This announcement contains forward-looking statements that involve risks and uncertainties. All statements other than statements of historical fact are forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors, some of which are beyond the Company's control, that may cause the actual results, performance or achievements to be materially different from those expressed or implied by the forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

開拓藥業有限公司*

KINTOR PHARMACEUTICAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 9939)

(1) INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025; AND (2) FURTHER CHANGE IN USE OF PROCEEDS FROM THE TOP-UP PLACING 2022

The Board (the "**Board**") of Directors (the "**Directors**") of the Company is pleased to announce the unaudited interim condensed consolidated results of the Group for the six months ended 30 June 2025, together with comparative figures for the six months ended 30 June 2024.

FINANCIAL HIGHLIGHTS

- Our revenue increased from RMB0 million for the six months ended 30 June 2024 to RMB6.0 million for the six months ended 30 June 2025, which was mainly attributable to the global sales of new high-end cosmetics brand KOSHINÉ's cosmetic product. The Group will continue to explore different approaches to further promote the commercialisation of the Company's cosmetic products worldwide.

- Our net loss increased by RMB11.8 million or 16.5% from RMB71.5 million for the six months ended 30 June 2024 to RMB83.3 million for the six months ended 30 June 2025, which was mainly attributable to the increase in our Group's R&D costs and marketing costs.

- Our R&D costs increased by RMB9.3 million or 23.6% from RMB39.3 million for the six months ended 30 June 2024 to RMB48.6 million for the six months ended 30 June 2025. Such increased costs were mainly attributable to the Group's increasing focus on investments in core dermatology pipelines KX-826 and GT20029. These pipelines are progressing through various clinical trials in China and have achieved several positive developments.

- Our administrative expenses decreased by RMB8.7 million or 25.6% from RMB 33.9 million for the six months ended 30 June 2024 to RMB25.2 million for the six months ended 30 June 2025. Such decrease was mainly attributable to the reduction in employee benefit expenses (including share-based compensation expenses) and traveling and office expenses during the Reporting Period due to the downsizing of employees.

- Our marketing costs increased by RMB6.5 million or 369.0% from RMB1.8 million for the six months ended 30 June 2024 to RMB8.3 million for the six months ended 30 June 2025, which was mainly attributable to the increase in the marketing and promotion expenses for the KOSHINÉ's cosmetic product and raw materials business.

- The Group had cash and cash equivalents of RMB52.9 million as at 30 June 2025. In addition, the Group had unutilised bank facilities of RMB30.0 million as at 30 June 2025. The Group is implementing certain plans and measures to ensure continued support for the advancement of its clinical trials and R&D, such as the Top-up Placing 2025.

- The Board resolved not to pay any interim dividend for the six months ended 30 June 2025 (for the six months ended 30 June 2024: Nil).

BUSINESS HIGHLIGHTS

As at the date of this announcement, we have five innovative potential first-in-class/best-in-class drug candidates at phase I-III clinical stage and a new raw material KT-939 in the field of skin whitening. Based on the Company's clear strategic layout in the field of dermatology and relying on its strong execution, the Company has rapidly advanced various clinical trials of two Core Products KX-826 and GT20029 in China and several progress of KT-939, among which the following milestones and achievements have been achieved since 2025:

KX-826

AGA Indication

- On 20 March 2025, the Company announced that the top-line results of the long-term safety phase III clinical trial of KX-826 tincture for the treatment of AGA in China has been obtained. The results indicated that the long-term safety clinical trial has reached its primary endpoint with statistically significant and clinically meaningful outcomes, demonstrating excellent safety and efficacy.

- On 2 May 2025, the Company announced that the clinical observational study of KX-826 in combination with minoxidil for the treatment of male adults with AGA in China has reached the primary endpoint. The clinical observational study is an open-label, randomized controlled study to evaluate the efficacy and safety of KX-826 in combination with minoxidil for the topical treatment of male adults with AGA in China, and to optimize the design of the formal future phase III clinical trial protocol, including key factors such as dose selection and patient enrollment number, based on the study results.

- On 24 July 2025, the Company announced that the phase II stage of the Pivotal Clinical Trial of KX-826 tincture 1.0% for the treatment of AGA has obtained top-line results. Results indicated that the phase II stage has reached its primary endpoint with statistically significant and clinically meaningful outcomes, demonstrating excellent efficacy and safety.

- On 31 July 2025, the Company announced that the phase III stage of the Pivotal Clinical Trial of KX-826 tincture 1.0% for the treatment of AGA has completed the enrollment of 666 patients. The phase III stage involved 25 clinical research centers in China and a 24-week treatment period at the prescribed dosages, followed by a 2-week safety observation period. The phase III stage is expected to be completed by the beginning of 2026.

AR-PROTAC Compound (GT20029)

- On 12 August 2025, the Company announced that the top-line results of the phase II clinical trial in China of AR-PROTAC compound GT20029 gel for the treatment of acne had been read out. Results indicated that the phase II clinical trial has successfully met the primary study endpoint with statistically significant and clinically meaningful outcomes, demonstrating excellent efficacy, safety and PK. The recommended dosage for the phase III clinical trial was determined to be 0.5%.

New Raw Material (KT-939)

- On 8 May 2025, the Company announced that KT-939 completed its first sales as a functional raw material for whitening and freckle-removing cosmetics, representing the commencing of global sales business for functional raw material. Thus, a "troika" business model comprising of the B2B business of functional cosmetic raw materials, B2C business of functional cosmetic products and R&D business of innovative topical drugs has been established.

For details of any of the foregoing, please refer to the rest of this announcement (if applicable), and the Company's prior announcements published on the Stock Exchange's and the Company's websites.

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

We are a clinical-stage novel drug developer in China focusing on developing potential first-in-class/best-in-class drugs for unmet clinical needs and extending to functional cosmetics area. The development of cosmetics business play a crucial complementary role by not only providing the necessary funding for drugs R&D initiatives but also offering valuable market data that informs and shapes the future sales strategies for the Company's pharmaceutical products. We have five innovative potential first-in-class/best-in-class drug candidates at phase I-III clinical stage, and we are committed to becoming a leader in the research, development and commercialisation of innovative therapies and high-end cosmetics. Our products aim at tackling the unmet clinical needs and meeting the needs of global cosmetics consumers. Our pipelines cover indications of dermatology such as AGA and acne vulgaris, and indications of tumors. Our cosmetic product types include anti-hair loss, acne treatment and skin whitening products. The two Core Products, namely KX-826 and GT20029, have entered phase II/III and phase II clinical stage, respectively.

We officially launched the sales of the new high-end cosmetics brand KOSHINÉ since the second half of 2024. As at the date of this announcement, a total of eight products comprising anti-hair loss solution series (standard, pro, plant extract, foam and new compound editions), acne cream, and whitening series (essence and lotion) have been launched into the market. Among these products, the acne cream uses KX-826 as the main ingredient and the whitening series (essence and lotion) use KT-939 as the main ingredient, both of which were marketed at the beginning of 2025.

Our cosmetics production are currently outsourced and online sales channels have been a prioritized area for investment and development since the launch of KOSHINÉ. The Group has established a multi-channel digital marketing strategy for its cosmetics business, adopting differentiated platform operation strategies. While expanding in traditional e-commerce platforms such as Tmall and JD, we have proactively deployed resources in emerging content-driven e-commerce platforms including Douyin and Xiaohongshu, continuously intensifying resource investments to cultivate socialized shopping scene. To address the evolving demands of overseas cosmetics consumers and execute globalization strategy, the Group expanded its overseas sales channels, with focused development of global platforms including Amazon USA and self-operated online sales platform, ensuring precise alignment with the diversified needs of global cosmetics customers and amplifying KOSHINÉ brand's global influence.

By leveraging data analysis to identify user profiles and purchase needs for refining advertising precision, the Group significantly improved conversion rates on key platforms such as Tmall Global, Douyin Flagship Store, and JD International. Capitalizing on the rise of livestream commerce, the Group strategically deployed live streaming matrix on Douyin and Taobao, establishing professional brand promotion strategies. This included multi-dimensional promotion approaches such as influencers collaborations, short video content marketing, Xiaohongshu community seeding, e-commerce festival campaigns, and regular live streaming.

In addition, the Group places high priority on fostering deep interactions with consumers within premium content platforms such as Xiaohongshu and WeChat and promotes the spillover effect of brand equity toward platforms like Tmall Global and JD International by cultivating brand building and establishing trust-based relationships, achieving a closed-loop marketing model of “content seeding-brand cultivation-sales conversion”. The Group will continue to focus on the field of dermatology, strengthen its marketing efforts, expand the usage scenarios of its products, accelerate global market expansion, and expedite the launch of new cosmetics products to further enhance the popularity of the Group’s cosmetic brand.

As at the date of this announcement, in respect of KX-826, the Group has completed the phase II stage of the Pivotal Clinical Trial for male AGA in China, the clinical observational study of KX-826 in combination with minoxidil for male AGA in China, the long-term safety phase III clinical trial for AGA in China, the phase II clinical trial for female AGA in China, the phase II clinical trial for male AGA in the U.S. and the phase II clinical trial for acne in China. The phase II stage of the Pivotal Clinical Trial demonstrated excellent efficacy and safety with statistically significant and clinically meaningful outcomes. The clinical observational study showed statistically significant therapeutic efficacy and clinical significance and further validated the clinical advantages of the combination therapy in the AGA field, boosting the confidence in the therapeutic potential of the patent-approved combination therapy. The long-term safety clinical trial exhibited satisfactory safety and tolerability, with a low incidence of overall adverse events and no death case, providing safety and efficacy data to support the long-term use of KX-826. Meanwhile, we also initiated the phase Ib/III clinical trial of KX-826 in combination with minoxidil for the treatment of AGA in China, and the phase III stage of the Pivotal Clinical Trial for the treatment of male adult AGA in China. The development of combination therapy of KX-826 and minoxidil will further explore the value of KX-826 in the field of AGA. For acne vulgaris indication, the results of the phase II clinical trial will lay the foundation for the Company's future studies.

Our second Core Product GT20029, developed in-house by the Company based on its own PROTAC platform, is the first topical PROTAC compound in the world which has completed phase II clinical stage. As at the date of this announcement, the Group has completed the phase I clinical trial of GT20029 for AGA and acne in the U.S., which demonstrated that GT20029 had good safety, tolerability, and PK characteristics. The China phase IIa clinical trial of AR-PROTAC compound GT20029 tincture for the treatment of AGA has reached the primary endpoint, with statistically significant and clinically meaningful results, as well as good safety and tolerability. The Company expects to actively deploy subsequent clinical strategies for GT20029, such as initiating a phase IIb/III clinical trial in China and a phase II clinical trial in the U.S. for male AGA. In addition, the phase II clinical trial in China of AR-PROTAC compound GT20029 for the treatment of acne has obtained top-line results, which indicated that the phase II clinical trial has successfully met the primary study endpoint with statistically significant and clinically meaningful outcomes, demonstrating excellent efficacy, safety and PK. The recommended dosage for the phase III clinical trial was determined to be 0.5%.

For other pipelines, we are exploring their commercial value in different disease areas and actively trying to improve the efficacy of drugs through combination therapies. For example, our GT1708F completed the phase I clinical trial for hematologic malignancies in China and we were granted conditional approval to conduct the phase II clinical trial of IPF in China. We are actively seeking potential opportunities to accelerate the commercialisation of various pipelines in China and globally.

Product Pipeline

Our pipeline includes a risk-balanced and diversified portfolio of drug candidates, which are committed to meeting the huge unmet medical needs and have significant market potential. Hundreds of millions of male and female patients around the world and in China suffered from AGA and acne. Based on AR targets, we have made groundbreaking developments with KX-826 and GT20029 for dermatology fields. We are rapidly advancing clinical trials and actively exploring commercialisation paths for these products to meet patients' needs including but not limited to the launch of the high-end cosmetics brand KOSHINÉ with innovative raw materials as main ingredients. In other disease areas, including mCRPC, liver cancer, IPF, hematologic malignancies and multiple solid tumors, we also have several products in/completing the clinical stage, accumulating a large amount of R&D and clinical data, with high value for cooperation in commercialisation. The following chart sets forth a summary of our drug candidates as well as their respective mechanism, indications and development progresses:

		Drug Candidate	Target / Mechanism	Indication	Country/ Region	Pre-Clinical / IND Filing (Filed)| (Accepted) / Phase I / Phase II / Phase III / NDA
Clinical stages	Dermatology	KX-826	AR antagonist (for external use)	Androgenetic alopecia (Male)	China	Completed Ph III Enrollment On 31 July 2025
				Androgenetic alopecia (Female)	China	Data readout on 1 Dec 2022
				Androgenetic alopecia (Male)	US	Data readout on 11 May 2023
				Androgenetic alopecia (Long-term safety)	China	Ph III reached primary endpoint on 20 Mar 2025
				Combined with minoxidil for androgenetic alopecia (Male)	China	IND approved on 1 Feb 2024
				Acne vulgaris	China	Ph II clinical trial completed on 28 Aug 2023
		AR-PROTAC (GT20029)	AR-PROTAC compound	Androgenetic alopecia	China	Ph II reached primary endpoint on 21 Apr 2024
				Acne vulgaris	China	Ph II reached primary endpoint on 12 Aug 2025
				Androgenetic alopecia	US	Top-line data released on 10 Feb 2023
				Acne vulgaris	US	Top-line data released on 10 Feb 2023
	Non-dermatology	GT1708F	Hedgehog/ SMO inhibitor	Idiopathic pulmonary fibrosis (IPF)	China	Conditional Ph II approved in Oct 2023
				Blood cancer	China	Ph I completed on 8 May 2023
		GT0486	mTOR kinase inhibitor	Metastatic solid tumours	China	Completed patients enrollment on 26 Jul 2023
		ALK-1 (GT90001)	Angiogenesis inhibitor	Combination therapy with a PD-1 for metastatic HCC (2L)	Taiwan(China)	Last patient last visit completed on 7 Jul 2022
				Combination therapy with a PD-1 for metastatic HCC (2L)	US & Intl	Completed FPI on 2 May 2022
				Combination therapy with a PD-1 for metastatic HCC	China	IND approved on 11 Oct 2021
Pre-clinical			c-Myc molecular glue	Blood cancer and solid tumors		
			PROTAC compounds	External therapy		
			ALK-1/VEGF bispecific antibody	Solid tumours		

BUSINESS REVIEW

As at the date of this announcement, we had developed five clinical-stage drugs and one new raw material, for which we had obtained approvals to commence clinical trials in the PRC (including Taiwan), the U.S. and other countries and regions. These clinical-stage drug candidates comprise KX-826, AR-PROTAC compound GT20029, Hedgehog/SMO inhibitor GT1708F, mTOR kinase inhibitor GT0486 and ALK-1 antibody GT90001, and the new raw material is tyrosinase inhibitor KT-939, the details of which are set out as follows:

Main Products

- ***KX-826***

  KX-826 is a drug for topical use, which can block the signaling pathway of AR. It acts on the local area of peripheral skin tissue, and can reduce the sensitivity of AR to androgen in the pilosebaceous gland, and the low AR inhibitory activity of its metabolites can reduce systemic side effects.

