B&K CORPORATION LIMITED
華芒生物科技（青島）股份有限公司

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

(Stock Code: 2396)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

	For the year ended 31 December		
	2025	2024	
	RMB'000	*RMB'000*	+/(-)
Revenue	**522**	261	100.0%
Gross profit	**481**	241	99.6%
Loss before tax	**(208,984)**	(212,250)	(1.5)%
Loss for the year	**(208,984)**	(212,250)	(1.5)%
Loss per share attributable to ordinary equity holders of the parent *(RMB per share)*	**(2.08)**	(2.15)	(3.3)%
Cash and cash equivalents	**632,372**	139,213	354.2%
R&D expenses	**89,417**	91,326	(2.1)%

ANNUAL RESULTS

The Board is pleased to announce the consolidated annual results of the Group for the Reporting Period, together with the comparative figures for the year ended 31 December 2024. This annual results announcement is prepared in accordance with the applicable disclosure requirements of Listing Rules in relation to preliminary announcement of annual results.

The Audit Committee has reviewed this annual results of the Group for the Reporting Period.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025
(Expressed in RMB)

	Note	**2025**	2024
		RMB'000	*RMB'000*
Revenue	*3*	**522**	261
Cost of sales		**(41)**	(20)
Gross profit		**481**	241
Other income and gains	*3*	**2,420**	1,827
Administrative expenses		**(118,563)**	(116,781)
Research and development expenses		**(89,417)**	(91,326)
Other expenses		**(2,669)**	(202)
Finance costs	*5*	**(1,236)**	(6,009)
Loss before tax	*4*	**(208,984)**	(212,250)
Income tax expense	*6*	**—**	—
Loss for the year		**(208,984)**	(212,250)
Attributable to:			
Owners of the parent		**(208,984)**	(212,250)
Loss per share attributable to ordinary equity holders of the parent			
Basic and diluted			
For loss for the year *(RMB per share)*	*8*	**(2.08)**	(2.15)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025
(Expressed in RMB)

	Note	**2025** **RMB'000**	2024 RMB'000
Other comprehensive (loss)/income			
Other comprehensive (loss)/income that maybe reclassified to profit or loss in subsequent period:			
Exchange difference on translation of a foreign operation		**(76)**	103
Other comprehensive (loss)/income for the year, net of tax		**(76)**	103
Total comprehensive loss of the year		**(209,060)**	(212,147)
Attributable to:			
Owners of the parent		**(209,060)**	(212,147)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025
(Expressed in RMB)

	Note	**31 December 2025** *RMB'000*	31 December 2024 *RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**10,146**	8,427
Right-of-use assets		**4,927**	5,290
Intangible assets		**28,299**	30,430
Prepayments, other receivables and other assets	*9*	**4,994**	3,787
Total non-current assets		**48,366**	47,934
CURRENT ASSETS			
Trade receivables		**590**	—
Prepayments, other receivables and other assets	*9*	**2,917**	3,465
Cash and cash equivalents	*10*	**632,372**	139,213
Total current assets		**635,879**	142,678
CURRENT LIABILITIES			
Trade payables	*11*	**9,086**	7,931
Lease liabilities		**3,394**	2,256
Other payables and accruals	*12*	**24,693**	6,929
Total current liabilities		**37,173**	17,116
NET CURRENT ASSETS		**598,706**	125,562
TOTAL ASSETS LESS CURRENT LIABILITIES		**647,072**	173,496

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025
(Expressed in RMB)

	Note	**31 December 2025** *RMB'000*	31 December 2024 *RMB'000*
NON-CURRENT LIABILITIES			
Lease liabilities		**58**	923
Deferred income		**—**	646
Other non-current liabilities		**22,431**	21,392
Total non-current liabilities		**22,489**	22,961
Net assets		**624,583**	150,535
EQUITY			
Equity attributable to owners of the parent			
Paid-in capital/share capital	*13*	**117,658**	100,009
Reserves		**506,925**	50,526
Total equity		**624,583**	150,535

NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

For the year ended 31 December 2025
(Expressed in thousands of RMB, unless otherwise stated)

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting Standards, International Accounting Standards ("**IASs**") and interpretations) as issued by the International Accounting Standards Board (the "**IASB**") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention. These financial statements are presented in Renminbi, and all values are rounded to the nearest thousand except when otherwise indicated.

1.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to IAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

In addition, the IASB has issued amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 *Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding IFRS Accounting Standards. These examples reflect existing requirements in the corresponding IFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions. The amendments did not have any impact on the Group's financial statements.

1.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and amended IFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	*Presentation and Disclosure in Financial Statements*[2]
IFRS 19 and its amendments	*Subsidiaries without Public Accountability: Disclosures*[2]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[1]
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*[1]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Amendments to IAS 21	*Translation to a Hyperinflationary Presentation Currency*[2]
Annual Improvements to IFRS Accounting Standards — Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7[1]

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

2. OPERATING SEGMENT INFORMATION

The Group is engaged in research and development of biopharmaceutical products, which is regarded as a single reportable segment in a manner consistent with the way in which information is reported internally to the Group's senior management for purposes of resource allocation and performance assessment. Therefore, no further operating segment analysis thereof is presented.

Geographical information

(a) ***Revenue from external customers***

	2025	2024
	RMB'000	*RMB'000*
Chinese mainland	**522**	261
Total revenue from external customers	**522**	261

(b) ***Non-current assets***

	2025	2024
	RMB'000	*RMB'000*
Chinese mainland	**48,313**	47,291
Hong Kong	**17**	133
Total non-current assets	**48,330**	47,424

The non-current asset information above is based on the locations of the assets and excludes financial instruments.

Information about a major customer

Revenue of RMB522,000 and RMB261,000 for the years ended 31 December 2025 and 31 December 2024, respectively, was derived from the sale of goods to a single customer.

3. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2025	2024
	RMB'000	*RMB'000*
Revenue from contracts with customers	**522**	261

Revenue from contracts with customers

(a) Disaggregated revenue information

	2025	2024
	RMB'000	*RMB'000*
Type of goods		
Sale of biopharmaceutical products	**522**	261
Geographical market		
Chinese mainland	**522**	261
Timing of revenue recognition		
At a point in time	**522**	261

(b) Performance obligation

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

Sale of biopharmaceutical products

The performance obligation is satisfied upon receipt of the biopharmaceutical products and payment is generally due within 30 days from receipt.

An analysis of other income and gains is as follows:

	2025	2024
	RMB'000	*RMB'000*
Other income		
Government grants*	**1,353**	434
Interest income	**776**	1,368
Others	**291**	25
Total other income and gains	**2,420**	1,827

* Government grants have been received from the PRC local government authorities to support the Group's research and development activities. There are no unfulfilled conditions related to these government grants.

4. LOSS BEFORE TAX

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

	2025	2024
	RMB'000	*RMB'000*
Depreciation of property, plant and equipment*	**2,469**	2,019
Depreciation of right-of-use assets**	**4,532**	4,213
Amortisation of intangible assets***	**2,131**	1,517
Research and development expenses	**89,417**	91,326
Lease payments not included in the measurement of lease liabilities	**1,120**	1,797
Foreign exchange differences, net	**2,531**	151
Loss on disposal of items of property, plant and equipment	**80**	5
Listing expenses	**26,355**	21,248
Government grants	**(1,353)**	(434)
Bank interest income	**(776)**	(1,368)

	2025	2024
	RMB'000	*RMB'000*
Employee benefit expense (excluding directors' and chief executive's remuneration):		
Wages and salaries	**25,338**	20,812
Pension scheme contributions (defined contribution scheme), social welfare and other welfare^	**7,071**	6,539
Equity-settled share award expenses^^	**86,641**	93,270
Total	**119,050**	120,621

* The depreciation of property, plant and equipment is included in "Administrative expenses" and "Research and development expenses" in the consolidated statement of profit or loss and other comprehensive income.

** The depreciation of right-of-use assets is included in "Administrative expenses" and "Research and development expenses" in the consolidated statement of profit or loss and other comprehensive income.

*** The amortisation of intangible assets is included in "Research and development expenses" in the consolidated statement of profit or loss and other comprehensive income.

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

^^ Equity-settled share award expenses are included in "Administrative expenses" and "Research and development expenses" in the consolidated statement of profit or loss and other comprehensive income.

5. FINANCE COSTS

An analysis of finance costs is as follows:

	2025	2024
	RMB'000	*RMB'000*
Interest on other financial liabilities	**—**	5,666
Interest on other non-current liabilities	**1,038**	164
Interest on lease liabilities	**198**	179
Total	**1,236**	6,009

6. INCOME TAX

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.

Chinese mainland

Under the Law of the PRC on Corporate Income Tax and the Implementation Regulation of the CIT Law, the CIT rate of the PRC subsidiary was 25% during the year ended 31 December 2025 and 2024.The Company was accredited as a "high and new technology enterprises" and the Company was entitled to a preferential CIT rate of 15% for the years ended 31 December 2025 and 2024.

Certain subsidiaries of the Group have applied the Small-Scaled Minimal Profit Corporate Income Tax Preferential Policy announced by the PRC's State Administration of Taxation. Pursuant to the policy announced in 2022 by the PRC's State Administration of Taxation, for Small-Scaled Minimal Profit Corporations with an annual taxable income below RMB1,000,000 (RMB1,000,000 included), the taxable income is reduced by 12.5%, and the corporate income tax is paid at the tax rate of 20%, and for the Small-Scaled Minimal Profit Corporations with an annual taxable income between RMB1,000,000 and RMB3,000,000 (RMB3,000,000 included), they are entitled to a preferential tax treatment with only 25% income taxable at the preferential CIT rate of 20%. For the period from 1 January 2023 to 31 December 2027, the annual taxable income amount of a Small-Scaled Minimal Profit Corporation shall be computed at 25% as taxable income amount, and shall be levied at a reduced tax rate of 20%.

Hong Kong

The subsidiary incorporated in Hong Kong is a qualifying entity under the two-tiered profits tax rates regime. No provision for Hong Kong profits tax has been made as subsidiary incorporated in Hong Kong had no assessable profits derived from or earned in Hong Kong during the year.

The Group had no taxable income during the year.

A reconciliation of the tax credit applicable to loss before tax at the statutory rate to the tax expense at the effective tax rate is as follows:

	2025	2024
	RMB'000	*RMB'000*
Loss before tax	**(208,984)**	(212,250)
Tax at the statutory tax rate of 25%	**(52,246)**	(53,063)
Lower tax rate applicable to the Group	**21,198**	21,514
Expenses not deductible for tax	**17,399**	17,400
Additional deductible allowance for research and development expenses	**(4,967)**	(4,596)
Tax losses not recognised	**18,616**	18,745
Tax charge at the Group's effective tax rate	**—**	—

7. DIVIDENDS

No dividends have been declared and paid by the Company during the year (2024: Nil).

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

The calculation of the basic loss per share amounts is based on the loss for the year attributable to ordinary equity holders of the parent, and the weighted average numbers of ordinary shares of 100,449,942 (2024: 98,641,551) outstanding during the year. As the Group had no potentially dilutive ordinary shares in issue during the year, no adjustment has been made to the basic loss per share amounts presented during the year.

