

Hansoh Pharma (3692 HK)

Roche deal and ESMO readouts reinforce ADC value proposition

Hansoh's ADC platform saw meaningful validation on both partnership and clinical fronts. The Company announced a broad ADC collaboration with Roche in a landmark transaction and, at ESMO 2026, reported the first encouraging global EMBOLD data for Ris-Rez (B7-H3 ADC), alongside a reassuring pooled ILD safety analysis. In addition, late-breaking 13-month follow-up data for Mo-Rez (B7-H4 ADC) in platinum-resistant ovarian cancer (PROC) further strengthened the platform read-through. These developments reinforce our positive view on Hansoh's ADC engine. We reiterate BUY rating with a TP of HK\$50.54.

■ Roche partnership underscores the strategic value of ADC platform.

Hansoh entered into a strategic licence agreement with Roche covering a broad ADC portfolio, including two preclinical ADC assets and multiple programs against Roche-nominated targets. Financial terms include US\$400mn upfront, a US\$110mn first-anniversary payment, up to US\$15bn in milestones, plus royalties. Importantly, Hansoh retains an option to select up to two programs for participation in commercialization in the US. This follows Roche's Oct 2025 in-licensing of ex-China rights to HS-20110 (CDH17 ADC), and Roche is currently investigating the asset in a global Ph1 study. In our view, these transactions provide strong validation of Hansoh's ADC capabilities and expand its long-term global monetization opportunity.

■ Global data of Ris-Rez support broader international development.

In the global Ph1b study ([link](#)), Ris-Rez mono delivered a cORR of 61% (11/18) at the Ph3-selected 8 mg/kg dose in 2L+ ES-SCLC, with manageable safety, including 42% grade ≥3 TRAEs and a low 2% ILD rate (1/50, grade 2). These findings are consistent with the 58.3% ORR in the China Ph3 ARTEMIS-008, which met its OS endpoint with mOS of 18.5 vs 10.3 months for topotecan (HR 0.46, p<0.0001). Just as importantly, the pooled ILD analysis at ESMO helps de-risk Ris-Rez as a TOP1i ADC: across 301 patients treated in Ph1/2 mono studies, ILD incidence was 4%, predominantly grade 1–2, with grade ≥3 ILD in <1% and one fatal event ([link](#)). We view this pulmonary safety profile as favorable relative to other TOP1i ADCs and supportive of broader combination development. GSK is rapidly expanding the program, with multiple Ph3 studies planned across SCLC, mCRPC, mHSPC and NSCLC, underscoring strong global development ambition.

■ Mo-Rez follow-up data further support its differentiated potential.

GSK has announced that the late-breaking ESMO update from Ph1 BEHOLD-1 will show clinically meaningful and durable responses, together with encouraging PFS, for Mo-Rez in PROC. Earlier data presented at SGO 2026 showed a 62% cORR at 5.8 mg/kg in PROC, substantially above the 32% ORR for Elahere in biomarker-selected patients (CMBI report, [link](#)). Safety was also manageable, with 0% TRAE discontinuation in PROC and low-grade ILD/pneumonitis confined to 3% of patients, supporting an attractive therapeutic window for combinations and earlier-line expansion. GSK is accelerating development of Mo-Rez into five pivotal global Ph3 trials across ovarian and endometrial cancers, including earlier line settings.

■ Maintain BUY.

Reflecting the Roche transaction and improving visibility on the global prospects of Ris-Rez and Mo-Rez, we raise our DCF-based TP from HK\$49.12 to HK\$50.54 (WACC 8.48%, terminal growth rate 3.5%).

Earnings Summary

(YE 31 Dec)	FY24A	FY25A	FY26E	FY27E	FY28E
Revenue (RMB mn)	12,261	15,028	17,187	18,368	20,633
YoY growth (%)	21.3	22.6	14.4	6.9	12.3
Net profit (RMB mn)	4,371.8	5,555.5	6,825.4	6,803.1	7,270.6
YoY growth (%)	33.4	27.1	22.9	(0.3)	6.9
EPS (Reported) (RMB)	0.74	0.93	1.13	1.12	1.20
P/E (x)	39.7	31.4	26.0	26.1	24.4

Source: Company data, Bloomberg, CMBIGM estimates

BUY (Maintain)

Target Price	HK\$50.54
(Previous TP	HK\$49.12)
Up/Downside	47.0%
Current Price	HK\$34.38

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Stock Data

Mkt Cap (HK\$ mn)	208,485.5
Avg 3 mths t/o (HK\$ mn)	341.9
52w High/Low (HK\$)	43.36/28.56
Total Issued Shares (mn)	6064.2