  We own the patents of KX-826 in many countries around the world, including China. Its core patent is valid until 8 September 2030. We are currently developing KX-826 in tincture and gel as a potential first-in-class topical drug for the treatment of AGA and acne vulgaris.

  i. AGA Indication

  Where AGA occurs, the androgen binds to the AR in the hair follicle cells, and the AR undergoes a complex enzymatic reaction and forms an AR complex. The AR complex enters the nucleus, binds to a specific hormone-responsive element of the gene locus, induces or inhibits the transcription of the target gene, and synthesises specific messenger RNA (mRNA) and corresponding proteins, such as different kinds of cytokines. This regulates cell proliferation and differentiation, which causes the hair to prematurely enter into a resting period and shrinks hair follicles. The hair in the growing period gradually becomes thinner and hair follicles shrink and disappear, resulting in AGA. Abnormal changes in systemic and local androgen metabolism are important factors in the pathogenesis of AGA, and dihydrotestosterone ("**DHT**") catalysed by androgen by 5α-reductase is a contributing molecule of AGA. AR is recognised as an attributing factor for AGA. KX-826 is for topical application to locally block the androgen mediated signaling by competing with androgen to bind to AR in the targeted tissues.

As at the date of this announcement, we have completed the phase II stage of the Pivotal Clinical Trial for male AGA in China, the clinical observational study of KX-826 in combination with minoxidil for male AGA in China, the long-term safety phase III clinical trial for AGA in China, the phase II clinical trial for female AGA in China, and the phase II stage for male AGA in the U.S.. In respect of the phase II stage of the Pivotal Clinical Trial for male AGA in China, the topline results showed that the primary endpoint has been reached, with statistically significant and clinically meaningful outcomes, demonstrating excellent efficacy and safety. In respect of the long-term safety phase III clinical trial for AGA in China, the topline results showed that the long-term safety clinical trial has reached its primary endpoint with statistically significant and clinically meaningful outcomes, demonstrating excellent safety and efficacy. In respect of the phase II clinical trial for female AGA in China, the results have demonstrated clinically meaningful and statistically significant improvement in hair growth as measured by TAHC, and favorable safety profile. In respect of the phase II clinical trial for male AGA in the U.S., the results after 24 weeks compared to baseline were statistically and clinically meaningful, and demonstrated a favorable safety profile.

Meanwhile, we have also initiated in China, the phase Ib/III clinical trial of KX-826 in combination with minoxidil for the treatment of AGA, and the phase III stage of the Pivotal Clinical Trial of KX-826 tincture 1.0% for the treatment of male adult AGA.

- On 20 March 2025, the Company announced that the topline results of the long-term safety phase III clinical trial of KX-826 tincture for the treatment of AGA in China had been obtained. The results indicated that the long-term safety clinical trial has reached its primary endpoint with statistically significant and clinically meaningful outcomes, demonstrating excellent safety and efficacy.

  The long-term safety clinical trial is a multi-center, open-label study designed to evaluate the long-term safety of the topical use of KX-826 for the treatment of AGA patients in China (treatment period of 52 weeks). The long-term safety clinical trial involves a total of 16 clinical research centers in China, with Professor Jianzhong Zhang (張建中) from Peking University People's Hospital as the lead principal investigator. The primary endpoint of the trial is the incidence of TEAE occurred during the study. Secondary endpoints include efficacy as measured by the change in the TAHC from baseline and other safety indicators. This trial adopted KX-826 tincture 0.5% as the drug-related dosage. Results of the clinical trial showed that:

— Regarding safety, KX-826 tincture exhibited satisfactory safety and tolerability in clinical trial, with a low incidence of overall adverse events and no death case. No drug-related sexual dysfunction adverse reactions were observed during the entire study period, which indicated an excellent favorable safety profile without observing any safety signals.

— In terms of efficacy, after 52 weeks' treatment, patients showed positive signals in both TAHC and target area non-vellus hair width (TAHW) with an increase from baseline, demonstrating effective treatment, and the results are statistically significant ($P<0.0001$). Among the target populations, at 52 weeks, the patients with ≥10 hairs/cm^2 change in TAHC from baseline accounted for 46%, the patients with ≥20 hairs/cm^2 change accounted for 20%.

  The HGA indicators from investigators and patients both experienced various degrees of improvement from baseline, with a significant therapeutic effect. The results showed that after the treatment of 52 weeks, the efficacy rates (HGA score ≥1) as assessed by HGA investigators in male patients was 53%, and the efficacy rates as assessed by HGA investigators in female patients was 48.4%. In the self-assessments at different time points, patients also demonstrated a positive trend of change in therapeutic efficacy.

• On 2 May 2025, the Company announced that the clinical observational study of KX-826 in combination with minoxidil for the treatment of male adults with AGA in China has reached the primary endpoint. The clinical observational study is an open-label, randomized controlled study to evaluate the efficacy and safety of KX-826 in combination with minoxidil for the topical treatment of male adults with AGA in China, and to optimize the design of the formal future phase III clinical trial protocol, including key factors such as dose selection and patient enrollment number, based on the study results.

  The clinical observational study involves a total of 2 clinical research centers in China, with Professor Leiwei Jiang (江蕾薇) from First People's Hospital of Guiyang and Professor Jinzhe Hu (金哲虎) from Yanbian University Hospital as the lead principal investigator. A total of 75 male patients with AGA in China were enrolled in the study and were randomly assigned to KX-826 tincture 0.5% BID with minoxidil tincture 5% BID group (the "**Combination Drugs Group**") and minoxidil tincture 5% BID group (the "**Monotherapy Group**" or "**Minoxidil Group**") with 40 patients in the Combination Drugs Group and 35 patients in the Monotherapy Group. Results of the study showed that:

— Regarding efficacy, the Combination Drugs Group demonstrated statistically significant therapeutic efficacy and clinical significance compared to the Minoxidil Group. After 24 weeks of treatment, the TAHC of the Combination Drugs Group showed an increase of 30.54 hairs/cm^2 from baseline, which was 10.29 hairs/cm^2 more than the Minoxidil Group, with statistically significant results (P=0.0075). At week 24, there were 4 patients with TAHC change from baseline ≤0 hairs/cm^2, all of which are in the Minoxidil Group. At week 24, there were 49 patients with TAHC change from baseline ≥20 hairs/cm^2, with 30 patients in the Combination Drugs Group and 19 patients in the Minoxidil Group. At week 24, there were 11 patients with TAHC change from baseline ≥40 hairs/cm^2, with 10 patients in the Combination Drugs Group and 1 patient in the Minoxidil Group.

  Compared to the Minoxidil Group, the Combination Drugs Group showed a numerical increase in both HGA indicators from investigators and patients. At week 24, there were 24 patients with HGA investigators of 3, with 14 patients in the Combination Drugs Group and 10 patients in the Minoxidil Group. At week 24, there were 15 patients with HGA patients of 3, with 8 patients in the Combination Drugs Group and 7 patients in the Minoxidil Group.

— In terms of safety, the Combination Drugs Group exhibited good safety and tolerability in the clinical observational study, with both groups showing comparable incidence of adverse events during the treatment. In addition, no unexpected adverse events were observed during the study.

• On 24 July 2025, the Company announced that the phase II stage of the Pivotal Clinical Trial of KX-826 tincture 1.0% for the treatment of AGA has obtained top-line results. Results indicated that the phase II stage has reached its primary endpoint with statistically significant and clinically meaningful outcomes, demonstrating excellent efficacy and safety.

  The Pivotal Clinical Trial is a multi-center, randomized, double-blind, vehicle controlled phase II/III study with adaptive designs to evaluate the efficacy and safety of KX-826 tincture 1.0% and 0.5% for the topical treatment of male adults with AGA in China. The Pivotal Clinical Trial adopts a phase II/III operational seamless design, with Professor Jianzhong Zhang (張建中) and Professor Cheng Zhou (周城) from Peking University People's Hospital serving as the lead principal investigators, and involved a 24-week treatment period at the prescribed dosages, followed by a 1-month safety observation period. Analysis results of the 90 patients enrolled in the phase II stage showed that:

— Regarding efficacy, compared to the placebo group, both 0.5% BID group and 1.0% BID group demonstrated statistically significant therapeutic efficacy and clinical significance. The TAHC of the 0.5% BID group showed an increase of 22.39 hairs/cm^2 from baseline, the TAHC of the 1.0% BID group showed an increase of 21.87 hairs/cm^2 from baseline, the TAHC of the placebo group showed an increase of 8.73 hairs/cm^2 from baseline. The TAHC of the 0.5% BID group showed an increase of 13.66 hairs/cm^2 from placebo group, with statistically significant results (P=0.002). The TAHC of the 1.0% BID group showed an increase of 13.14 hairs/cm^2 from placebo group, with statistically significant results (P=0.004).

HGA indicators from investigators of 0.5% BID group and 1.0% BID group both experienced significant improvement from placebo group, with a significant therapeutic effect. The results showed that after the treatment of 24 weeks, compared to the placebo group, the HGA indicator of the 0.5% BID group displayed statistically significant results (P=0.000); compared to the placebo group, the HGA indicator of the 1.0% BID group displayed statistically significant results (P=0.013).

— In terms of safety, KX-826 tincture exhibited satisfactory safety and tolerability in the clinical trial, with a low incidence of overall adverse events. No drug-related sexual dysfunction adverse reactions were observed during the entire study period, which indicated an excellent favorable safety profile without observing any new safety signals.

• 31 July 2025, the Company announced that the phase III stage of the Pivotal Clinical Trial of KX-826 tincture 1.0% for the treatment of AGA has completed the enrollment of 666 patients. The phase III stage involved 25 clinical research centers in China and a 24-week treatment period at the prescribed dosages, followed by a 2-week safety observation period. The phase III stage is expected to be completed by the beginning of 2026.

ii. Acne vulgaris indication

Acne vulgaris is the eighth most prevalent disease in the world which affects more than 9.4% of the global population. Acne vulgaris is particularly common among adolescents and young adults as a facial disease. The pathogenesis of acne vulgaris is complicated. The influence of androgen and its receptor signaling pathway on sebaceous glands and sebum secretion is one of the important factors causing acne vulgaris. The U.S. FDA approved the first AR antagonist over the past 40 years for treatment of acne in August 2020, which had paved the way for our ongoing clinical trials in China. To date, there has been significant unmet clinical needs as no effective topical AR antagonist was approved for acne vulgaris treatment in China.

KX-826 is a well-targeted topical AR antagonist, which competitively inhibits the combination of androgen with AR in the skin tissue and is able to topically control the activation of the AR signal pathway caused by the excessive level of androgen without affecting the activity of AR signal pathway in human body. Through topical application, KX-826 is able to inhibit the combination of AR with androgen in hair follicle sebaceous glands for treatment of acne vulgaris.

Previously, we announced the completion of the phase II clinical trial of KX-826 for treatment of acne in China. The phase II clinical trial is a multicenter, randomised, double-blind and placebo-controlled clinical study designed to evaluate the safety, efficacy, tolerance and PK of topical application of KX-826 for the treatment of patients with acne vulgaris. This study included a total of 160 acne patients who met the Pillsbury grading system's grade I-III or IGA grading system's grade 2–3 who were assigned to the 0.25% QD and BID, the 0.5% QD and BID, and placebo QD and BID groups, respectively. The results show:

- At week 12, all patients who achieved treatment success (according to the 5-point IGA scale, IGA score decreasing to 0–1 and a decrease of ≥ 2 levels is defined as success) appeared in the experimental groups.

- Compared with placebo group, post hoc analysis of subgroups with baseline non-inflammatory lesion count ≥ 30 showed that counts of both non-inflammatory and inflammatory lesion in the KX-826 group were significantly improved, and the improvements had persisted until the twelfth week. The improvement effect was initially observed in the second week.

- The safety profile of KX-826 is good. During the research, most adverse events were mild local skin irritation, and the incidence rate in the KX-826 group was similar to that of the placebo group. There were no adverse events that led to withdrawal from the trial or death.