The calculation of basic loss per share is based on:

	2025	2024
Loss		
Loss attributable to ordinary equity holders of the parent, for the purpose of calculating basic loss per share (RMB'000)	**(208,984)**	(212,250)
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic loss per share calculation	**100,449,942**	98,641,551
Loss per share (RMB per share)	**(2.08)**	(2.15)

9. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
Current		
Prepayments	**1,965**	1,283
Prepayment for a related party	**4**	12
Deferred listing expenses	**—**	1,801
Deposits and other receivables	**948**	369
Subtotal	**2,917**	3,465
Non-current		
Advance payments for property, plant and equipment	**21**	1,043
Prepayment for a related party	**—**	1,000
Value-added tax recoverable	**4,937**	1,234
Deposits for leases	**36**	510
Subtotal	**4,994**	3,787
Total	**7,911**	7,252

The financial assets included in the above balances relate to receivables for which there was no recent history of default and past due amounts. As at 31 December 2025 and 31 December 2024, the loss allowance was assessed to be minimal.

10. CASH AND CASH EQUIVALENTS

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
Cash and cash equivalents:		
Cash and bank balances	**632,372**	139,213

At the end of the reporting period, the cash and bank balances of the Group denominated in RMB amounted to RMB40,934,000 (2024: RMB138,233,000). The RMB is not freely convertible into other currencies, however, under the Chinese mainland's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

11. TRADE PAYABLES

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

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
Within 1 year	**6,278**	7,931
Over 1 year	**2,808**	—
Total	**9,086**	7,931

The trade payables are non-interest-bearing and are normally settled within one month after the receipt of the invoice.

12. OTHER PAYABLES AND ACCRUALS

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
Payroll payable	**5,372**	2,947
Tax payables	**176**	55
Accrued listing expenses	**17,880**	3,223
Other payables	**1,265**	704
Total	**24,693**	6,929

Other payables and accruals are non-interest-bearing and have no fixed terms of settlement.

13. PAID-IN CAPITAL/SHARE CAPITAL

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
Issued and fully paid	**117,658**	100,009

A summary of movements in the Company's issued paid-in capital/share capital is as follows:

	Paid-in capital *RMB'000*
At 1 January 2024	91,806
Capital contributions*	8,203
Conversion of the Company into a joint stock company**	(100,009)
At 31 December 2024 and 31 December 2025	—

	Number of shares in issue	Share capital
		RMB'000
At 1 January 2024	—	—
Conversion of the Company to a joint stock company**	100,008,722	100,009
At 31 December 2024 and 1 January 2025	100,008,722	100,009
Issue of shares for initial public offering***	17,648,800	17,649
At 31 December 2025	117,657,522	117,658

* Hainan Huaren Gongying Corporate Management Consultancy Partnership (Limited Partnership) and Qingdao Huaren Gongchuang Corporate Management Consultancy Partnership (Limited Partnership), the shareholders of the Company, made capital injection of RMB8,203,000 to the Company in February 2024.

** Pursuant to the promoters' agreement dated 27 March 2024, the shareholders of the Company agreed to convert the Company into a joint stock company with limited liability. The net asset value of the Company as at 29 February 2024, the conversion base date, was approximately RMB257,229,000, of which the amount of RMB100,008,722 was converted into 100,008,722 shares with a par value of RMB1.00 per share. The above conversion was completed on 1 April 2024.

*** On 22 December 2025, the Company successfully completed the listing of the shares on Hong Kong Stock Exchange. In connection with the IPO, the gross proceeds from the Global Offering with 17,648,800 H shares issued at the offer price of HKD38.20 per share, before the deducting the underwriting fees and commissions and other estimated listing expenses, was approximately HKD674,184,000 (approximately RMB611,478,000). The nominal value of the share capital, RMB1.00 each, amounting to RMB17,648,800 was credited to the Company's share capital. The excess of the net proceeds converted over the nominal value of the share capital was credited to the Company's capital reserves.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Our Vision

Our vision is to provide better treatment solutions for patients with skin injuries, starting with our core technology adopted in PDGF drugs, and ultimately become a global leader in the pharmaceutical industry.

Company Overview

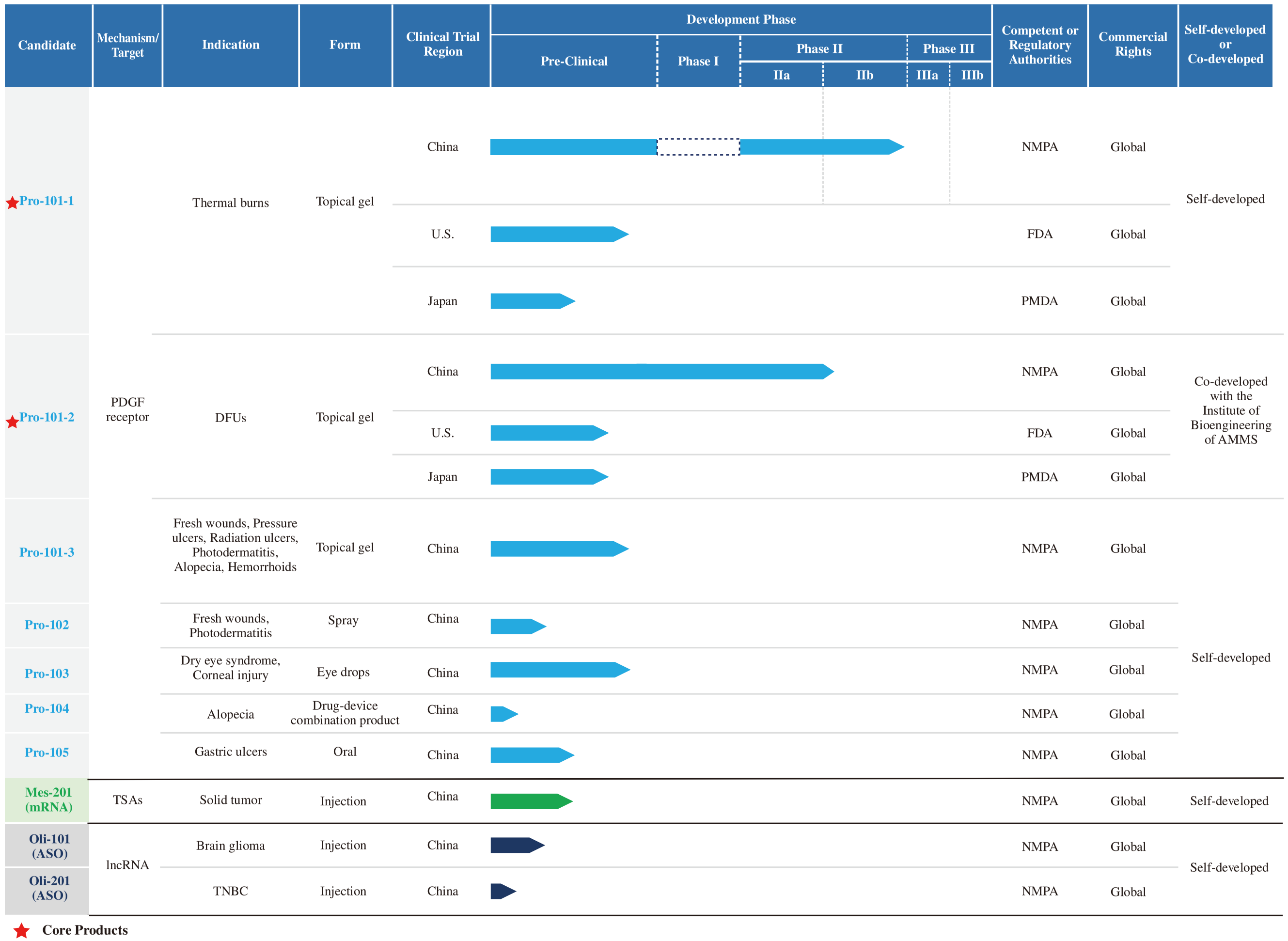
Founded in 2012, we are a China-based biopharmaceutical company committed to developing therapies with an emphasis on protein drugs for indications with medical needs and market opportunities. We primarily focus on the discovery, development and commercialization of therapies for wound healing, currently PDGF drugs. As of 31 December 2025, our pipeline consisted of ten candidates, seven of which are PDGF candidates, including two Core Products, namely Pro-101–1 for the treatment of thermal burns and Pro-101–2 for the treatment of DFUs, which are rhPDGF-BB drugs.

