs RMB'000	TCM formulated drugs RMB'000	Distribution RMB'000	Group RMB'000
<b>6 months ended 30.06.2025</b>				
<b>Revenue</b>				
Western drugs	1,296	–	10,871	12,167
TCM formulated drugs	–	8,304	6,731	15,035
<b>Total Revenue</b>	<b>1,296</b>	<b>8,304</b>	<b>17,602</b>	<b>27,202</b>
<b>Timing of transfer of goods or services</b>				
At a point in time	1,296	8,304	17,602	<b>27,202</b>
<b>Primary geographical market</b>				
People's Republic of China	1,296	8,304	17,602	<b>27,202</b>
<b>6 months ended 30.06.2024</b>				
<b>Revenue</b>				
Western drugs	7,418	–	5,557	12,975
TCM formulated drugs	–	7,161	3,738	10,899
<b>Total Revenue</b>	<b>7,418</b>	<b>7,161</b>	<b>9,295</b>	<b>23,874</b>
<b>Timing of transfer of goods or services</b>				
At a point in time	7,418	7,161	9,295	<b>23,874</b>
<b>Primary geographical market</b>				
People's Republic of China	7,418	7,161	9,295	<b>23,874</b>

#### E5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2025 and 31 December 2024:

	<u>Group</u>		<u>Company</u>	
	As at 30.06.25 RMB'000	As at 31.12.24 RMB'000	As at 30.06.25 RMB'000	As at 31.12.24 RMB'000
<b>Group</b>				
<b>Financial assets</b>				
Trade receivables	12,107	36,011	–	–
Other receivables	1,207	1,688	3,020	21
Cash and cash equivalents	3,261	4,604	1,082	800
<b>Total</b>	<b>16,575</b>	<b>42,303</b>	<b>4,102</b>	<b>821</b>
<b>Financial liabilities</b>				
Bank borrowings	15,000	15,000	–	–
Trade and other payables and accrued liabilities (excluding VAT payable and advances from customers)	10,416	36,622	938	959
Lease liabilities	922	1,378	88	122
<b>Total</b>	<b>26,338</b>	<b>53,000</b>	<b>1,026</b>	<b>1,081</b>

## E6. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	6 months ended 30.06.2025 RMB'000	6 months ended 30.06.2024 RMB'000
Income tax expense	–	1,094
	–	1,094

## E7. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

## Other information

- 1(a) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

### Share Capital

The Company's issued share capital has decreased from RMB 88.4 million in the previous financial period ended 31 December 2024 to RMB 54.8 million due to the completion of capital reduction exercise to offset the previous retained losses on 23 June 2025.

- 1(b) **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares as at 31 December 2024 and 30 June 2025 are 31,700,000 ordinary shares.

- 1(c) **A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

2. **Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2024.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group and the Company adopted the following new Singapore Financial Reporting Standards (International) ("SFRS(I)"), amendments and interpretations of SFRS(I)s effective for annual periods beginning on or after 1 January 2025. The adoption of these new SFRS(I) did not have any material impact on the financial statements of the Group.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-**

In RMB cents	Group	
	6 months ended 30.06.2025	6 months ended 30.06.2024
(i) Based on weighted average number of shares	(4.3)	(12.4)
Weighted average number of shares	31,700,000	28,007,735

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**

(a) current financial period reported on; and

(b) immediately preceding financial year.

In RMB	Group		Company	
	30.06.2025	31.12.2024	30.06.2025	31.12.2024
Net asset value ("NAV") per ordinary share	1.90	1.94	1.83	1.73
No. of shares in computing NAV	31,700,000	31,700,000	31,700,000	31,700,000

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

## **INCOME STATEMENT**

In the first half of 2025 ("1H 2025"), Group's revenue increased by RMB 3.3 million or 13.9% from RMB 23.9 million in 1H 2024 to RMB 27.2 million. Revenue from non-prescribed TCM drugs increased by RMB 4.1 million mainly due to higher revenue from Er Ding products. Revenue from prescribed western drugs decreased by RMB 0.8 million mainly due to lower revenue from ATT products.

Gross profit margin increased from 36.4% in 1H 2024 to 38.0% in 1H 2025, mainly due to increase in gross profit margin from ATT products. Other income was RMB 104,000 in 1H 2025 as compared to RMB 31,000 in 1H 2024, mainly due to rental income and higher government grants in 1H 2025.

Selling and distribution costs decreased from RMB 5.6 million in 1H 2024 to RMB 5.3 million in 1H 2025 mainly due to lower marketing expenses. Administrative costs increased from RMB 5.7 million in 1H 2024 to RMB 6.2 million for 1H 2025 mainly due to higher personnel expenses and allowance for expected credit loss.

Finance income increased from RMB 1,000 in 1H 2024 to RMB 26,000 in 1H 2025 due to higher interest income. Finance costs increased from RMB 352,000 in 1H 2024 to RMB 359,000 in 1H 2025 mainly due to higher interest.

Income tax expense for 1H 2024 was RMB 1.1 million arising from additional tax assessed on previous years' profits, resulting from the conclusion of regular tax reviews conducted by the PRC tax authority over the Group's PRC subsidiaries.