- ***AR-PROTAC Compound (GT20029)***

  GT20029 has the potential to become a new generation of treatment for AGA and acne vulgaris. GT20029 is a topical AR-PROTAC compound developed by the Group's in-house PROTAC platform. It is also the first topical PROTAC compound in the world which has completed phase II clinical stage. GT20029 has a topical curative effect and can avoid systemic exposure by limiting skin penetration, and thus achieving good safety profile. The repeated PD studies in DHT-induced mouse model showed that GT20029 significantly promoted hair growth with statistical difference. The PD study of testosterone propionate-induced skin hamster flank organ acne model showed that GT20029 significantly inhibited the enlargement of the flank organ, with statistical difference.

  Previously, we announced the top-line results of the phase I clinical trial of GT20029 for the treatment of AGA and acne vulgaris in both China and the U.S..

  The phase I clinical trial in China is a randomised, double-blind, placebo-controlled study to evaluate the safety and PK of topical use of GT20029 (gel/tincture). The study enrolled 92 healthy subjects receiving single and multiple ascending dose administration (topical) of GT20029. The results showed that GT20029 demonstrated good safety, tolerability and PK in healthy subjects with limited system exposure. Following a single dose administration, all subjects had no detectable drug concentrations (below LLOQ, 0.001 ng/mL) at all time points. Following 14-day multiple-doses topical administration, the mean maximum drug concentrations of all cohorts were lower than 0.05 ng/mL. All TRAE were grade 1, and no TRAE above grade 1 was reported.

  The phase I clinical trial in U.S. is a randomized, double-blind, placebo-controlled, parallel group, dose escalation study to evaluate the safety, tolerability and PK of GT20029 following topical single ascending dose administration ("**SAD**") in healthy subjects and multiple ascending dose administration ("**MAD**") in subjects with AGA or acne. The study enrolled 123 subjects, and its results showed that GT20029 demonstrated good safety, tolerability and PK following topical SAD administration in healthy subjects and MAD administration in subjects with AGA or acne vulgaris. In the SAD stage, subjects had no systemic exposure at all dose levels, and all sample concentrations were below the LLOQ (0.003 ng/mL). In the MAD stage, after 14 days of continuous administration in subjects with AGA or acne vulgaris, the systemic exposure was limited and the mean maximum observed concentration (Cmax) of all dose levels fluctuated near the LLOQ, with the highest not exceeding 0.015 ng/mL. No TEAE relating to GT20029 was reported in the SAD stage. The most common TEAEs in the MAD stage were mild, including dryness, itching, burning and pain at application sites. No SAE, severe (Grade ≥3) TEAE, and subject withdrawal or death caused by TEAE were reported.

The phase IIa clinical trial of AR-PROTAC compound GT20029 tincture for the treatment of AGA in China is a multi-center, randomised, double-blind, placebo-controlled study designed to evaluate the efficacy and safety of GT20029 for treating male AGA, and to determine the recommended dosage for phase III clinical trial. The trial involves a total of 12 clinical research centers in China, and Professor Yang Qinping (楊勤萍) from Fudan University Huashan Hospital (復旦大學附屬華山醫院) is the leading principal investigator. The trial enrolled 180 male AGA patients, divided into QD and BIW dosing cohorts, each with control groups (dosing placebo) and experiment groups (dosing GT20029 tincture), receiving either 0.5% or 1% doses. The results showed that GT20029 tincture demonstrated statistically significant therapeutic efficacy and clinical significance compared to placebo in both the QD and BIW dosing cohorts. After 12 weeks of treatment, the TAHC of 0.5% QD GT20029 group showed an increase of 16.80 hairs/cm^2 from baseline, which was 6.69 hairs/cm^2 more than the placebo group, with statistically significant results ($P<0.05$). The TAHC of GT20029 1.0% BIW group showed an increase of 11.94 hairs/cm^2 from baseline, which was 7.36 hairs/cm^2 more than the placebo, also yielding statistically significant results ($P<0.05$). For the BIW cohort, the study indicated a dose-response relationship among different doses of GT20029. Regarding safety, GT20029 tincture demonstrated good safety and tolerability, with the incidence of adverse events during treatment comparable to that of placebo. In addition, no adverse sexual events were observed during the trial.

As at the date of this announcement, the phase II clinical trial of AR-PROTAC compound GT20029 for the treatment of acne in China has been completed.

- On 12 August 2025, the Company announced that the top-line results of the phase II clinical trial of AR-PROTAC compound GT20029 for the treatment of acne had been read out. Results indicated that the phase II clinical trial has successfully met the primary study endpoint with statistically significant and clinically meaningful outcomes, demonstrating excellent efficacy, safety and PK. The recommended dosage for the phase III clinical trial was determined to be 0.5%.

  The phase II clinical trial is a multi-center, randomized, double-blind, placebo-controlled study, which is designed to evaluate the efficacy, safety and PK of GT20029 for the treatment of acne through the adoption of GT20029 0.5% QD and 1% QD as the drug-related dosage. The trial involved a total of 10 clinical research centers in China, and Professor Xiang Leihong (項蕾紅) from Fudan University Huashan Hospital (復旦大學附屬華山醫院) is the lead principal investigator. The analysis results demonstrated that:

— In terms of efficacy, compared to the placebo group, in the total lesion counts (excluding nodules) category, the p value of 0.5% QD Group and 1.0% QD Group is 0.01 and 0.05, respectively. In the percent analysis of change in non-inflammatory lesion count from baseline, as compared to placebo, the p value of 0.5% QD Group and 1.0% QD Group is 0.14 and 0.09, respectively. In the percent analysis of change in inflammatory lesion count from baseline, as compared to placebo, both p value of 0.5% QD Group and 1.0% QD Group are lower than 0.01.

As compared to placebo group, in the success rate (according to the IGA Scale, a decrease in IGA score to 0-1 and a decrease of ≥ 2 levels is defined as "**success**"), the p value of 0.5% QD Group and 1.0% QD Group is 0.03 and 0.15, respectively.

— Regarding safety, GT20029 gel exhibited satisfactory safety and tolerability in the clinical trial, with a low incidence of overall adverse events. The incidence of drug-related adverse events were comparable between 0.5% QD Group and 1.0% QD Group, which both are lower than that in the placebo group, with mild severity.

- ***GT1708F (Hedgehog/SMO Inhibitor)***

GT1708F is an inhibitor of the hedgehog signal transduction pathway. We are currently developing GT1708F primarily for treatment of IPF and blood cancer.

i. IPF Indication

IPF is a chronic, progressive fibrosing interstitial pneumonia and one of the most fatal interstitial pneumonias. The incidence of IPF is high, but due to the relatively unnoticeable onset and progression, most patients are diagnosed in the moderate and advanced stages, and the median survival time of patients from the time of diagnosis is only 3–5 years. The global incidence rate of IPF reaches 14 to 43 per 100,000 people. The incidence rate in China reaches 2 to 29 per 100,000 people. It has large market potential as a rare disease. GT1708F affects the activity of Hh pathway and expression of the relevant downstream proteins by inhibiting the activity of SMO protein. Reactivation of the Hh signaling pathway is a feature of fibrotic lung tissue in IPF which affects in fibroblast migration and proliferation. Many nonclinical studies have shown that the Hh signaling pathway played a crucial role in IPF. According to reports, in IPF tissue, the expression of genes or proteins such as SMO and Gli1 is higher than that in normal lung tissue, and after stimulating Hh in pulmonary fibrosis cells isolated from lung tissue of patients suffering from IPF, the expression of SMO and Gli1 proteins and genes is increased. In-vitro study showed that GT1708F could significantly decrease the expression of Gli1, Gli2 and pulmonary fibrosis related α-SMA protein.

The results of the bleomycin-induced pulmonary fibrosis model on Sprague-Dawley rats showed that after GT1708F treatment, the damage of the terminal bronchial wall and pulmonary arteriole wall and inflammatory cell infiltration (in the lesion and on the edge of the lesion) were effectively improved. Compared with the active comparator nintedanib, different doses of GT1708F have similar improvement effects on lung damage and inflammatory cell infiltration. In addition, GT1708F can significantly improve the degree of pulmonary fibrosis ($P<0.001$).

On 11 October 2023, we announced GT1708F had obtained conditional approval to conduct phase II clinical trial in China by NMPA for treatment of new indication of IPF.

ii. Blood Cancer Indication

On 8 May 2023, we announced the successful completion of phase I clinical trial of GT1708F (Hedgehog/SMO Inhibitor) for treatment of hematologic malignancies in China.

The phase I clinical trial is a study to evaluate the safety, tolerability, PK and preliminary efficacy of GT1708F for treatment of patients with hematological malignancies. A total of 18 patients were enrolled in the trial, including 15 patients with acute myeloid leukemia ("**AML**") and 3 patients with myelodysplastic syndrome ("**MDS**"). The doses and enrollment were 20mg QD (1 case), 40mg QD (1 case), 80mg QD (4 cases), 120mg QD (3 cases), 180mg QD (3 cases), 240mg QD (3 cases) and 320mg QD (3 cases), respectively. The results showed that all patients experienced no dose-limiting or drug-related SAE. The overall safety of each dose group was good, most TEAE were mild, and no TEAE resulted in death. Preliminary efficacy was observed starting from 180mg dose level in dose escalation stage for patients with the AML who failed multi-line therapies, and the myeloid blasts decreased by up to 62% compared to the baseline in AML patients.

The results of the trial were disclosed at the 65th Annual Meeting of the American Society of Hematology ("**ASH 2023**"), the largest and most comprehensive international event covering malignant and non-malignant tumor hematology in the field of hematology, demonstrating that GT1708F has a good safety and tolerability in patients with myeloid malignancies, and paves the way for further exploration of combination therapy.

- ***ALK-1 Antibody (GT90001)***

  ALK-1 antibody is a fully human IgG2 neutralising monoclonal antibody that inhibits ALK-1/TGF-ß signal transduction and tumor angiogenesis and a potential first-in-class antibody for which the Company obtained an exclusive global license of ALK-1 for all the oncological areas from Pfizer in February 2018. ALK-1 antibody has the potential to become the first fully human monoclonal antibody therapeutic drug for ALK-1 target, which can potentially be used in combination with PD-1 inhibitors or VEGF inhibitors for treatment of a variety of solid tumours.

  In Taiwan, China, our phase II clinical trial of ALK-1 antibody and Nivolumab combination therapy for treatment of advanced HCC has completed last patient last visit on 7 July 2022. Previously, the preliminary data showed that among the 20 evaluable patients, partial remission was observed in 8 patients (40.0%). In the U.S., we obtained IND approval for the combination therapy of ALK-1 antibody and Nivolumab for a global multi-center phase II clinical trial for the second-line treatment of advanced HCC and completed the first patient dosing. In China, we also obtained approval for the clinical trial of combination therapy of ALK-1 antibody and Nivolumab for treatment of advanced HCC.

  On 28 October 2023, we announced that the results of the phase Ib/II clinical trial of ALK-1 antibody combined with PD-1 antibody Nivolumab in the treatment of HCC were published online by the well-known journal BMC Medicine (impact factor: 11.806). This study confirmed that the combination of GT90001 (7.0 mg/kg, every 2 weeks) and Nivolumab had a good safety profile and promising anti-tumor activity in patients with advanced HCC, and demonstrated durable remissions and objective responses in this population, which might be a potential treatment option for advanced HCC.

Other Clinical and Pre-Clinical Stage Products

- ***GT0486***

  GT0486 is an inhibitor of the PI3K/mTOR signaling pathway and a second generation mTOR inhibitor. We are currently developing GT0486 primarily for the treatment of metastatic solid tumours such as breast cancer, prostate cancer and HCC. We have received the IND approval from NMPA for GT0486 and completed phase I clinical trial.

- ***C-Myc Molecular Glue***

  Developing drugs that directly target the Myc protein is extremely difficult, so there are currently no Myc-target drugs globally, and only few drugs have entered the clinical stage. Our c-Myc molecular glue has significant R&D potential and related research results have been published in many core journals/conferences. On 13 March 2024, we announced that the research has been published in a subsidiary journal of Nature– Nature Communications (impact factor: 16.6). This article analyzes the mechanism of MYC that induces CDK4/6 inhibitors resistance and introduces A80.2HCl, a promising c-Myc molecular glue compound in-house developed by the Company, to enhance the therapeutic efficacy of CDK4/6 inhibitors. In ASH 2023 and the 64th Annual Meeting of the American Society of Hematology, studies of c-Myc molecular glue were published twice, demonstrating its excellent potential in the treatment of tumors.

New Raw Material

- ***KT-939***

  KT-939 is a tyrosinase inhibitor under development by the Company. It effectively inhibits melanin production and possesses antioxidant and anti-inflammatory properties. The Company is actively preparing for the registration of KT-939 as a new cosmetic ingredient in China.

  On 29 October 2024, the Company announced that KT-939 received the INCI review approval from the International Cosmetic Ingredient Nomenclature Committee with the assigned Mono ID of 39815.

  On 25 June 2025, the Company announced that KT-939 passed the review of the Japanese Nomenclature Cosmetic Ingredient (JNCI) by the Japanese Cosmetic Industry Committee with officially assigned name メチルオキセタンカルバミドチアゾリルレゾルシノール.

In addition to the drug candidates and new raw material described above, we are also at the discovery stage for the development of other potential drug candidates, including compound of other targets out of PROTAC platform and ALK-1/VEGF bispecific antibody for the treatment of multiple indications such as blood cancer and solid tumors, respectively.

WARNING UNDER RULE 18A.08(3) OF THE LISTING RULES: SAVE FOR THE COSMETIC PRODUCT AND COSMETIC RAW MATERIAL OF 826 TOPICAL ANTI-HAIR LOSS SOLUTION AND ACNE CREAM, WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR DRUG CANDIDATES (INCLUDING OUR CORE PRODUCTS) SUCCESSFULLY.