Product Pipelines

Since the commencement of our research and development of PDGF drugs in 2013, we have improved the gene sequence combination of PDGF and developed a proprietary PDGF gene sequence for manufacturing purposes, applicable for our protein/peptide pharmaceutical platform and nucleic acid pharmaceutical platform. These improvements and developments have facilitated the development of PDGF drugs in a more efficient manner and further contributed to a significant technological barrier for our competitors to enter the market. Compared to the only PDGF drug for treating DFUs approved by the FDA in the U.S. which used the *Saccharomyces cerevisiae* expression technology, our PDGF candidates employ *Pichia pastoris* as their carrier and have a lower glycosylation level, extracellular secretion and expression of the target product, a mature fermentation process and an easy separation and purification process. In comparison with *Saccharomyces cerevisiae*, the *Pichia pastoris* expression system has a higher efficiency of secretory expression, and can make purification of recombinant protein easier due to its limited production of endogenous secretory proteins. They are based on PDGF of DNA sequences distinct from those of the only PDGF drug approved by the FDA in the U.S. for treating DFUs. In particular, the sequence of our PDGF candidates is reduced by five amino acids that are prone to cleavage, which enables higher stability and consistency of our PDGF candidates.

As at 31 December 2025, we had researched and developed three pipelines consisting of ten candidates covering 14 indications, comprising two Core Products, 1) Pro-101–1, which is being prepared for the Phase IIIa clinical trial in China; and 2) Pro-101–2, which is undergoing the Phase II clinical trial in China. Seven of our candidates are PDGF candidates covering a broad spectrum of wound healing indications comprising (i) thermal burns, (ii) DFUs, (iii) fresh wounds, (iv) pressure ulcers, (v) radiation ulcers, (vi) dry eye syndrome, (vii) corneal injury, (viii) photodermatitis, (ix) alopecia, (x) hemorrhoids and (xi) gastric ulcers. Our PDGF candidates are being developed in several formulations, including (i) topical gel, (ii) spray, (iii) eye drops and (iv) oral, while we are also exploring routes of administration that are supported by medical devices. We are also developing mRNA and ASO injections, as well as T β 4 products.

Our Core Products, Pro-101–1 and Pro-101–2, are PDGF candidates for the treatment of thermal burns and DFUs, respectively. As of 31 December 2025, we had completed the Phase IIb clinical trial for Pro-101–1 and are currently preparing for the Phase IIIa clinical trial in China. Pro-101–2 has entered Phase II clinical trials, and we are also advancing pre-clinical development of PDGF candidates for the nine other indications. Meanwhile, we have developed our pipeline of early-stage mRNA candidate for the treatment of solid tumor, as well as ASO candidate to cover brain glioma, T β 4 candidate product pipeline and TNBC. The following chart summarizes our pipeline and the development status of each product candidate and indication as of 31 December 2025:


Candidate
Mechanism/ Target
Indication
Form
Clinical Trial Region
Development Phase
Pre-Clinical
Phase I
Phase II
IIa
IIb
Phase III
IIIa
IIIb
Competent or Regulatory Authorities
Commercial Rights
Self-developed or Co-developed
Pro-101-1
Thermal burns
Topical gel
China
NMPA
Global
U.S.
FDA
Global
Japan
PMDA
Global
Self-developed
Pro-101-2
PDGF receptor
DFUs
Topical gel
China
NMPA
Global
U.S.
FDA
Global
Japan
PMDA
Global
Co-developed with the Institute of Bioengineering of AMMS
Pro-101-3
Fresh wounds, Pressure ulcers, Radiation ulcers, Photodermatitis, Alopecia, Hemorrhoids
Topical gel
China
NMPA
Global
Pro-102
Fresh wounds, Photodermatitis
Spray
China
NMPA
Global
Pro-103
Dry eye syndrome, Corneal injury
Eye drops
China
NMPA
Global
Self-developed
Pro-104
Alopecia
Drug-device combination product
China
NMPA
Global
Pro-105
Gastric ulcers
Oral
China
NMPA
Global
Mes-201 (mRNA)
TSAs
Solid tumor
Injection
China
NMPA
Global
Self-developed
Oli-101 (ASO)
lncRNA
Brain glioma
Injection
China
NMPA
Global
Oli-201 (ASO)
TNBC
Injection
China
NMPA
Global
Self-developed
Core Products

Core Pipeline Progress

Our Core Products have demonstrated safety profile with notable increases in wound healing rates across multiple clinical studies for different wound healing indications.