Source: FactSet

Shareholding Structure

Sunrise Trust Trustee	65.7%
JQC International Limited	16.0%

Source: HKEx

Share Performance

	Absolute	Relative
1-mth	0.2%	3.9%
3-mth	4.0%	9.5%
6-mth	-13.8%	-4.8%

Source: FactSet

12-mth Price Performance



Source: FactSet

Figure 1: DCF valuation

DCF Valuation (in RMB mn)	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
EBIT	6,845	6,750	7,367	8,618	11,385	13,152	15,127	17,257	19,267	20,608
Tax rate	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
EBIT*(1-tax rate)	5,805	5,724	6,248	7,309	9,655	11,154	12,829	14,636	16,340	17,478
+ D&A	376	361	347	336	325	316	307	300	293	288
- Change in working capital	-483	-171	-379	-441	-806	-531	-570	-405	-188	61
- Capex	-200	-200	-200	-200	-200	-200	-200	-200	-200	-200
FCFF	5,498	5,715	6,016	7,003	8,975	10,738	12,366	14,331	16,245	17,626
Terminal value										366,690
Terminal growth rate	3.5%									
WACC	8.48%									
Cost of Equity	9.9%									
Cost of Debt	3.5%									
Equity Beta	0.90									
Risk Free Rate	4.0%									
Market Risk Premium	6.5%									
Target Debt to Asset ratio	20.0%									
Effective Corporate Tax Rate	15.0%									
Present value of enterprise (RMB mn)	224,916									
Net debt (RMB mn)	-35,573									
Equity value (RMB mn)	260,489									
No. of shares (mn)	6,064									
DCF per shares (RMB)	42.96									
DCF per share (HK\$)	50.54									

Source: CMBIGM estimates

Figure 2: Sensitivity analysis (HK\$)

		WACC				
		7.48%	7.98%	8.48%	8.98%	9.48%
Terminal growth	4.5%	78.11	67.08	58.85	52.48	47.40
	4.0%	69.47	60.88	54.23	48.93	44.62
	3.5%	63.00	56.06	50.54	46.04	42.31
	3.0%	57.97	52.21	47.52	43.63	40.35
	2.5%	53.96	49.06	45.00	41.59	38.68

Source: Company data, CMBIGM estimates

Figure 3: CMBIGM estimates: New vs Old

RMB mn	New			Old			Diff (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue	17,187	18,368	20,633	17,480	18,763	20,827	-2%	-2%	-1%
Gross profit	15,707	16,748	18,811	15,972	17,103	18,961	-2%	-2%	-1%
Operating profit	8,048	8,022	8,573	8,504	7,887	8,354	-5%	2%	3%
Attributable net profit	6,825	6,803	7,271	7,212	6,689	7,085	-5%	2%	3%
EPS (RMB)	1.13	1.12	1.20	1.19	1.10	1.17	-5%	2%	3%
Gross margin	91.39%	91.18%	91.17%	91.37%	91.15%	91.04%	+0.02 ppt	+0.03 ppt	+0.13 ppt
Operating margin	46.83%	43.67%	41.55%	48.65%	42.04%	40.11%	-1.83 ppt	+1.64 ppt	+1.44 ppt
Net margin	39.71%	37.04%	35.24%	41.26%	35.65%	34.02%	-1.55 ppt	+1.39 ppt	+1.22 ppt

Source: Company data, CMBIGM estimates

Figure 4: CMBIGM estimates vs Consensus

RMB mn	CMBIGM			Consensus			Diff (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue	17,187	18,368	20,633	17,013	18,759	20,899	1%	-2%	-1%
Gross profit	15,707	16,748	18,811	15,429	17,025	18,946	2%	-2%	-1%
Operating profit	8,048	8,022	8,573	6,320	6,789	7,545	27%	18%	14%
Attributable net profit	6,825	6,803	7,271	6,625	6,944	7,522	3%	-2%	-3%
EPS (RMB)	1.13	1.12	1.20	1.10	1.15	1.25	2%	-2%	-4%
Gross margin	91.39%	91.18%	91.17%	90.69%	90.76%	90.65%	+0.70 ppt	+0.42 ppt	+0.51 ppt
Operating margin	46.83%	43.67%	41.55%	37.15%	36.19%	36.10%	+9.68 ppt	+7.48 ppt	+5.45 ppt
Net margin	39.71%	37.04%	35.24%	38.94%	37.02%	35.99%	+0.77 ppt	+0.02 ppt	-0.75 ppt

Source: Company data, Bloomberg, CMBIGM estimates

Risks: 1) Price cut for Ameile in end-2026 to renew the NRDL; 2) Rising competition in 3rd-gen EGFR TKI market.

Financial Summary

INCOME STATEMENT	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec (RMB mn)						
Revenue	10,104	12,261	15,028	17,187	18,368	20,633
Cost of goods sold	(1,031)	(1,105)	(1,498)	(1,480)	(1,620)	(1,822)
Gross profit	9,073	11,155	13,530	15,707	16,748	18,811
Selling expense	(3,531)	(3,796)	(4,064)	(4,440)	(4,698)	(5,649)
Admin expense	(710)	(713)	(672)	(740)	(810)	(911)
R&D expense	(2,097)	(2,702)	(3,358)	(4,440)	(4,617)	(5,011)
Other income	1,125	1,133	1,209	2,020	1,514	1,448
Other gains/(losses)	(27)	13	(92)	0	0	0
Net Interest income/(expense)	(67)	(7)	(3)	(59)	(115)	(115)
Pre-tax profit	3,766	5,085	6,551	8,048	8,022	8,573
Income tax	(489)	(713)	(995)	(1,223)	(1,219)	(1,302)
After tax profit	3,278	4,372	5,555	6,825	6,803	7,271
Net profit	3,278	4,372	5,555	6,825	6,803	7,271