RESEARCH AND DEVELOPMENT

We have established an integrated R&D platform to support our drug development programmes from discovery to clinical stage. We conduct proprietary laboratory research to identify and select new compounds as our potential drug candidates, and we manage our drug development process primarily using our internal R&D resources to ensure that the quality standards we have set internally will be met.

Through the development of AR inhibitors, we have accumulated significant expertise in AR-related know-how and have developed a leading AR technology platform. We believe that we have accumulated industry-leading expertise in the field of AR signaling pathway, molecule design and PK/PD modelling. Leveraging our AR technology platform, we have developed KX-826 in China and the U.S. for the topical treatment of AGA and acne, and results of clinical trials have proved that the drug has a good safety profile. For AGA patients, continuous use of KX-826 for 6 months can increase the mean non-vellus TAHC by up to 22.7 per cm^2 from baseline with a remarkable therapeutic effect. For acne patients, previous clinical trials of KX-826 have also demonstrated its preliminary efficacy.

PROTAC is a novel drug discovery technology for targeting and/or degrading target protein. The molecular weight of PROTAC compound is relatively large, resulting in low oral bioavailability, which limits their oral druggability, so we are currently giving priority to the development of topical compounds. Based on PROTAC platform, we are currently developing GT20029 for AGA and acne vulgaris. GT20029 is the first topical PROTAC compound globally that has completed phase IIa clinical stage for the treatment of AGA in China and the phase II clinical trial for the treatment of acne in China. We possess molecule glue technology for targeting and/or degrading undruggable and oncogene mutant drivers that drive the resistance to the targeted therapies.

In addition to the two Core Products for dermatology above, we also have another three products in the clinical stage through years of R&D accumulation. Previous clinical trials have verified that such products have good safety profile and demonstrate efficacy, and a number of research results have been published in large conferences and/or important

journals, showing their excellent value and providing further guidance for drug development in related fields (such as liver cancer, multiple solid tumors, etc.). Our products can be enhanced through combination, so we are further exploring their value through co-development or licensing-out to provide patients with more options.

Our R&D work is led by Dr. TONG and several experienced scientists who have accumulated decades of pharmaceutical R&D and entrepreneurship experience in reputable pharma and biotech companies in the world and together provide us with integrated expertise covering small molecule, biologics, and compound design.

MANUFACTURING AND COMMERCIALISATION

Since the Group officially launched the sales of the new high-end cosmetics brand KOSHINE in the second half of 2024, the product matrix has been gradually established, including anti-hair loss solution series, acne cream, and whitening series. The launch of the new high-end cosmetics brand KOSHINE provided a solid stream of revenue and cash flow to the Group, benefiting the Group as a whole in the long term. The Group currently outsource its cosmetics production, which does not involve facility construction or equipment installation.

As at the date of this announcement, a total of eight products comprising anti-hair loss solution series (standard, pro, plant extract, foam and new compound editions), acne cream, and whitening series (essence and lotion) have been brought into the market. Going forward, the Group will continue to focus on the field of dermatology, strengthen the marketing efforts, expand the usage scenarios of its products, accelerate global market expansion, and expedite the launch of new cosmetics products. The Group also plans to allocate more resources to enhance the Group's commercialisation capabilities to boost brand awareness, capture market dynamics and increase the penetration rate of its products.

FINANCIAL REVIEW

Overview

Benefiting from the global sale of the high-end cosmetics brand KOSHINÉ, we generated a revenue of RMB6.0 million from cosmetic products and raw materials sales for the six months ended 30 June 2025. Our loss and total comprehensive loss were RMB83.3 million and RMB71.5 million for the six months ended 30 June 2025 and the six months ended 30 June 2024, respectively. Our operating losses mainly resulted from R&D costs and administrative expenses.

Revenue

We generated a revenue of RMB6.0 million from cosmetic products and raw materials sales for the six months ended 30 June 2025 and had not generated any revenue for the six months ended 30 June 2024.

Cost of Sales

We recorded a cost of sales of RMB6.2 million for the six months ended 30 June 2025, mainly from (i) the amortisation of KX-826 in intangible assets; and (ii) costs of sales from the cosmetic products and raw materials. We recorded a negative cost of sales of RMB1.1 million for the six months ended 30 June 2024.

Gross Profit

We recorded a negative gross profit of RMB0.2 million for the six months ended 30 June 2025, which was mainly due to an increase in the cost of sales resulting from the amortisation of KX-826 in intangible assets. We recorded a gross profit of RMB1.1 million for the six months ended 30 June 2024.

Other Income

Our other income primarily during the Reporting Period consisted of government grants and interest income from bank balances. Our other income decreased by RMB4.9 million or 79.5% from RMB6.1 million for the six months ended 30 June 2024 to RMB1.3 million for the six months ended 30 June 2025, which was mainly attributable to (i) a RMB1.5 million decrease in government grants which we have received to compensate for the expenses of our Group's R&D; and (ii) a RMB3.2 million decrease and RMB0.2 million decrease in interest income from bank balances and time deposits respectively as a result of the decrease in the amount of bank deposits during the Reporting Period, with no purchase of wealth management products or term deposits.

Marketing Costs

Our marketing costs during the Reporting Period primarily consisted of (i) salaries and other benefits of our sales and marketing team; (ii) marketing and promotion expenses; and (iii) administrative expenses including business trip expenses and other business development expenses.

The following table sets forth a breakdown of our marketing expenses, by amount and as a percentage of our total marketing expenses, for the periods indicated:

	For the six months ended 30 June			
	2025		2024	
	RMB'000	***%***	*RMB'000*	*%*
	(unaudited)		(unaudited)	
Marketing and promotion expenses	**4,872**	**58.9**	—	0.0
Employee benefit expenses	**3,144**	**38.0**	1,229	69.7
Add: share based compensation expenses	**(47)**	**(0.6)**	37	2.1
Employee benefit expenses (including share-based compensation expense)	**3,098**	**37.4**	1,266	71.8
Utilities and office expenses	**107**	**1.3**	287	16.3
Depreciation and amortisation	**26**	**0.3**	33	1.8
Others	**171**	**2.1**	178	10.1
Total	**8,274**	**100.0**	1,764	100.0

Our marketing costs increased by RMB6.5 million or 369.0% from RMB1.8 million for the six months ended 30 June 2024 to RMB8.3 million for the six months ended 30 June 2025, which was mainly attributable to (i) an increase of RMB4.9 million in marketing and promotion expenses; and (ii) an increase of RMB1.8 million in marketing staff costs due to the expansion of our marketing team.

Administrative Expenses

Our administrative expenses during the Reporting Period primarily consisted of (i) employee benefit expenses, which primarily comprised compensation for management and executives (including share-based compensation expenses relating to the 2020 Employee Incentive Scheme); (ii) utilities and office expenses; (iii) depreciation and amortisation, which primarily comprised depreciation of right-of-use assets and property, plant and equipment in relation to properties for administrative use; and (iv) other miscellaneous administrative expenses such as repair and maintenance expenses, professional advisory expenses, and taxes and surcharges.

The following table sets forth a breakdown of our administrative expenses, by amount and as a percentage of our total administrative expenses, for the periods indicated:

	For the six months ended 30 June			
	2025		2024	
	RMB'000	***%***	*RMB'000*	*%*
	(unaudited)		(unaudited)	
Employee benefit expenses	**13,685**	**54.3**	18,650	55.0
Add: share-based compensation expenses	**1,292**	**5.1**	214	0.6
Employee benefit expenses (including share-based compensation expenses)	**14,976**	**59.4**	18,864	55.6
Utilities and office expenses *(Note)*	**3,580**	**14.2**	6,901	20.4
Depreciation and amortisation	**3,055**	**12.1**	4,340	12.8
Reversal of impairment losses of property, plant and equipment	**—**	**0.0**	(6)	(0.0)
Others	**3,620**	**14.3**	3,809	11.2
Total	**25,231**	**100.0**	33,908	100.0

Note: The line item "utilities and office expenses" included short-term and low-value lease rental expenses incurred by the Group.

Our administrative expenses decreased by RMB8.7 million or 25.6% from RMB33.9 million for the six months ended 30 June 2024 to RMB25.2 million for the six months ended 30 June 2025, which was mainly attributable to (i) a RMB3.9 million decrease in employee benefit expenses (including share-based compensation expenses) primarily resulting from the decrease in the number of our staff; (ii) a RMB3.3 million decrease in utilities and office expenses; and (iii) a RMB1.3 million decrease in depreciation and amortisation.

R&D Costs

Our R&D costs during the Reporting Period primarily consisted of (i) clinical research expenses, which primarily consisted of fees paid to CROs for clinical trials and the hospitals in which we conducted our clinical trials; (ii) materials and consumables expenses in connection with our R&D; (iii) employee benefit expenses, which primarily consisted of compensation to R&D personnel (including the share-based compensation expenses for the 2020 Employee Incentive Scheme); (iv) third-party contracting fees, which primarily consisted of fees paid to CROs and CMOs for purposes of preclinical trials; and (v) others which primarily consisted of utilities and office expenses in relation to R&D use, depreciation of right-of-use assets in relation to our leased properties for R&D use and depreciation of our laboratory equipment.

The following table sets forth a breakdown of our R&D costs, by amount and as a percentage of our total R&D costs, for the periods indicated:

	For the six months ended 30 June			
	2025		2024	
	RMB'000	***%***	*RMB'000*	*%*
	(unaudited)		(unaudited)	
Clinical research expenses	**20,375**	**41.9**	(1,777)	(4.5)
Employee benefit expenses	**17,092**	**35.2**	24,988	63.5
Add: share-based compensation expenses	**(1,688)**	**(3.5)**	4,347	11.1
Employee benefit expenses (including share-based compensation expenses)	**15,404**	**31.7**	29,335	74.6
Third party contracting fees	**4,619**	**9.5**	5,033	12.8
Materials and consumables used	**867**	**1.8**	(332)	(0.8)
Reversal of write-down of inventories to net realisable value	**—**	**0.0**	(956)	(2.4)
Reversal of impairment losses of property, plant and equipment	**—**	**0.0**	(2)	(0.0)
Others	**7,352**	**15.1**	8,031	20.4
Total	**48,617**	**100.0**	39,332	100.0

Our R&D costs increased by RMB9.3 million or 23.6% from RMB39.3 million for the six months ended 30 June 2024 to RMB48.6 million for the six months ended 30 June 2025, which was mainly attributable to (i) an increase of RMB22.2 million in clinical research expenses due to the rapidly advancing of several clinical trials related to KX-826 and GT20029; (ii) an increase of RMB1.2 million in materials and consumables used in connection to the clinical trials of KX-826 and GT20029, partially offset by a decrease of RMB13.9 million in R&D employee benefit expenses mainly due to the reduction of R&D staff.

Other Gains — Net

We had other gains of RMB0.2 million for the six months ended 30 June 2025, primarily as a result of net foreign exchange gains due to exchange rates movement. We had other gains of RMB1.5 million for the six months ended 30 June 2024.

Finance Costs

Our finance costs during the Reporting Period consisted of interest expense from bank borrowings and primarily decreased by RMB3.0 million or 57.1% from RMB5.2 million for the six months ended 30 June 2024 to RMB2.2 million for the six months ended 30 June 2025, which was mainly attributable to the decrease in loan amount.

Income Tax Credit/(Expense)

We had income tax credit of RMB0.3 million for the six months ended 30 June 2025 which was attributable to the decrease of deferred income tax liabilities of RMB1.5 million due to the amortisation of IPR&D KX-826, partially offset by the withholding tax of RMB1.2 million due to the interest income of the Company in previous years. We had under-provision of income tax of RMB0.018 million for the six months ended 30 June 2024 primarily due to the service fee received by Kintor Pharmaceutical Inc., a wholly-owned subsidiary of the Company, from the Company for the purpose of general R&D activities in the US which was recognised as revenue.

Net Loss for the Reporting Period

Our net loss increased by RMB11.8 million or 16.5% from RMB71.5 million for the six months ended 30 June 2024 to RMB83.3 million for the six months ended 30 June 2025.

Non-IFRS Measure

To supplement the Group's consolidated financial statements, which are presented in accordance with the IFRS, the Company also uses adjusted loss and total comprehensive loss for the Reporting Period and other adjusted figures as additional financial measures, which are not required by, or presented in accordance with, the IFRS. The Company believes that these adjusted measures provide useful information to Shareholders and potential investors in understanding and evaluating the Group's consolidated results of operations in the same manner as they help the Company's management.

Adjusted loss and total comprehensive loss for the Reporting Period represents the loss and total comprehensive loss for the Reporting Period excluding the effect of certain non-cash items, namely the share-based compensation expenses. The term adjusted loss and total comprehensive loss for the Reporting Period is not defined under the IFRS. The use of this non-IFRS measure has limitations as an analytical tool, and it should not be considered in isolation from, or as substitute for analysis of, the Group's results of operations or financial condition as reported under the IFRS. The Company's presentation of such adjusted figure may not be comparable to a similarly titled measure presented by other companies. However, the Company believes that this and other non-IFRS measures reflect the Group's normal operating results by eliminating impacts of items that the management do not consider to be indicative of the Group's operating performance, and thus facilitate comparison of operating performance from period to period and company to company to the extent applicable.

The table below sets forth a reconciliation of the loss and total comprehensive loss for the period to adjusted loss and total comprehensive loss for the period during the periods indicated:

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Loss and total comprehensive loss for the period	**(83,268)**	(71,493)
Added:		
Share-based compensation expenses [(Note)]	**(443)**	4,600
Adjusted loss and total comprehensive loss for the period	**(83,711)**	(66,893)

Note: This expense represents the grant of restricted share units to selected executives and employees, which is a non-cash item and is not directly related to the underlying performance of the Company's business operations.