Pro-101–1 for Thermal Burns

We hold the rights to develop and commercialize Pro-101–1 for the treatment of thermal burns globally. As of 31 December 2025, we were conducting clinical trials for Pro-101–1 in the treatment of thermal burns in China and preparing to apply for conducting clinical trials for Pro-101–1 in the treatment of thermal burns in Japan.

In China, we applied for NMPA approval to directly commence clinical trial of Pro-101–1 from the Phase IIa clinical trial for the treatment of thermal burns based on the data of the treatment of DFUs' Phase I clinical trial, and received such approval for the clinical trial of Pro-101–1 in June 2022. We completed the Phase IIa clinical trial of Pro-101–1 in thermal burns in May 2023, during which Pro-101–1 demonstrated safety and tolerability profile, and preliminary efficacy studies during the Phase IIa clinical trial demonstrate that it helps to expedite the healing process of superficial second-degree and deep second-degree burn wounds. We entered the Phase IIb clinical trial of Pro-101–1 in thermal burns in China in December 2023. We reached last patient out for Phase IIb clinical trials for the treatment of deep and superficial second-degree burns in April 2025, and finalized the clinical report for the treatment of deep second-degree burns in December 2025. We received the ethics review opinion from the lead unit to conduct the clinical trial in late December 2025.

In the U.S., we submitted a pre-IND communication application to the FDA in December 2021 with respect to Pro-101–1 for thermal burns. In their response, the FDA agreed with our proposal to carry out the clinical trials and submit a BLA via section 351(a) pathway (the pathway for approval of innovator biologics) for Pro-101–1 in thermal burns. We have conducted research into the requirements for conducting clinical trials in Japan, as well as an analysis of the Japanese market.

Pro-101–2 for DFUs

We hold the rights to develop and commercialize Pro-101–2 for the treatment of DFUs globally.

We received the IND approval of Pro-101–2 from NMPA for the treatment of DFUs in July 2021, and completed the Phase I clinical trial in October of the same year. We initiated the Phase II clinical trial in China in February 2022, with the first patient enrolled in December 2024.

We have conducted research on the requirements for conducting clinical trials of Pro-101–2 for the treatment of DFUs in the U.S. and Japan, and have analyzed the U.S. and Japanese markets.

Pro-201 for neurotrophic keratiti

As of 31 December 2025, the Company had established the quality standards for the T β 4 eye drops substance, conducted pilot-scale production of the drug substance, and filed one invention patent. The Company completed pilot-scale production of T β 4 eye drops in the first quarter of 2026 and aims to obtain feedback from the Pre-IND meeting within 2026.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR PDGF CANDIDATES SUCCESSFULLY.

Research and Development

Our research and development team is the driving force behind our success. Directed by our corporate value of independent research and innovation, we have assembled a professional research and development team with extensive experience in drug development. Our scientists are specialized in biology, medicine, pharmacology, formulation, pathology, chemistry, fermentation and/or molecular biology, and previously worked in renowned hospitals, leading Chinese and international pharmaceutical companies and/or prestigious research institutions, such as AMMS, the Chinese Academy of Sciences, North China Pharmaceutical, Columbia University, and University of Kentucky. Core members of our research and development team have on average over 15 years of industry experience.

Management

Our corporate culture is characterized by inclusiveness, collaboration, professional pride, commitment and innovation. Led by our experienced management team, we have been fully committed to implementing such corporate culture to develop and commercialize our candidates and achieve sustainable business growth. Our management team possesses extensive industrial experience in the pharmaceutical industry, coupled with an international vision and profound expertise in cutting-edge technology fields.

Development Strategies and Business Prospects

In 2025, we continued to advance the research and development of our Core Products and actively explore potential overseas business development opportunities. We will continue to proactively and dynamically pursue opportunities in China and to position ourselves as a leading enterprise in the globalization of the pharmaceutical industry. We will:

- continually advance the research and development of our Core Products to reach commercialization

- rapidly establish production and commercialization systems of Core Products and well-rounded capabilities encompassing research, manufacture and sales

- further enhance our research and development capabilities and collaborations, and continually upgrade and launch product pipelines leveraging our core technology platforms

- continue to explore potential business development opportunities overseas, deepen international development strategy and reinforce global partnerships

FINANCIAL REVIEW

Revenue

Total revenue of the Group for the Reporting Period was RMB522,000, representing an increase of 100.0% from that of RMB261,000 in 2024. Such change was mainly due to the sale of PDGF-BB reagent for research and experimental purposes to a single customer, which was one-off in nature. Neither the provision of research services nor the sale of PDGF-BB reagent falls within our core business scope.

Cost of Sales

Cost of sales for the Reporting Period was RMB41,000, representing an increase of 105.0% from RMB20,000 in 2024. Such change was mainly due to the manufacturing costs associated with the sale of PDGF-BB reagent to the customer, including material costs and technical service costs.

Gross Profit and Gross Margin

As a result of the foregoing factors, the gross profit of the Group increased by 99.6% from RMB241,000 in 2024 to RMB481,000 in 2025. The gross profit margin of the Group was 92.3% in 2024 as compared to 92.1% in 2025. The change in gross profit and gross profit margin is attributable to the sales of PDGF-BB reagents mentioned above.