As a result of the above, the Group recorded a net loss after tax attributable to equity holders of the Company of RMB 1.4 million in 1H 2025, as compared to a net loss after tax of RMB 3.5 million in 1H 2024.

## **STATEMENT OF FINANCIAL POSITION**

The Group's non-current assets were RMB 58.4 million as at 30 June 2025, a decrease of RMB 0.9 million from RMB 59.3 million as at 31 December 2024. This was mainly due to the decrease in property, plant and equipment and right-of-use assets, which was offset by an increase in investment property. Investment property was reclassified from property, plant and equipment when the lease commenced on 1 January 2025.

The Group's current assets were RMB 30.9 million as at 30 June 2025, a decrease of RMB 25.6 million from RMB 56.5 million as at 31 December 2024. This was mainly due to lower trade receivables, other receivables, cash, and higher inventories and prepaid expenses. Trade receivables decreased by RMB 23.9 million mainly due to the collection of trade receivables arising from the Traditional Chinese Herbs ("TCH") procurement business which was not due as at 31 December 2024.

The Group's current liabilities were RMB 28.8 million as at 30 June 2025, a decrease of RMB 24.8 million from RMB 53.6 million as at 31 December 2024 mainly due to decrease in trade payables, accrued liabilities and other payables and tax payables with a small increase in current lease liabilities. Trade payables decreased by RMB 20.3 million mainly due to the payment of trade payables arising from the TCH procurement business which was not due as at 31 December 2024.

The Group's non-current liabilities were RMB 0.3 million as at 30 June 2025, a decrease of RMB 0.4 million from RMB 0.7 million as at 31 December 2024 due to decrease in lease liabilities.

As at 30 Jun 2025, the Group had a low current ratio of 1.07 and its current assets and current liabilities were RMB 30.9 million and RMB 28.8 million respectively. The Board assessed that as at 30 Jun 2025, the Group's current assets were adequate to meet the Group's short term liabilities, as the Group was in a net current asset position of RMB 2.1 million. The Group intends to fulfil its significant payment obligations in the next 12 months by continuing to improve sales, manage costs and cash flows effectively.

## **STATEMENT OF CASH FLOWS**

The Group's net cash flow used in operating activities for 1H 2025 was RMB 0.4 million, mainly due to cash used in its operations and interest paid.

Net cash used in investing activities for 1H 2025 amounted to RMB 0.6 million, mainly cash used for the acquisition of plant and equipment and right of use asset.

Net cash used in financing activities for 1H 2025 amounted to RMB 0.3 million, mainly due to repayment of lease liabilities.

As a result of the above, cash and cash equivalents decreased from RMB 4.6 million as at 31 December 2024 to RMB 3.3 million as at 30 June 2025.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

In line with the prospect statement made in 4Q 2024.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group is actively expanding its sales channels to increase revenue and reach a broader customer base. By diversifying its distribution strategy, the Group aims to tap into new markets and improve accessibility to its products. The expansion also involves leveraging digital marketing and e-commerce tools to boost visibility and streamline the customer purchasing experience. Overall, these efforts are designed to create multiple touchpoints for customers, ultimately contributing to sustained growth and higher sales performance. The management will continue to operate cautiously, improving sales and managing costs effectively.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

Yes.

Name of dividend	Interim special – 20 <sup>th</sup> Anniversary
Dividend Type	Cash
Dividend Amount per share (in Singapore cents)	1 cent per ordinary share
Tax rate	Tax exempt (1-tier)

**(b) Corresponding Period of the Immediately Preceding Financial Year**

None.

**(c) Date payable**

To be announced on a later date.

**(d) Books closure date**

To be announced on a later date.

12. **If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.**

Not applicable.

13. **If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate from shareholders for IPTs.

14. **Negative confirmation pursuant to Rule 705(5) of the Listing Manual.**

The Board of Directors of Pharmesis International Ltd. hereby confirms that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements for the first half ended 30 June 2025 to be false or misleading in any material aspect.

15. **Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.**

The Company has procured all the required undertakings as required under Rule 720(1).

16. **Disclose the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use.**

As at 31 December 2024, the Company has utilised SGD 372,000 of the net proceeds from the issuance of 4.1 million new ordinary shares at the issue price of SGD 0.13 per share in June 2024, with unutilised remaining balance of SGD 111,000.

As at 30 June 2025, the Company has fully utilised the net proceeds of approximately SGD 483,000 from the issuance of 4.1 million new ordinary shares at the issue price of SGD 0.13 per share in June 2024 as follows:

	Use of proceeds as at 31 Dec 2024 (SGD'000)	Use of proceeds as at 30 June 2025 (SGD'000)
Personnel & related expenses	126	185
Directors' fees	100	121
Professional fees	134	157
Office expenses	12	20
<b>Total</b>	<b>372</b>	<b>483</b>

The above use of proceeds was in accordance with the Company's stated use.

**BY ORDER OF THE BOARD**

**WU XUEDAN**  
**EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER**

**14 August 2025**