Employees and Remuneration Policies

The following table sets forth a breakdown of our employees by function:

	As at 30 June 2025	
	Number of employees	**As a percentage of total**
Core management	**6**	**4.4%**
Clinical	**22**	**16.2%**
R&D	**36**	**26.5%**
Manufacturing	**16**	**11.8%**
Commercial	**23**	**16.9%**
Project management	**9**	**6.6%**
Others	**24**	**17.6%**
Total	**136**	**100.0%**

As at 30 June 2025, the Group had a total of 136 full time employees, among whom, the total staff with clinical and R&D roles accounted for nearly 43%**.** We generally formulate our employees' remuneration package to include basic salary, position-specific salary, performance-based bonus, project-based bonus and various allowances. We conduct periodic performance reviews for our employees. We have also adopted the 2020 Employee Incentive Scheme to retain and incentivise our key management and staff.

Contingent Liabilities

The Group did not have any material contingent liabilities as at 30 June 2024 and 2025.

Liquidity and Capital Resources

Our cash and cash equivalents consisted of deposits with banks and cash on hand. As at 30 June 2025, cash and cash equivalents decreased by RMB94.6 million or 64.1% million from RMB147.4 million as at 31 December 2024 to RMB52.9 million. The change in our cash and cash equivalents for the Reporting Period was mainly attributable to (i) R&D and administrative expenditures; and (ii) repayment of borrowings.

The current ratio (total current assets as a percentage of total current liabilities) of the Group decreased from 103.0% as at 31 December 2024 to 44.3% as at 30 June 2025, mainly due to the decrease in cash and cash equivalents during the Reporting Period.

As at 30 June 2025, we had utilised bank facilities of RMB87.0 million and unutilised bank facilities of RMB30.0 million.

Significant Investments, Material Acquisitions or Disposals

As at 30 June 2025, there was no significant investments held by the Company nor any material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

Future Plans for Material Investments or Capital Assets

Save as disclosed in this announcement, we do not have any future plans for material investments or capital assets as at the date of this announcement.

Cash Flow

The following table sets forth a summary of our consolidated statements of cash flows for the periods indicated:

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Cash used in operations	**(66,081)**	(106,646)
Net interest paid	**(2,262)**	(4,015)
Income tax paid	**(1,178)**	—
Net cash used in operating activities	**(69,521)**	(110,661)
Net cash generated from/(used in) investing activities	**14,732**	(680)
Net cash used in financing activities	**(40,057)**	(14,881)
Net decrease in cash and cash equivalents	**(94,846)**	(126,222)
Cash and cash equivalents at the beginning of the period	**147,419**	444,027
Exchange gains on cash and cash equivalents	**289**	1,376
Cash and cash equivalents at the end of the period	**52,862**	319,181

Net Cash Used in Operating Activities

During the Reporting Period, we derived our cash inflows from operating activities primarily from cosmetic products sales, government grants, and bank interest income. Our net cash used in operating activities mainly consisted of R&D costs and administrative expenses.

During the six months ended 30 June 2025, our net cash used in operating activities was RMB69.5 million, mainly consisting of RMB66.1 million of cash used in operations, interest paid on borrowings of RMB2.4 million, and income tax paid of RMB1.2 million, partially offset by the interest received on bank balances of RMB0.1 million.

During the six months ended 30 June 2024, our net cash used in operating activities was RMB110.7 million, mainly consisting of RMB106.7 million of cash used in operations, interest paid on borrowings of RMB5.3 million, interest received on bank balances of RMB1.3 million.

Net Cash Generated from/(Used in) Investing Activities

During the Reporting Period, our cash flows relating to investing activities primarily reflected (i) outlay from purchase of property, plant and equipment; and (ii) proceeds from disposal of land use rights.

During the six months ended 30 June 2025, our net cash generated from investing activities was RMB14.7 million, which primarily consisted of proceeds from disposal of land use rights of RMB15.6 million, partially offset by the payment of purchase of property, plant and equipment of RMB0.9 million.

During the six months ended 30 June 2024, our net cash used in investing activities was RMB0.7 million, which primarily consisted of (i) purchase of property, plant and equipment of RMB0.5 million; (ii) purchase of intangible assets of RMB0.1 million; and (iii) purchases of financial assets at fair value through profit or loss of RMB0.1 million.

Net Cash Used in Financing Activities

During the Reporting Period, our cash flows relating to financing activities primarily reflected repayments of borrowings and proceeds from borrowings.

During the six months ended 30 June 2025, our net cash used in financing activities was RMB40.1 million, primarily consisted of repayments of borrowings of RMB88.2 million, partially offset by (i) proceeds from borrowings of RMB43.4 million; and (ii) proceeds from Shares vested under the 2020 Employee Incentive Scheme and transferred to the grantees of RMB5.5 million.

During the six months ended 30 June 2024, our net cash used in financing activities was RMB14.9 million, primarily consisted of (i) repayments of borrowings of RMB12.8 million; and (ii) payment of lease liabilities of RMB2.4 million, partially offset by proceeds from shares vested under the 2020 Employee Incentive Scheme and transferred to the grantees of RMB0.3 million.

Financial Position

Our net current assets decreased from RMB5.1 million as at 31 December 2024 to negative RMB79.6 million as at 30 June 2025, which was mainly attributable to the decrease of current assets as a result of the decrease of cash and cash equivalents.

Current assets decreased from RMB171.7 million as at 31 December 2024 to RMB63.4 million as at 30 June 2025, primarily due to the decrease of cash and cash equivalents.

Significant Change in Accounting Policy

There was no significant change in accounting policy during the Reporting Period.

Indebtedness

As at 30 June 2025, the balance of our bank borrowings consisted of long-term bank borrowings of RMB30.0 million which were secured by certain land use right, buildings and construction in progress, unsecured long-term bank borrowings of RMB15.9 million, short-term bank borrowings of RMB35.0 million which were secured by certain land use right, buildings and construction in progress, and short-term unsecured bank borrowings of RMB6.1 million. In the balance of our bank borrowings (including long-term and short-term borrowings), all of the bank borrowings are repayable within one year or on demand.

Certain Financial Ratio

The following table sets forth certain financial ratios as of the balance sheet dates indicated:

	As at 30 June 2025	As at 31 December 2024
Current ratio[(1)]	**44.3%**	103.0%
Gearing ratio[(2)]	**13.5%**	N/A

Notes:

(1) Current ratio is total current assets as at period-end as a percentage of total current liabilities as at period-end.

(2) Gearing ratio is net debt as at period-end as a percentage of total capital as at period-end. Net debt is calculated as total borrowings less cash and cash equivalents and restricted cash. Total capital is calculated as "total equity", as shown in the consolidated statement of financial position, plus net debt. As at 31 December 2024, cash and cash equivalents is more than total borrowings of the Group, therefore, the gearing ratio is not applicable.

Financial Risks

The Group is exposed to various types of financial risks: market risks (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Foreign Exchange Risk

The Group mainly operates in the PRC with most of the transactions settled in RMB. The Group currently does not have a foreign currency hedging policy. However, management of the Group monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The Group is not exposed to foreign exchange risk as there are no significant financial assets or liabilities of the Group denominated in the currencies other than the functional currency, except for cash and cash equivalents, restricted cash and time deposits at bank in USD and HKD which were primarily received from the investors as capital contributions.

Cash Flow and Fair Value Interest Rate Risk

Our income and operating cash flows are substantially independent of changes in market interest rates. We have no significant interest-bearing assets and liabilities, except for lease liabilities, cash and cash equivalents, restricted cash, and borrowings. Those carried at floating rates expose us to cash flow interest rate risk whereas those carried at fixed rates expose us to fair value interest rate risk.

Our interest rate risk mainly arises from borrowings. Borrowings obtained at fixed rates expose us to fair value interest rate risk. As at 30 June 2025 and 31 December 2024, our borrowings were carried at fixed rates, which exposed the Group to fair value interest rate risk.

Our management does not anticipate significant impact on interest-bearing assets resulting from the changes in interest rates, because the interest rates of bank deposits are not expected to change significantly.

Credit Risk

The Group is exposed to credit risk in relation to receivables, cash and cash equivalents and restricted cash. The carrying amounts of receivables, cash and cash equivalents and restricted cash represent our maximum exposure to credit risk in relation to financial assets.

The Group expects that there is no significant credit risk associated with cash and cash equivalents and restricted cash since they are substantially deposited at or purchased from state-owned banks and other medium or large-sized foreign banks. The management does not expect that there will be any significant losses from non-performance by these counterparties and the loss allowance provision is considered immaterial.

The Group applies the IFRS 9 simplified approach to measure expected credit loss ("**ECL**") which uses a lifetime expected loss for all trade receivables. The expected loss rates are based on external credit assessment according to the public, adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the gross domestic product index ("**GDP**") and consumer price index ("**CPI**") of the country in which it sells its goods to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. Since the trade receivable was due from a company with good creditability, the management considered that the Group's credit risk was low and ECL was minimal at 30 June 2025.

As at 30 June 2025 and 31 December 2024, other receivables mainly comprise receivables from deposits to lessors in respect of the Group's leased properties and other receivables from a collaborator in R&D. Considering that the other receivables from the collaborator in R&D amounting to RMB1,206,000 have an ageing of over one year and the possibility of recovery is very low, a full provision for bad debts has been made.

Management has assessed that as at 30 June 2025 and 31 December 2024, apart from the other receivables from the collaborator in R&D, other receivables have not had a significant increase in credit risk since initial recognition. Thus, a 12-month expected credit loss approach that results from possible default event within 12 months of each reporting date is adopted by management. The Group expects that there is no significant credit risk associated with the remaining other receivables since the counterparties have no history of default.

Liquidity Risk

The Group finances its working capital requirements through the issue of new shares, borrowings and government grants. The management monitors rolling forecasts of the Group's liquidity reserve on the basis of expected cash flow. Prudent liquidity risk management includes maintaining sufficient cash and cash equivalents and the ability to apply for credit facilities if necessary.

The Group has voluntarily suspended the R&D activities for certain drug candidates and has had no drug candidate ready for commercialization, yet. During the six months ended 30 June 2025, the Group incurred a net loss of RMB83,268,000 and net operating cash outflow amounted to RMB69,521,000. As at 30 June 2025, the Group had net current liabilities of RMB79,588,000. On the same date, the Group had current bank borrowings of RMB86,983,000 and trade and other payables of RMB55,541,000 and cash and cash equivalents of RMB52,862,000. These conditions and events cause the Group in significant liquidity risk. We have taken appropriate plans and measures as set out in note 2 to the condensed consolidated interim financial statements to mitigate such liquidity risk.

FINANCIAL INFORMATION

The Board announces the unaudited interim condensed consolidated results of the Group for the six months ended 30 June 2025, with comparative figures for the corresponding period in the previous year as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	**For the six months ended 30 June 2025** ***RMB'000*** **(Unaudited)**	For the six months ended 30 June 2024 *RMB'000* (Unaudited)
Revenue	*5*	**5,984**	—
Cost of sales		**(6,180)**	1,128
Gross (loss)/profit		**(196)**	1,128
Other income		**1,254**	6,106
Marketing costs		**(8,274)**	(1,764)
Administrative expenses		**(25,231)**	(33,908)
Research and development costs		**(48,617)**	(39,332)
Other gains — net	*7*	**236**	1,510
Operating loss	*6*	**(80,828)**	(66,260)
Finance costs		**(2,236)**	(5,215)
Share of losses of an associate and a joint venture		**(481)**	—
Loss before income tax		**(83,545)**	(71,475)
Income tax credit/(expense)	*8*	**277**	(18)
Loss and total comprehensive loss for the period attributable to the equity holders of the Company		**(83,268)**	(71,493)
Basic and diluted loss per share attributable to the equity holders of the Company *(in RMB)*	*10*	**(0.19)**	(0.17)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 30 June 2025 *RMB'000* (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	*11*	**159,647**	164,645
Intangible assets	*11*	**143,077**	148,949
Investment in an associate		**15,640**	16,108
Investment in a joint venture		**447**	460
Right-of-use assets	*11*	**8,706**	9,589
Other non-current assets		**1,028**	3,645
		328,545	343,396
Current assets			
Inventories	*12*	**2,998**	2,215
Trade and other receivables, deposits and prepayments		**7,059**	21,665
Restricted cash		**431**	431
Cash and cash equivalents		**52,862**	147,419
		63,350	171,730
Total assets		**391,895**	515,126
Liabilities			
Non-current liabilities			
Borrowings	*13*	**—**	20,000
Deferred income tax liabilities		**29,588**	31,043
Deferred income		**3,364**	3,324
		32,952	54,367

	Note	**As at 30 June 2025** ***RMB'000*** **(Unaudited)**	As at 31 December 2024 RMB'000 (Audited)
Current liabilities			
Trade and other payables	*14*	**55,541**	53,111
Borrowings	*13*	**86,983**	111,763
Lease liabilities		**414**	1,246
Amounts due to related parties		**—**	559
		142,938	166,679
Total liabilities		**175,890**	221,046
Equity			
Equity attributable to the equity holders of the Company			
Share capital		**315**	315
Shares held for the employee incentive scheme		**(7)**	(12)
reserves		**215,697**	293,777
Total equity		**216,005**	294,080
Total equity and liabilities		**391,895**	515,126

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 GENERAL INFORMATION

Kintor Pharmaceutical Limited (the "**Company**") was incorporated on 16 May 2018 in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (collectively, "**the Group**") are principally engaged in research and development of innovative medicine products and extending to functional cosmetics.

The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 22 May 2020.