Other Income and Gains

During the Reporting Period, the other income and gains primarily consisted of: (i) government grants, primarily subsidies received from local government authorities to support our research and development activities; and (ii) interest income, mainly interest income from bank deposits.

Other income and gains increased by 33.3% from RMB1.8 million in 2024 to RMB2.4 million in 2025, mainly due to an increase in subsidies received from local government authorities to support our research and development activities and interest income from bank deposits.

Administrative Expenses

Administrative expenses increased by 1.5% from RMB116.8 million in 2024 to RMB118.6 million in 2025, mainly due to the listing expenses incurred in the Reporting Period.

Research and Development Expenses

Research and development expenses decreased by 2.1% from RMB91.3 million in 2024 to RMB89.4 million in 2025, primarily attributable to: (i) the decrease in share-based payments in 2025 in connection with the employee incentive plan approved and adopted by us in February 2024; and (ii) the decrease in service fees relating to CDMO and CRO services in 2025.

Finance Costs

Finance costs decreased by 80.0% from RMB6.0 million in 2024 to RMB1.2 million in 2025, mainly due to the decrease in interest on other financial liabilities in relation to the redemption liabilities from pre-IPO investments.

Other Expenses

During the Reporting Period, the other expenses primarily consisted of net losses on disposal of non-current assets, handling fees, exchange losses, etc.

Other expenses increased by 1,250.0% from RMB0.2 million in 2024 to RMB2.7 million in 2025, mainly due to losses on disposal of property, plant and equipment and exchange losses on proceeds from the Global Offering.

Loss for the Reporting Period

Due to the above reasons, our loss decreased by RMB3.2 million from RMB212.2 million in 2024 to RMB209.0 million in 2025.

Key Financial Ratios

The table below sets forth our key financial ratios as of the dates indicated:

	As at 31 December	
	2025	2024
Current ratio (times) *(Note)*	**17.1**	8.3

Note:

Represents current assets divided by current liabilities as of the same date.

Net Current Assets

Our net current assets increased by 376.7% from RMB125.6 million as of 31 December 2024 to RMB598.7 million as of 31 December 2025, which was due to net proceeds from the Global Offering of approximately HK$599.8 million.

As of 31 December 2025, our current assets amounted to RMB635.9 million, including trade receivables of RMB0.6 million, prepayments, other receivables and other assets of RMB2.9 million and cash and cash equivalents of RMB632.4 million. As of 31 December 2025, our current liabilities amounted to RMB37.2 million, including trade payables of RMB9.1 million, lease liabilities of RMB3.4 million and other payables and accruals of RMB24.7 million.

CAPITAL MANAGEMENT

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust return capital to shareholders, issue new shares or the dividend payment to shareholders (if any).

LIQUIDITY AND FINANCIAL RESOURCES

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Company to finance the operations and mitigate the effects of fluctuations in cash flows.

The principal sources of working capital of the Group during the Reporting Period was from net proceeds from the Global Offering. As at 31 December 2025, the Group had prepayments, other receivables and other assets of RMB2.9 million (2024: RMB3.5 million) and cash and cash equivalents of RMB632.4 million (2024: RMB139.2 million), most of which were denominated in either Renminbi or Hong Kong dollars.

The interest-bearing borrowings of the Group as at 31 December 2025 was nil (2024: nil). As such, the gearing ratio (total borrowings divided by total equity as of the same date) is not applicable.

As at 31 December 2025, the net current assets of the Group were approximately RMB598.7 million (2024: RMB125.6 million), which consisted of current assets of approximately RMB635.9 million (2024: RMB142.7 million) and current liabilities of approximately RMB37.2 million (2024: RMB17.1 million), representing a current ratio of approximately 17.1 (2024: 8.3).

SIGNIFICANT INVESTMENTS, ACQUISITIONS OR DISPOSAL

During the Reporting Period, the Group did not have any significant investments, acquisitions or disposals that require additional disclosures or adjustments.

CONTINGENT LIABILITIES

As at 31 December 2025, we did not have any contingent liabilities.

CHARGE ON ASSETS

As at 31 December 2025, the Group had no charge on assets.

EXPOSURE TO FOREIGN EXCHANGE RISK

Our subsidiaries mainly operate in Chinese mainland and Hong Kong with most of the transactions settled in RMB and HK dollars, respectively. Foreign exchange rate risk arises when recognised financial assets and liabilities are denominated in a currency that is not the entity's functional currency.

As at 31 December 2025, the financial assets and liabilities of our subsidiaries in Chinese mainland and Hong Kong were primarily denominated in RMB and HK dollars, respectively. Currently, the Group has not entered into agreements or purchased instruments to hedge the Group's foreign exchange rate risks. Any material fluctuation in the exchange rates of RMB or HK dollars may have an impact on the operating results of the Group. The Group manages foreign currency risk by closely monitoring the movement of the foreign currency rates.

CAPITAL EXPENDITURE AND COMMITMENTS

During the Reporting Period, the Group incurred capital expenditures of RMB3.2 million (2024: RMB14.1 million), primarily due to the purchases of property, plant and equipment.

The following table sets forth our capital expenditures for the years indicated:

	2025	2024
	RMB'000	*RMB'000*
Purchases of items of property, plant and equipment	**3,225**	3,849
Prepayments for intangible assets	**—**	10,255
	3,225	14,104

As at 31 December 2025, the Group had a total capital commitment of approximately RMB0.6 million (2024: RMB0.8 million), mainly related to property, plant and equipment.

EMPLOYEES AND REMUNERATION POLICIES

Currently, our employees are mainly from the Chinese mainland and Hong Kong. As of 31 December 2025, the Group had a total of 90 employees (2024: 90 employees). Total remuneration costs incurred by the Group amounted to RMB132.8 million in 2025 (2024: RMB132.8 million).

The Group remunerates the employees, including the Directors, on the basis of their merit, qualifications and competence. The Group endeavors to attract and retain the employees by offering underlying Shares to employees and employee benefits including but not limited to offering recognizing employee commitment and achievement by offering bonus and cash incentive award on performance basis and promotions based on annual performance appraisal process.