BALANCE SHEET	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec (RMB mn)						
Current assets	28,883	27,442	35,555	44,050	48,659	53,570
Cash & equivalents	22,435	22,622	31,549	39,622	44,034	48,528
Account receivables	3,214	3,170	3,061	3,468	3,606	3,938
Inventories	576	651	609	623	681	767
Prepayment	236	235	320	320	320	320
Financial assets at FVTPL	512	17	18	18	18	18
Other current assets	1,910	747	na	na	na	na
Non-current assets	4,156	4,216	4,345	4,169	4,008	3,861
PP&E	3,045	2,805	2,758	2,624	2,505	2,400
Right-of-use assets	235	442	421	393	364	335
Intangibles	177	245	363	349	336	323
Other non-current assets	699	724	803	803	803	803
Total assets	33,039	31,658	39,900	48,219	52,667	57,430
Current liabilities	6,863	2,695	4,395	8,277	8,303	8,340
Short-term borrowings	0	0	0	0	0	0
Account payables	164	218	334	273	299	336
Other current liabilities	4,269	88	300	4,244	4,244	4,244
Lease liabilities	16	16	17	17	17	17
Contract liabilities	38	19	1,181	1,181	1,181	1,181
Accrued expenses	2,376	2,355	2,563	2,563	2,563	2,563
Non-current liabilities	381	283	141	141	141	141
Convertible bonds	40	0	0	0	0	0
Deferred income	255	200	72	72	72	72
Other non-current liabilities	87	83	69	69	69	69
Total liabilities	7,244	2,978	4,536	8,418	8,444	8,481
Share capital	0	0	0	0	0	0
Other reserves	25,795	28,680	35,364	39,801	44,223	48,949
Total shareholders equity	25,795	28,680	35,364	39,801	44,223	48,949
Total equity and liabilities	33,039	31,658	39,900	48,219	52,667	57,430

CASH FLOW	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec (RMB mn)						
Operating						
Profit before taxation	3,766	5,085	6,551	8,048	8,022	8,573
Depreciation & amortization	335	362	351	334	319	305
Tax paid	(590)	(807)	(911)	(1,223)	(1,219)	(1,302)
Change in working capital	257	36	1,548	(483)	(171)	(379)
Others	(652)	(815)	(800)	(1,061)	(1,130)	(1,064)
Net cash from operations	3,116	3,862	6,738	5,615	5,821	6,132
Investing						
Capital expenditure	(220)	(222)	(356)	(200)	(200)	(200)
Acquisition of subsidiaries/ investments	(239)	(109)	(127)	0	0	0
Net proceeds from disposal of short-term investments	1,418	(765)	(6,561)	1,162	1,287	1,221
Others	114	(296)	(110)	0	0	0
Net cash from investing	1,074	(1,392)	(7,155)	962	1,087	1,021
Financing						
Dividend paid	(652)	(1,858)	(2,012)	(2,389)	(2,381)	(2,545)
Net borrowings	0	0	0	0	0	0
Proceeds from share issues	(115)	(34)	3,558	0	0	0
Others	13	(4,174)	9	3,885	(115)	(115)
Net cash from financing	(754)	(6,066)	1,554	1,496	(2,496)	(2,660)
Net change in cash						
Cash at the beginning of the year	2,666	5,981	2,323	3,409	11,482	15,894
Exchange difference	(122)	(62)	(52)	0	0	0
Cash at the end of the year	5,981	2,322	3,409	11,482	15,894	20,388
GROWTH	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec						
Revenue	7.7%	21.3%	22.6%	14.4%	6.9%	12.3%
Gross profit	6.5%	23.0%	21.3%	16.1%	6.6%	12.3%
Net profit	26.9%	33.4%	27.1%	22.9%	(0.3%)	6.9%
PROFITABILITY	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec						
Gross profit margin	89.8%	91.0%	90.0%	91.4%	91.2%	91.2%
Return on equity (ROE)	13.5%	16.1%	17.3%	18.2%	16.2%	15.6%
GEARING/LIQUIDITY/ACTIVITIES	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec						
Current ratio (x)	4.2	10.2	8.1	5.3	5.9	6.4
Receivable turnover days	122.7	95.0	75.7	73.7	71.7	69.7
Inventory turnover days	181.2	202.6	153.5	153.5	153.5	153.5
Payable turnover days	68.3	63.0	67.3	67.3	67.3	67.3
VALUATION	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec						
P/E	52.9	39.7	31.4	26.0	26.1	24.4
P/E (diluted)	53.8	39.8	31.5	26.0	26.1	24.4
P/B	6.7	6.1	4.9	4.5	4.0	3.6

Source: Company data, CMBIGM estimates. Note: The calculation of net cash includes financial assets.

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