This condensed consolidated interim financial information is presented in Renminbi ("**RMB**") thousands, unless otherwise stated. This condensed consolidated interim financial information has not been audited.

2 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2025 has been prepared in accordance with International Accounting Standard ("**IAS**") 34, "Interim Financial Reporting". The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2024, which have been prepared in accordance with International Financial Reporting Standards as issued by the IASB ("**IFRS Accounting Standards**").

The Group has voluntarily suspended the R&D activities for certain drug candidates and has had no drug candidate ready for commercialization, yet. During the six months ended 30 June 2025, the Group incurred a net loss of RMB83,268,000 and net operating cash outflow amounted to RMB69,521,000. As at 30 June 2025, the Group had net current liabilities of RMB79,588,000. On the same date, the Group had current bank borrowings of RMB86,983,000 and trade and other payables of RMB55,541,000 and cash and cash equivalents of RMB52,862,000. These conditions and events indicate the existence of a material uncertainty that may cast significant doubt over the Group's ability to continue as a going concern.

In view of such circumstance, the directors of the Company have carefully considered the Group's available sources of financing and its operating performance in assessing whether the Group will have sufficient financial sources to continue as a going concern for at least twelve months from 30 June 2025. The following plans and measures have been implemented to mitigate the liquidity pressure and to improve the financial position of the Group:

(i) The Group has continued to seek renewal of its existing bank credit quotas upon maturity to secure source of financing from bank borrowings.

(ii) The Group is actively seeking equity financing and has been in negotiation with certain potential investors for subscribing to the Company's new shares. In August 2025, the Group had completed the Top-up Placing 2025 with net proceeds of approximately HKD40,340,000.

(iii) The Group has been proactively pursuing cooperation opportunities with other potential business partners in the biotech industry by licensing out certain drug candidates.

(iv) The Group has been actively expanding sales channels for its cosmetics product and functional raw materials to improve its operating results and cash flows.

The directors of the Company have reviewed the Group's cash flow projection covering a period of not less than twelve months from 30 June 2025. Taking into account the above plans and measures and considering the underlying bases of management's cash flow forecasts, the directors are of the opinion that the Group will have funds available to meet its financial obligations as and when they fall due within the next twelve months from 30 June 2025. Accordingly, the directors of the Company consider it appropriate to prepare the Group's consolidated financial statements on a going concern basis.

Notwithstanding the above, a material uncertainty exists as to whether the Group can achieve the plans and measures described in (i) to (iv) above. Whether the Group will be able to continue as a going concern would depend upon:

(i) the success in timely obtaining sufficient bank borrowings within its available bank credit quota as needed;

(ii) the success in negotiating and timely closing the private equity financing transaction within the next twelve months;

(iii) the success in negotiating and timely closing the drug candidate licensing out transactions;

(iv) the success in improving cosmetics product and functional raw material sales revenue.

Should the Group be unable to achieve the above plans and measures such that it would not be able to operate as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

3 ACCOUNTING POLICIES

The accounting policies in this condensed financial report applied are consistent with those of the annual financial statements for the year ended 31 December 2024, except for the adoption of the following new and amended standards for the first time from 1 January 2025. The Group did not have to change its accounting policies and make retrospective adjustments as a result of adopting these standards.

(a) New standards and interpretations adopted by the Group

The Group has applied the following standards, amendments and interpretation for the first time for its financial period commencing 1 January 2025:

Standards	Key requirements
Amendments to IAS 21	Lack of Exchangeability

These new standards and interpretations did not have material impact on the financial performance and position of the Group and did not require retrospective adjustments.

(b) New standards and interpretations not yet adopted

The following new standards and amendments to standards have not come into effect for the financial year beginning on 1 January 2025 and have not been early adopted by the Group in preparing the consolidated financial statements. None of these is expected to have a material effect on the consolidated financial statements of the Group. These standards and amendments to standards are as follows:

Standards	Key requirements	Effective for accounting periods beginning on or after
Amendment to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026
Annual improvements to IFRS	Volume 11	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture	To be determined

The Group has already commenced an assessment of the impact of these new or revised standards and amendments, certain of which are relevant to the Group's operations. According to the preliminary assessment made by the directors, no material impact on the financial performance and position of the Group is expected when they become effective.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, 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 for the year ended 31 December 2024.

5 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group are principally engaged in research and development of innovative medicine products and extending to functional cosmetics and functional raw materials. There is one team managing and operating all revenue streams. Accordingly, management considers there is only one segment related to cosmetic products and raw materials and hence no segment information is presented.

(a) Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of cosmetic products and functional raw materials at a point in time in the following major product lines and geographical regions:

	Cosmetic products Retail		Raw materials Retail		
For the six months ended 30 June 2025	**Mainland China**	**Overseas**	**Mainland China**	**Overseas**	**Total**
Revenue from external customers	2,532	1,843	1,609	—	5,984

(b) Information about major customers

The major customers which contributed more than 10% of the total revenue of the Group for the six months ended 30 June 2025 are listed as below:

	For the six months ended 30 June 2025 ***RMB'000*** **(Unaudited)**
Customer A	**1,593**

6 OPERATING LOSS

Operating loss is stated after charging the following:

	For the six months ended 30 June 2025 ***RMB'000*** **(Unaudited)**	For the six months ended 30 June 2024 *RMB'000* (Unaudited)
Employee benefit expenses	**33,478**	49,465
Clinical research expenses	**20,375**	(1,777)
Utilities and office expenses	**6,500**	9,607
Depreciation of property, plant and equipment *(Note 11)*	**5,982**	6,138
Amortisation of intangible assets *(Note 11)*	**5,872**	80
Marketing and promotion expenses	**4,872**	—
Outsourced research and development expenses	**4,619**	5,033
Materials and consumables used	**1,037**	187
Depreciation of right-of-use assets *(Note 11)*	**804**	2,522
Less: amounts capitalised in property, plant and equipment	**—**	(34)
	804	2,488

7 OTHER GAINS — NET

	For the six months ended 30 June 2025 ***RMB'000*** **(Unaudited)**	For the six months ended 30 June 2024 *RMB'000* (Unaudited)
Net foreign exchange gains	**265**	1,480
(Losses)/gains on disposal of property, plant and equipment	**(9)**	35
Gains on disposal of right-of-use assets	**5**	—
Others	**(25)**	(5)
	236	1,510

8 INCOME TAX CREDIT/(EXPENSE)

	For the six months ended 30 June 2025 ***RMB'000*** **(Unaudited)**	For the six months ended 30 June 2024 *RMB'000* (Unaudited)
Current income tax expense		
— Underprovision in prior period	**(1,178)**	(18)
Deferred income tax credit	**1,455**	—
	277	(18)

(i) Income tax credit/(expense)

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.

Cayman Islands

Under the current laws of the Cayman Islands, the Company is not subject to tax on income or capital gains.

Hong Kong

Kintor Science Limited, Koshine Pharmaceuticals Limited and Koshine Hong Kong Limited were incorporated in Hong Kong in 2018 and are subject to Hong Kong profits tax at the rate of 16.5% (2024: 16.5%). Since these companies did not have assessable profits during the six months ended 30 June 2025 and 2024, no Hong Kong profits tax has been provided.

United States of America

Kintor Pharmaceuticals Inc. and Koshine Cosmetics Inc. were incorporated in the United States of America and is subject to federal and state income tax rate of 23.5% and 21.0% (2024: 23.5% and 21.0%), respectively.

Ireland

Kintor Cosmetic Holdings Limited was incorporated in the Ireland and registered on 17 September 2024. It is subject to corporate income tax rate of 12.5% (2024: 12.5%). Since Kintor Cosmetic Holdings Limited did not have assessable profit during the six months ended 30 June 2025 and 2024, no corporate income tax has been provided.

The Mainland of China

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the "**CIT Law**"), the subsidiaries which operate in the Mainland of China are subject to CIT at a rate of 25% (2024: 25%) on the taxable income. Since the Group's PRC entities did not have assessable profits during the six months ended 30 June 2025 and 2024, no corporate income tax has been provided.

9 DIVIDEND

No dividend has been paid or declared by the Company or companies comprising the Group during the six months ended 30 June 2025 and 2024.

10 LOSS PER SHARE

Basic loss per share

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the six months ended 30 June 2025 and 2024, excluding 9,761,941 shares (2024: 16,498,528 shares) held for the employee incentive scheme (including 8,785,747 shares (2024: 14,848,675 shares) arising from the relevant capitalisation issue of initial public offering).

	For the six months ended 30 June 2025 ***RMB'000*** **(Unaudited)**	For the six months ended 30 June 2024 *RMB'000* (Unaudited)
Loss for the period	**(83,268)**	(71,493)
Weighted average number of ordinary shares in issue *(in thousand)*	**434,071**	430,425
Basic loss per share *(in RMB)*	**(0.19)**	(0.17)

Diluted loss per share

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. During the six months ended 30 June 2025 and 2024, the Company had one category of potential ordinary shares: share-based awards granted to employees. As the Group incurred losses during the six months ended 30 June 2025 and 2024, the potential ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive. Accordingly, diluted loss per share during the six months ended 30 June 2025 and 2024 are the same as basic loss per share.

11 PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS

	Property, plant and equipment *RMB'000*	Intangible assets *RMB'000*	Right-of-use assets *RMB'000*	Total *RMB'000*
(Unaudited)				
At 1 January 2025				
Cost	**271,419**	**236,267**	**31,371**	**539,057**
Accumulated depreciation/ amortisation and impairment	**(106,774)**	**(87,318)**	**(21,782)**	**(215,874)**
Net book amount	**164,645**	**148,949**	**9,589**	**323,183**
For the six months ended 30 June 2025				
Opening net book amount	**164,645**	**148,949**	**9,589**	**323,183**
Additions	**997**	**—**	**—**	**997**
Disposal	**(13)**	**—**	**(79)**	**(92)**
Depreciation/amortisation charge *(Note 6)*	**(5,982)**	**(5,872)**	**(804)**	**(12,658)**
Closing net book amount	**159,647**	**143,077**	**8,706**	**311,430**
At 30 June 2025				
Cost	**272,403**	**236,267**	**14,496**	**523,166**
Accumulated depreciation/ amortisation and impairment	**(112,756)**	**(93,190)**	**(5,790)**	**(211,736)**
Net book amount	**159,647**	**143,077**	**8,706**	**311,430**

	Property, plant and equipment *RMB'000*	Intangible assets *RMB'000*	Right-of-use assets *RMB'000*	Total *RMB'000*
(Unaudited)				
At 1 January 2024				
Cost	271,377	236,125	55,958	563,460
Accumulated depreciation/ amortisation	(87,011)	(87,185)	(18,481)	(192,677)
Net book amount	184,366	148,940	37,477	370,783
For the six months ended 30 June 2024				
Opening net book amount	184,366	148,940	37,477	370,783
Additions	492	143	—	635
Disposal	(20)	—	—	(20)
Transfer to assets held-for-sale	—	—	(23,384)	(23,384)
Depreciation/amortisation charge *(Note 6)*	(6,138)	(80)	(2,522)	(8,740)
Reversal of impairment	8	—	1,128	1,136
Closing net book amount	178,708	149,003	12,699	340,410
At 30 June 2024				
Cost	271,849	236,268	32,574	540,691
Accumulated depreciation/ amortisation and impairment	(93,141)	(87,265)	(19,875)	(200,281)
Net book amount	178,708	149,003	12,699	340,410

Land use rights represent the land use rights granted by the PRC government authority on the use of land within the pre-approved lease period. The original lease terms of the land use rights of the Group held in the PRC are 50 years. As at 30 June 2025, certain land use right, buildings and construction in progress were pledged for the Group's borrowings amounting to RMB65,000,000 (31 December 2024: RMB70,000,000) (Note 13).

12 INVENTORIES

	As at 30 June 2025 *RMB'000* (Unaudited)	As at 31 December 2024 *RMB'000* (Audited)
Raw materials and finished goods	**2,998**	2,215

13 BORROWINGS

	As at 30 June 2025 *RMB'000* (Unaudited)	As at 31 December 2024 *RMB'000* (Audited)
Non-current		
Long-term bank borrowings *(Note (a))*	**—**	20,000
Current		
Short-term bank borrowings *(Note (b))*	**41,133**	14,383
Long-term bank borrowings *(Note (a))*	**45,850**	97,380
	86,983	111,763
Total	**86,983**	131,763

(a) As at 30 June 2025, the Group had long-term bank borrowings of RMB30,000,000 which were secured by certain land use right, buildings and construction in progress and unsecured long-term bank borrowings of RMB15,850,000. Borrowings of RMB30,000,000 bore a fixed interest rate at 4.90% per annum, borrowings of RMB11,650,000 bore a fixed interest rate at 4.00% per annum and borrowings of RMB4,200,000 bore a fixed interest rate at 3.95% per annum. All of these loans should be repaid by 30 June 2026.

As at 31 December 2024, the Group had long-term bank borrowings of RMB70,000,000 which were secured by certain land use right, buildings and construction in progress and unsecured long-term bank borrowings of RMB47,380,000. Borrowings of RMB35,000,000 bore a fixed interest rate at 4.90% per annum, borrowings of RMB35,000,000 bore a fixed interest rate at 4.75% per annum, and borrowings of RMB25,000,000 bore a fixed interest rate at 4.05% per annum, borrowings of RMB13,980,000 bore a fixed interest rate at 4.00% per annum, and borrowings of RMB8,400,000 bore a fixed interest rate at 3.95% per annum. RMB97,380,000 of these loans should be repaid by 31 December 2025, while the remaining should be repaid by instalments by 23 March 2026.