To incentivize and maintain our and our subsidiaries' directors, senior management members, core technical personnels and key employees, we have granted employee incentive plans. The Company adopted three employee incentive plans in December 2020, October 2021 and February 2024, respectively. For further details, please refer to the paragraph headed "Statutory and General Information — C. Further Information about our Directors and Supervisors — 3. Employee Incentive Plans" in Appendix IV in the Prospectus.

USE OF PROCEEDS FROM THE LISTING

The Company's shares were listed on the Main Board of the Stock Exchange on 22 December 2025. After deducting the underwriting fees and commissions and expenses payable by the Company in connection with the Global Offering, the final net proceeds from the Global Offering amounted to approximately HK$599.8 million. The Company expects to utilise these net proceeds for the purposes as set out in the Prospectus.

The following table sets forth the planned use and actual use of the net proceeds from the Listing Date up to 31 December 2025:

Business objective as stated in the Prospectus	**Proportion**	**Planned allocation of total net proceeds (HK$ million)**	**Amount utilised as at 31 December 2025 (HK$ million)**	**Unutilised net proceeds as at 31 December 2025 (HK$ million)**	**Expected timetable of utilisation of the unutilised net proceeds from the Global Offering[1]**
Funding the continual clinical development and commercialization of the Core Products, Pro-101-1 and Pro-101-2	61.8%	370.7	—	370.7	By the end of 2030[2]
Enhancing the research and development capabilities by purchasing specialized equipment and instruments related to the research and development and quality control activities	18.8%	112.8	—	112.8	By the end of 2028[2]
For payment of the expenses of third-parties' services, R&D personnel costs and raw materials costs of the continual pre-clinical research and development of the PDGF products other than the Core Products for other indications	6.3%	37.8	—	37.8	By the end of 2028[2]
For payment of the expenses of third-parties' services, R&D personnel costs and raw materials costs of pre-clinical research and development activities of our Mes-201, Oli-101 and Oli-201	3.1%	18.5	—	18.5	By the end of 2028[2]
Working capital and for general corporate uses	10.0%	60.0	—	60.0	By the end of 2028[2]
	100%	599.8	—	599.8	

Notes:

(1) The expected timetable of the unutilised net proceeds is based on the Group's current best estimate of market conditions.

(2) The Company will deposit the unutilised net proceeds into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions).

MATERIAL LITIGATION

The Group was not involved in any material litigation or arbitration during the Reporting Period. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group as at 31 December 2025.

IMPORTANT EVENTS AFFECTING THE GROUP SINCE THE END OF THE YEAR

No significant events affecting the Group that require additional disclosures or adjustments occurred after the year ended 31 December 2025 and up to the date of this announcement.

DIVIDEND

No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. In view of our accumulated losses, the Company shall not declare or pay dividend until the accumulated losses are covered by the after-tax profits and sufficient statutory common reserve is drawn in accordance with the relevant laws and regulations. Accordingly, no dividend was declared and paid by the Group during the Reporting Period and that no payment of a final dividend for the Reporting Period was recommended.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any) since the Listing Date and up to 31 December 2025. The Company did not have any treasury shares (as defined under the Listing Rules) as at 31 December 2025.

SCOPE OF WORK OF ERNST & YOUNG

The financial information in the preliminary results announcement of the Group for the Reporting Period have been agreed to by the Group's auditors, Ernst & Young, to the amounts set out in the Group's draft consolidated financial statements for the Reporting Period. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on the preliminary announcement.

CORPORATE GOVERNANCE

The Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of its Shareholders. The principles of the Company's corporate governance are to promote effective internal control measures, to enhance transparency of the work of the Board, and to strengthen accountability to all the Shareholders.

Since the Listing Date up to the end of the Reporting Period, the Company has complied with all applicable code provisions under the CG Code and has adopted them as the standard for the Company's corporate governance practices.

The Company is also committed to the view that the Board should include a balanced composition of executive Directors, non-executive Directors and independent non-executive Directors so that the Board has a strong independent element that can effectively exercise independent judgement.

The Board will continue to review and monitor the corporate governance practices of the Company for the purpose of complying with the CG Code and maintaining a high standard of corporate governance practices of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own securities dealing code to regulate all dealings of securities in the Company by Directors, Supervisors and other employees (including the senior management) of the Company and other matters covered by the Model Code.

Specific enquiry has been made by the Company to all Directors and Supervisors and all of them have confirmed that they have complied with the Model Code since the Listing Date and up to the end of the Reporting Period. In addition, the Company is not aware of any non-compliance with the Model Code by the senior management or other employees of the Company since the Listing Date and up to the end of the Reporting Period.

AUDIT COMMITTEE

The Company established an Audit Committee with written terms of reference in compliance with Rules 3.21 and 3.22 of the Listing Rules.

As of the date of this announcement, the Audit Committee comprises three independent non-executive Directors, namely Mr. YUE Yichun, Mr. FOK Chi Tat Michael and Mr. LI Jiayan. Mr. YUE Yichun is the chairperson of the Audit Committee and Mr. FOK Chi Tat Michael possesses appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules.

The Audit Committee, together with the Company's management, has reviewed the accounting principles and policies adopted by the Group, discussed internal control and financial reporting matters, including the review of the Group's audited consolidated financial statements for the Reporting Period, and is of the opinion that such financial statements have been prepared in accordance with applicable accounting standards, the requirements of the Listing Rules and other applicable legal requirements, and that adequate disclosure has been made.

ANNUAL GENERAL MEETING

The 2026 AGM will be held on 22 June 2026. Notice of the 2026 AGM will be sent to the Shareholders in due course.

CLOSURE OF REGISTER OF MEMBERS

In order to determine the entitlement to attend and vote at the 2026 AGM, the register of members of the Company will be closed from Tuesday, 16 June 2026 to Monday, 22 June 2026, both days inclusive, in order to determine the eligibility of the Shareholders who are entitled to attend and vote at the 2026 AGM to be held on Monday, 22 June 2026. Shareholders whose name appear on the register of members of the Company on 22 June 2026 will be entitled to attend and vote at the 2026 AGM.

In order to be eligible to attend and vote at the 2026 AGM, all transfers accompanied by relevant share certificates and transfer forms must be lodged with the Company's H Share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, before 4:30 p.m. on Monday, 15 June 2026.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement will be published on the Stock Exchange's website at www.hkexnews.hk and the Company's website at huarenshengwu.com. The 2025 annual report and the notice of the 2026 AGM will be dispatched to the Shareholders and made available on the websites of the Stock Exchange and the Company in due course.

ACKNOWLEDGEMENT

The Board would like to express its sincere gratitude to the management and all staff of the Group for their hard work and contributions during the Reporting Period and to the shareholders, business partners and other professionals for their support.

DEFINITIONS

"AMMS"	Academy of Military Medical Sciences of the People's Liberation Army Academy of Military Sciences (中國人民解放軍軍事科學院軍事醫學研究院), or its predecessor, the People's Liberation Army Academy of Military Medical Sciences (中國人民解放軍軍事醫學科學院)
"ASO"	antisense oligonucleotide, small nucleic acid drugs comprised of single-stranded nucleic acid used to treat rare or refractory infectious diseases, cancers and genetic diseases at the gene level
"Audit Committee"	The audit committee of the Company
"Board"	the board of Directors
"CDE"	the Center for Drug Evaluation of NMPA (國家藥品監督管理局藥品審評中心)
"CDMO"	contract development and manufacturing organization, a pharmaceutical company that develops and manufactures drugs for other pharmaceutical companies on a contractual basis
"CG Code"	the code provisions of the Corporate Governance Code contained in part 2 of Appendix C1 to the Listing Rules
"China" or "PRC"	the People's Republic of China, except where the context requires otherwise and only for the purposes of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan

"Company"	B&K Corporation Limited (華芢生物科技(青島)股份有限公司), a joint stock company incorporated in the PRC with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2396)
"Core Products"	Pro-101–1 and Pro-101–2, a topical PDGF-BB gel used in clinical trials for thermal burns and DFUs and pre-clinical studies for other indications
"CRO(s)"	contract research organization, a company that provides support to pharmaceutical companies by providing a range of professional research services on a contract basis
"CTN"	Clinical Trial Notification
"DFU"	diabetic foot ulcer, an open sore or wound that occurs in approximately 25% of patients with diabetes in China, and is commonly located on the bottom of the foot
"Director(s)"	the director(s) of the Company
"FDA"	the United States Food and Drug Administration, a federal agency of the Department of Health and Human Services
"Global Offering"	the offering of the Company's shares as described in the Prospectus
"Group", "our", "our Group", "we" or "us"	the Company and its subsidiaries
"HKD" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"lncRNA(s)"	long non-coding RNA, a type of RNA, generally defined as transcripts more than 200 nucleotides that are not translated into protein
"IND"	investigational new drug or investigational new drug application, also known as clinical trial application in China or the U.S.

"Listing Date"	22 December 2025, being the date on which the Company's H shares were listed on the Main Board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange, which is independent from and operated in parallel with the GEM of the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix C3 to the Listing Rules
"mRNA"	messenger ribonucleic acid, a single-stranded molecule of RNA that corresponds to the genetic sequence of a gene, and is read by a ribosome in the process of synthesizing a protein
"NMPA"	the National Medical Products Administration of the PRC (國家藥品監督管理局) and its predecessor, the China Food and Drug Administration (國家食品藥品監督管理總局)
"PDGF"	platelet-derived growth factor, which is a type of growth factors secreted by platelets after injury that stimulates cell proliferation and angiogenesis, or where the context requires, PDGF-BB, or rhPDGF-BB
"PDGF-BB"	platelet-derived growth factor BB, which is one of the five dimeric isoforms of platelet-derived growth factor
"Prospectus"	the prospectus of the Company dated 12 December 2025
"Reporting Period"	from 1 January 2025 to 31 December 2025
"rhPDGF-BB"	recombinant human platelet-derived growth factor BB, which is a clinically utilized recombinant form of the naturally occurring PDGF-BB
"RMB"	Renminbi, the lawful currency of China

"RNA"	ribonucleic acid, a polymeric molecule essential in various biological roles in coding, decoding, regulation and expression of genes
"Share(s)"	shares in the share capital of the Company, with a nominal value of RMB1.00 each, comprising the unlisted Shares and H Shares
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supervisors"	the supervisor(s) of the Company
"Tß4"	a small protein involved in cell migration, proliferation and tissue repair, which plays a key role in wound healing, inflammation and regeneration in various tissues, including, but not limited to, the heart and nervous system
"TNBC"	triple-negative breast cancer, broadly refers to any breast cancer that does not express the genes for estrogen receptor, progesterone receptor and HER2/neu
"TSA"	tumor-specific antigen, a protein or other molecule that is found only on cancer cells and not on normal cells, which can be used as possible targets for targeted therapy or for immunotherapy to help boost the body's immune system to kill more cancer cells
"2026 AGM"	the upcoming annual general meeting of the Company to be held on 22 June 2026

By Order of the Board
B&K Corporation Limited
Ms. JIA Lijia
Chairperson and Executive Director

Qingdao, the PRC
30 March 2026

As of the date of this announcement, the Board comprises (i) Ms. JIA Lijia, Mr. WANG Kelong, Dr. ZHAI Junhui and Mr. MIAO Tianxiang as executive Directors; (ii) Ms. LIN Ying and Mr. YUAN Fei as non-executive Directors; and (iii) Mr. FOK Chi Tat Michael, Mr. LI Jiayan and Mr. YUE Yichun as independent non-executive Directors.