(b) As at 30 June 2025, Suzhou Kintor had short-term bank borrowings of RMB35,000,000 which were secured by certain land use right, buildings and construction in progress and unsecured short-term bank borrowings of RMB6,133,000. Borrowings of RMB1,133,000 bore a fixed interest rate at 3.60% per annum, borrowings of RMB40,000,000 bore a fixed rate at 3.50% per annum and were due for repayment before 30 June 2026.

As at 31 December 2024, Suzhou Kintor had unsecured short-term bank borrowings totaling RMB14,383,482.74. Borrowings of RMB2,309,039.07 bore a fixed interest rate at 3.60% per annum, borrowings of RMB10,000,000 bore a fixed rate at 3.55% per annum and borrowings of RMB2,074,443.67 bore a fixed rate at 7.20% per annum. The unsecured short-term bank borrowings were due for repayment in 2025.

The maturity date is as follows:

	As at 30 June 2025 ***RMB'000*** **(Unaudited)**	As at 31 December 2024 *RMB'000* (Audited)
Less than 1 year or repayment on demand	**86,983**	111,763
1–2 years	**—**	20,000
	86,983	131,763

The carrying amounts of borrowings were denominated in RMB.

14 TRADE AND OTHER PAYABLES

	As at 30 June 2025	As at 31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Payables for service suppliers *(Note (a))*	**47,082**	39,373
Salary and staff welfare payables	**2,527**	5,084
Payables for materials and consumables *(Note (a))*	**1,931**	1,583
Payables for audit services	**580**	1,460
Payables for property, plant and equipment	**481**	402
Payables for individual income tax and other taxes	**3**	17
Payables for interest expenses	**—**	138
Others	**2,937**	5,054
	55,541	53,111

As at 30 June 2025 and 31 December 2024, all trade and other payables of the Group were non-interest bearing, and their fair value approximated their carrying amounts due to their short maturities.

(a) As at 30 June 2025 and 31 December 2024, the ageing analysis of payables for materials and consumables and payables for service suppliers based on invoice date are as follows:

	As at 30 June 2025	As at 31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
— Within 1 year	**31,463**	5,353
— More than one year	**17,550**	35,603

15 COMMITMENTS

(i) Lease commitments (exclude the right-of-use assets and lease liabilities)

As at 30 June 2025 and 31 December 2024, the Group leases some offices and equipment under irrevocable lease contracts with lease term less than one year and leases of low value that have been exempted from recognition of right-of-use assets permitted under IFRS 16. The future aggregate minimum lease payment under irrevocable lease contracts for these exempted contracts are as follows:

	As at 30 June 2025	As at 31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
No later than 1 year	**120**	262

(ii) Capital commitments

Capital expenditure contracted for as at 30 June 2025 and 31 December 2024 but not yet incurred by the Group are as follows:

	As at 30 June 2025	As at 31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Investment in an associate and a joint venture	**513**	513

16 SUBSEQUENT EVENTS

On 14 August 2025, the Company issued 20,673,000 ordinary shares with par value of USD0.0001 each at a price of HKD2.08 per share, raising approximately net proceeds of HKD40,340,000, after deducting related issuance expenses. Accordingly, 20,673,000 ordinary shares with par value of USD0.0001 each are issued and RMB14,748 are credited to share capital, and remaining amounts, after netting of issuance expenses, are credited to share premium.

FUTURE AND OUTLOOK

In the first half of 2025, facing an environment where opportunities and challenges coexist, the Company consolidated its strength to reshape the pipeline focused on dermatology and concurrently promoted in the oncology field. The Company's unique and leading advantages in the dermatology field have been used to steadily advance the clinical development process around the world and the R&D of cosmetic products, achieving several milestones. These include the establishment of product matrix of the Group's new high-end cosmetics brand KOSHINÉ and the completion of several clinical trials of KX-826 and GT20029 in China. While the Company has not yet successfully commercialized an innovative drug candidate, we remain steadfast in our strong commitment to medical and biological application and development. Our cosmetics division operates as a supplementary business, generating revenue to fund R&D, including pre-clinical studies and clinical trials for drug candidates.

Based on over 10 years of experience in the AR field, we continued to explore the treatment of AGA and acne with KX-826 and GT20029, our two Core Products in the field of dermatology, in the first half of 2025. We are also in the process of advancing a number of clinical trials of KX-826 and GT20029 in China and/or the United States, continuing to explore their value in the field of dermatology.

For KX-826, we have validated the safety and efficacy of KX-826 in over 1,500 subjects, who benefited from our drug and the mean non-vellus TAHC increased by up to 22.7 per cm^2 from baseline. On the one hand, we are advancing the phase III stage of the Pivotal Clinical Trial of KX-826 tincture 1.0% for the treatment of male adult AGA in China, which has completed the 666 patient enrollment and is expected to be completed by the beginning of 2026. On the other hand, we have established a product matrix of our high-end cosmetics brand KOSHINÉ comprising anti-hair loss solution series, acne cream, and a whitening series and will continue to accelerate global market expansion and enrich our product portfolio.

For GT20029, the first PROTAC drug introduced by the Company, it has remained in a leading position since its development and is the world's first topical PROTAC compound that has completed a phase II clinical trial. We have completed phase IIa clinical stage of GT20029 for the treatment of AGA in China and are formulating future clinical strategies for GT20029 for the treatment of AGA, such as initiating a phase IIb/III clinical trial in China and a phase II clinical trial in the U.S. for male AGA. In addition, we have completed the China phase II clinical trial of GT20029 for the treatment of acne. We will continue to push forward the development of GT20029 and further expand our first-mover advantage in topical PROTAC.

In non-dermatology field, we also have developed small molecule drugs such as GT1708F and developed biological drugs such as ALK-1 for the treatment of various tumors and multiple indications. We have a new institute of R&D to cooperate with other research departments such as biology, chemistry, and formulation, so that drugs can be fully verified in both mechanism and clinical practice, and we can leverage the knowledge of our professionals to enhance our R&D capabilities. In addition, we established the 2020 Employee Incentive Scheme to retain our talents.

In addition to in-house development, we also plan to seek cooperation opportunities in all aspects of the drug development process, including pre-clinical technology, clinical combination therapy, and licensing cooperation, to use superior resources to realize the potential of drugs and bring more drugs to commercialisation as soon as possible.

Given that we have only just begun commercializing cosmetic products, we are still in the process of transitioning from R&D stage to commercialization stage and plan to allocate more resources to explore different approaches including but not limited to introducing new cosmetic products and advancing the marketing in China and overseas to further promote the commercialization of the Company's cosmetic products worldwide to boost brand awareness, capture market dynamics and increase the penetration rate of our products.

Looking ahead, the Group will further deepen the collaborations with leading domestic and overseas e-commerce platforms such as Tmall, JD.com, Douyin, Xiaohongshu, and Amazon, and build a diversified sales channel system. Meanwhile, we will leverage large-scale promotional campaigns on these platforms including "Double Eleven", "Double Twelve", and "618" shopping festivals to enhance product exposure and market influence. In terms of membership operation, the Group will focus on two key dimensions. On the one hand, we will continue to intensify our efforts to expand customer resources. By participating in platform activities, creating exclusive member day, carrying out offline promotional activities, and hosting interactive online Q&A on social media, we will increase the membership scale and enhance fan loyalty. On the other hand, we will focus on the refined management of members and the accumulation of high-quality users. By organizing the annual "826 Members' Exclusive Day" event and adopting a regular follow-up communication based on the event cycle, we aim to increase the proportion of repurchase rates among members, and improve the members' contribution to revenue. In addition, we will strengthen the collaboration with a wide range of selected KOLs and KOCs to leverage their influence to reach a broader consumer base for accelerating online sales growth and expanding our market share.

COMPLIANCE WITH THE CG CODE

The Company has applied the principles and code provisions as set out in the CG Code. During the six months ended 30 June 2025, the Board is of the opinion that the Company has complied with all the applicable code provisions under the CG Code apart from the deviation stated below.

Under code provision C.2.1 of the CG Code, the responsibilities between the chairman and chief executive officer should be separate and should not be performed by the same individual. We do not have a separate chairman and chief executive officer and Dr. TONG currently performs these two roles. The Board believes that vesting the roles of both chairman and chief executive officer in Dr. TONG has the benefit of ensuring consistent leadership within our Group and enables more effective and efficient overall strategic planning for our Group, given that: (i) decision to be made by our Board requires approval by at least a majority of our Directors and that our Board comprises three independent non-executive Directors out of seven Directors, and we believe there is sufficient check and balance in our Board; (ii) Dr. TONG and other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that they act for the benefit and in the best interests of our Company and will make decisions for our Group accordingly; and (iii) the balance of power and authority is ensured by the operations of our Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of our Company. Moreover, the overall strategic and other key business, financial and operational policies of our Group are made collectively after thorough discussion at both our Board and senior management levels. Finally, our Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within our Group and enables more effective and efficient overall strategic planning for and communication within our Group. Our Board will continue to review the effectiveness of the corporate governance structure of our Group in order to assess whether separation of the roles of chairman and chief executive officer is necessary.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Group has adopted the Model Code for securities transactions by Directors as its own code of conduct.

Specific enquiries have been made of all the Directors and they have confirmed that they have complied with the Model Code throughout the six months ended 30 June 2025 and up to the date of this announcement.

The Group's employees, who are likely to be in possession of inside information of the Group, are subject to the Model Code. No incident of non-compliance of the Model Code by the relevant employees was noted by the Company throughout the six months ended 30 June 2025 and up to the date of this announcement.

USE OF PROCEEDS

Top-up Placing in 2022

The Top-up Placing 2022 was conducted by the Company for the purpose of supplementing the Group's long-term funding of its expansion plan and growth strategies, as well as providing an opportunity to raise further capital for the Company whilst broadening the Shareholder base and the capital base of the Company.

Completion of the subscription under the Top-up Placing 2022 took place on 16 December 2022. The proceeds received by the Company was approximately HK$509.1 million, net of professional fees and out-of-pocket expenses (the "**2022 Net Proceeds**"). On 28 March 2023, none of the proceeds had been utilised and the Board resolved to reallocate the use of the net proceeds to optimise the utilisation of such net proceeds (the "**Revised Allocation**").

The following table sets forth a breakdown of the use of the 2022 Net Proceeds up to 30 June 2025:

	Approximate % of the 2022 Net Proceeds	Revised Allocation of the 2022 Net Proceeds	Unutilised 2022 Net Proceeds up to 1 January 2025	Utilised 2022 Net Proceeds during the Reporting Period	Unutilised 2022 Net Proceeds as at 30 June 2025	Expected timeline for utilizing the remaining balance of the 2022 Net Proceeds
	%	*HKD (million)*	*HKD (million)*	*HKD (million)*	*HKD (million)*	
Clinical development of KX-826 for the treatment of AGA and acne vulgaris	49.0	249.5	49.5	49.5	—	
Clinical development of GT20029 for the treatment of AGA and acne vulgaris	27.0	137.5	69.4	20.7	48.7	Expected to be fully utilised by 31 December 2025
Clinical development and preparation for the commercialisation of pruxelutamide for the treatment of COVID-19	15.0	76.4	—	—	—	
General working capital	9.0	45.8	—	—	—	
Total	100.0	509.1	118.9	70.2	48.7	

Note:

Totals may not add up due to rounding.

The Revised Allocation was due to the calm down of COVID-19 pandemic and intense competition in the COVID-19 oral small molecule drug market, as a result of which the Company decided to reduce the expenditure on pruxelutamide's COVID-19 clinical trials and reallocate the use of the unutilised proceeds on the R&D of KX-826 and GT20029. In addition, given the setback on the KX-826 phase III clinical trial carried out in 2023 for the treatment of male AGA in China, the Company had reviewed the entire trial process and, analysed the reasons and lessons learned. Since then, the Company has delayed subsequent clinical trials, introduced further improvements on measures, in order to enhance the clinical quality control standard. As a result of the foregoing, the expected timeline for the utilisation of the unutilised proceeds was postponed until the end of 2025.

For further details on the Revised Allocation, please refer to the announcement of the Company dated 28 March 2023. During the Reporting Period, the Company utilised the 2022 Net Proceeds in accordance with the intentions previously disclosed in such announcement.

FURTHER CHANGE IN USE OF PROCEEDS FROM THE TOP-UP PLACING 2022

As a clinical-stage novel drug developer with more than a decade of experience in the field of dermatology, the Company have consistently focused on developing potential first-in-class/best-in-class drugs to address unmet clinical and consumer needs. KX-826, as one of our Core Products, has always enjoyed a key priority in our clinical development. Considering (i) the substantial funding requirements for advancing the Pivotal Clinical Trial (including phase II stage and phase III stage) and long-term safety trial of KX-826 tincture 1.0% for the treatment of AGA in China in 2025; and (ii) GT20029, for which only one phase II clinical trial was conducted in 2025 and completed in August 2025, is expected to initiate new clinical trial in 2026, the Board resolved on 28 August 2025 to reallocate HK$35 million of the unutilised 2022 Net Proceeds originally intended to be used for clinical development of GT20029 for the treatment of AGA and acne vulgaris to support the clinical development of KX-826 for the treatment of AGA and acne vulgaris (the "**Further Revised Allocation**"). This further reallocation will further ensure the smooth progress of the phase III stage of the Pivotal Clinical Trial of KX-826 in China.

Details on the Further Revised Allocation

As at 30 June 2025 and the date of this announcement, the total unutilised 2022 Net Proceeds amounted to approximately HK$48.7 million.

The table below sets out the details on the Further Revised Allocation of the untilised 2022 Net Proceeds:

	Unutilised 2022 Net Proceeds as at 30 June 2025 *HKD (million)*	**Further Revised Allocation of the unutilized 2022 Net Proceeds** *HKD (million)*	**Expected timeline for utilisation**
Clinical development of KX-826 for the treatment of AGA and acne vulgaris	—	35.0	Expected to be fully utilised by 31 December 2025
Clinical development of GT20029 for the treatment of AGA and acne vulgaris	48.7	13.7	Expected to be fully utilised by 31 December 2025
Clinical development and preparation for the commercialisation of pruxelutamide for the treatment of COVID-19	—	—	
General working capital	—	—	
Total	48.7	48.7	

Save for the afore-mentioned changes, there are no other changes in the use of the 2022 Net Proceeds.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares). As at 30 June 2025, the Company did not hold any treasury shares.

CHARGE ON GROUP'S ASSETS

As at 30 June 2025, certain land use right, buildings and construction in progress were pledged for the Group's borrowings amounting to RMB65,000,000 (31 December 2024: RMB70,000,000).

SUBSEQUENT EVENTS

Top-up Placing of New Shares Under General Mandate

References are made to the Company's announcements dated 1 August 2025 and 14 August 2025 (the "**2025 Placing Announcements**") regarding the Top-up Placing 2025. On 14 August 2025, the Company has completed the allotment and issuance of 20,673,000 new Shares (the "**2025 Placing Shares**") with an aggregate nominal value of US$2,067.3, representing approximately 4.42% of the issued share capital of the Company as enlarged by the allotment and issue of the 2025 Placing Shares immediately upon completion of the 2025 Placing. The 2025 Placing Shares were allotted and issued to not less than six professional, institutional and/or individual investors, who and whose ultimate beneficial owners were independent of and not connected with the Company and any of its connected persons. The net proceeds from the 2025 Placing were approximately HK$40.34 million (the "**2025 Net Proceeds**"), representing a net placing price of approximately HK$1.95 per 2025 Placing Share. The closing market price was HK$2.56 per Share on 31 July 2025, being the last full trading day on which the terms of the issue of the 2025 Placing Shares were fixed.

The Directors intended to use the 2025 Net Proceeds as general working capital for the daily operations of the Group, allocated as follows:

— 70% for administrative expenses; and

— 30% for marketing costs.

The main stream of the Company's expenses is operating expense, with R&D expenses expected to account for the majority of the operating expenses, after considering the ongoing clinical trials and the corresponding employee benefit expenses (but excluding asset impairment).

In 2025, the Company completed patient enrollment for the phase III stage and the phase II stage of the Pivotal Clinical Trial of KX-826 for the treatment of AGA in adult Chinese males, the long-term safety phase III clinical trial of KX-826 for the treatment of AGA in China, and a clinical observational study of KX-826 in combination with minoxidil for the treatment of male AGA in China. In addition, the phase II clinical trial of GT20029 for acne in China has been completed in August 2025. These milestones have consumed the Company's cash flow, including but not limited to the payments to external collaborators such as CROs and CDMOs.

As at 30 June 2025, the cash balance of the Company amounted to no more than RMB60 million. Furthermore, the unutilized net proceeds from the Top-up Placing 2022 were less than HK$50 million, which are primarily intended for the phase III stage of the Pivotal Clinical Trial of KX-826 for the treatment of AGA in China and the phase II clinical trial of GT20029 for acne in China. These conditions and events indicate that the Company is facing liquidity pressure.

Considering the Company's liquidity pressure, the Company intends to utilise the 2025 Net Proceeds to enrich its cash balance to support its ongoing operations. Raising funds to supplement working capital aligns with the Company's liquidity needs for future operations and development, which will enhance the Company's capital reserves, further optimize its financial structure, and strengthen its sustainable development capabilities.

For details, please refer to the 2025 Placing Announcements. None of the 2025 Net Proceeds were utilized up to the date of this announcement.

Save as disclosed above and in this announcement, there are no important events affecting the Group which have occurred since the end of the Reporting Period.

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive Directors, namely, Mr. Wallace Wai Yim YEUNG, Dr. Michael Min XU and Prof. Liang TONG. The chairman of the Audit Committee is Mr. Wallace Wai Yim YEUNG. The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2025. The Audit Committee has also discussed with the management of the Company of the accounting principles and policies adopted by the Company and discussed financial reporting matters (including the unaudited interim results for the six months ended 30 June 2025) of the Group. The Audit Committee considered that the interim results are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

INTERIM DIVIDEND

The Board resolved not to pay any interim dividend for the six months ended 30 June 2025 (for the six month ended 30 June 2024: Nil).

PUBLICATION OF THE 2025 CONDENSED CONSOLIDATED INTERIM RESULTS AND INTERIM REPORT

This announcement is published on the website of the Stock Exchange (**www.hkexnews.hk**) and the Company's website (**www.kintor.com.cn**). The interim report for the six months ended 30 June 2025 containing all the information in accordance with the requirements under the Listing Rules will be despatched to the Shareholders and published on the respective websites of the Stock Exchange and the Company in September 2025.

APPRECIATION

The Board would like to express its sincere gratitude to the Shareholders, management team, employees, business partners and customers of the Group for their continuous support and contribution to the Group.

In this announcement, unless the context otherwise require, the following expressions shall have the following meaning:

"2020 Employee Incentive Scheme"	the employee incentive scheme of our Company approved and adopted by our Board on 31 March 2020
"ACE2"	angiotensin converting enzyme-2, a protein on the surface of many cell types, which has been identified as the receptor for the SARS-CoV-2 viral entry
"AGA"	androgenetic alopecia
"ALK-1"	activin receptor-like kinase-1, an antagonistic mediator of lateral transforming growth factor-beta/ALK-5 signaling, also known as GT90001
"ALK-5"	the transforming growth factor-beta type I receptor kinase, an attractive target for intervention in transforming growth factorbeta signaling due to its druggability as well as its centrality and specificity in the pathway
"AR"	androgen receptor
"AR+"	androgen receptor positive
"Audit Committee"	the audit committee of the Board
"BID"	twice a day
"BIW"	twice weekly
"Board" or "Board of Directors"	the board of directors of the Company
"c-Myc"	MYC proto-oncogene, bHLH transcription factor, a protein that codes for transcription factors
"CDMO(s)"	a contract development manufacture organisation that offers manufacturing services, with volume capabilities ranging from small amounts for preclinical R&D to larger volumes necessary for clinical trials purposes and commercialisation

"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"China" or "PRC"	The People's Republic of China, for the purpose of this announcement only, excluding Hong Kong, Macao and Taiwan
"CMO(s)"	a company that offers manufacturing services, with volume capabilities ranging from small amounts for preclinical R&D to larger volumes necessary for clinical trials purposes and commercialisation
"Company"	Kintor Pharmaceutical Limited, formerly known as KTKM Holdings Inc., an exempted company with limited liability incorporated in the Cayman Islands on 16 May 2018 whose Shares are listed on the Main Board of the Stock Exchange with stock code 9939
"Core Products"	has the meaning ascribed to it in Chapter 18A of the Listing Rules; for the purposes of this announcement, our Core Products consist of KX-826, AR-PROTAC Compound (GT20029) and Pruxelutamide (GT0918)
"COVID-19"	coronavirus disease 2019
"CRO(s)"	contract research organisation(s), a company hired by another company or research center to take over certain parts of running a clinical trial. The company may design, manage, and monitor the trial, and analyse the results
"Detorsertib" or "GT0486"	an inhibitor of the PI3K/mTOR signaling pathway and a second generation mTOR inhibitor under development by our Group primarily for the treatment of metastatic solid tumours such as breast cancer, prostate cancer and liver cancer
"Director(s)"	director(s) of the Company
"Dr. TONG"	Dr. Youzhi TONG, one of the co-founders, an executive Director, the chairman and chief executive officer of the Company

"Group"	the Company and its subsidiaries (or our Company and any one or more of its subsidiaries, as the context may require)
"GT20029"	a topical AR-PROTAC compound developed by the Group's in-house PROTAC platform, with the potential to become a new generation of treatment for AGA and acne vulgaris
"HCC"	hepatocellular carcinoma, a common type of liver cancer
"HGA"	hair growth assessment
"Hh"	one of the anticancer targets, when hedgehog is not turned off during adulthood, it promotes the growth of cancer cells
"HKD" or "HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"IFRS"	International Financial Reporting Standards as issued by the International Accounting Standards Board
"IGA"	Investigator's Global Assessment
"INCI"	International Nomenclature Cosmetic Ingredient
"IND"	investigational new drug
"IPF"	idiopathic pulmonary fibrosis
"IPR&D"	In-process Research and Development
"KOCs (Key Opinion Consumers)"	people who influence purchases through reviews on social media
"KOLs (Key Opinion Leaders)"	influential people who shape others' opinions and behaviors
"KT-939"	a tyrosinase inhibitor under development by our Group which inhibits melanin production with anti-oxidant and antiinflammatory effects

"KX-826"	formerly known as "Pyrilutamide", an AR antagonist under development by our Group as a topical drug for the treatment of AGA and acne vulgaris
"Listing"	the listing of the Shares on the Main Board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
"LLOQ"	lower limit of quantification
"mCRPC"	metastatic castration-resistant prostate cancer
"Model Code"	the Model Code for Securities Transactions by Directors of Listed issuers as set out in Appendix C3 to the Listing Rules
"mTOR"	mammalian target of rapamycin, a critical effector in cell-signaling pathways commonly deregulated in human cancers
"NDA"	new drug application
"Nivolumab"	a human immunoglobulin G4 (IgG4) monoclonal antibody, which targets the negative immunoregulatory human cell surface receptor programmed death-1 (PD-1, PCD-1) with immune checkpoint inhibitory and antineoplastic activities
"NMPA"	the National Medical Products Administration of the PRC, successor to the China Food and Drug Administration according to the Institutional Reform Plan of the State Council
"PD"	pharmacodynamics
"PD-1" or "PCD-1"	programmed cell death protein 1, a protein in humans is encoded by the programmed cell death 1 (PDCD1) gene
"Pfizer"	Pfizer, Inc., a corporation organised and existing under the laws of the State of Delaware, U.S., and a research-based global biopharmaceutical company

"PI3K"	the acronym of Phosphoinositide 3-kinase, a family of enzymes involved in cellular functions such as cell growth, proliferation, differentiation, motility, survival, and intracellular trafficking, which in turn are involved in cancer
"Pivotal Clinical Trial"	a multi-center, randomized, double-blind, vehicle controlled phase II/III study with adaptive designs to evaluate the efficacy and safety of KX-826 tincture 1.0% and 0.5% for the topical treatment of male adults with AGA in China, which adopts a phase II/III operational seamless design
"PK"	pharmacokinetics
"PROTAC"	proteolysis targeting chimera, a small molecule composed of (i) a recruiting element for a protein of interest; (ii) an E3 ubiquitin ligase recruiting element; and (iii) a linker bounding (i) and (ii)
"Pruxelutamide" or "GT0918"	formerly known as "Proxalutamide", a small molecule second generation AR antagonist under development by our Group for the treatment of mCRPC and AR+ metastatic breast cancer
"QD"	once a day
"R&D"	research and development
"Reporting Period"	the six months ended 30 June 2025
"RMB"	Renminbi yuan, the lawful currency of the PRC
"RSU"	a restricted share unit award granted to a participant under the 2020 Employee Incentive Scheme that is subject to such terms and conditions as set forth in the rules of the 2020 Employee Incentive Scheme, and each restricted share unit represents one underlying Share
"SAE"	serious adverse events
"SARS-CoV-2"	severe acute respiratory syndrome coronavirus 2

"Share(s)"	ordinary share(s) in the share capital of the Company, currently of nominal value USD0.0001 each
"Shareholder(s)"	holder(s) of the Shares
"SMO"	smoothened, a Class Frizzled G protein-coupled receptor that is a component of the hedgehog signaling pathway
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"TAHC"	target area hair counts
"TEAE"	treatment-emergent adverse events
"TGF–ß"	a regulatory cytokine that has multifunctional properties that can enhance or inhibit many cellular functions, including interfering with the production of other cytokines and enhancing collagen deposition
"TMPRSS2"	transmembrane serine protease 2, a membrane anchored protease primarily expressed by epithelial cells of respiratory and gastrointestinal systems and has been linked to multiple pathological processes in humans including tumor growth, metastasis and viral infections
"Top-up Placing 2022"	the top-up placing conducted by the Company pursuant to a placing and subscription agreement dated 9 December 2022. Please refer to the announcements of the Company dated 11 December 2022 and 16 December 2022 for further information
"Top-up Placing 2025"	the top-up placing conducted by the Company pursuant to a placing and subscription agreement dated 1 August 2025. Please refer to the announcements of the Company dated 1 August 2025 and 14 August 2025 for further information
"TRAE"	treatment related adverse events
"U.S." or "US" or "United States"	the United States of America

"USD"	U.S. dollars, the lawful currency of the U.S.
"U.S. FDA"	Food and Drug Administration of the U.S.
"VEGF"	vasoactive endothelial growth factor, a potent angiogenic factor and was first described as an essential growth factor for vascular endothelial cells
"we", "us", "Kintor" or "our"	the Company and, unless the context indicates otherwise, its subsidiaries

By order of the Board
KINTOR PHARMACEUTICAL LIMITED
Dr. Youzhi Tong
Chairman, Executive Director and Chief Executive Officer

Hong Kong, 28 August 2025

As at the date of this announcement, the executive Directors are Dr. Youzhi Tong and Dr Xiang Ni; the non-executive Directors are Mr. Weipeng Gao and Ms. Geqi Wei; and the independent non-executive Directors are Dr. Michael Min Xu, Mr. Wallace Wai Yim Yeung and Prof. Liang Tong.

* *For identification purpose only*