CARsgen Therapeutics Holdings Limited
科濟藥業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2171)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2026

The board (the "**Board**") of directors (the "**Director(s)**") of CARsgen Therapeutics Holdings Limited (the "**Company**", "**CARsgen Therapeutics**" or "**CARsgen**") is pleased to announce the unaudited consolidated interim results of the Company, its subsidiaries and consolidated affiliated entities (collectively, the "**Group**" or "**We**") for the six months ended June 30, 2026 (the "**Reporting Period**"), together with comparative figures for the same period of 2025.

FINANCIAL HIGHLIGHTS

In May 2026, the Company successfully completed the Top-up Placing and raised gross proceeds of approximately RMB405 million. The Placing has introduced a number of independent institutional investors and will support the continued clinical development and commercialisation progress of the Company's product pipelines.

1. REVENUE

The Group's revenue was around RMB62 million for the six months ended June 30, 2026, mainly from zevorcabtagene autoleucel (an autologous BCMA CAR T-cell product), in which the primary revenue of zevorcabtagene autoleucel was calculated on the basis of ex-works price, rather than on the basis of end-of-market prices. Our revenue is recognized upon completion of ex-works delivery of products. Due to the inherent time cycle of CAR-T manufacturing, there is a discrepancy between the number of orders obtained from Huadong Medicine and the number of ex-works deliveries. Revenue increased to RMB62 million for the six months ended June 30, 2026, representing an increase of RMB11 million from RMB51 million for the six months ended June 30, 2025, primarily due to the sale volume increase in zevorcabtagene autoleucel.

2. GROSS PROFIT

The Group's gross profit was around RMB42 million for the six months ended June 30, 2026. In the commercialization stage, we are demonstrating a strong cost competitive advantage, which is mainly due to self-manufacturing of plasmids and vectors with stable output and high yield per batch. Gross profit increased to RMB42 million for the six months ended June 30, 2026, representing an increase of RMB13 million from RMB29 million for the six months ended June 30, 2025, primarily due to the sale volume increase in zevorcabtagene autoleucel.

3. NET LOSS

Our net loss was around RMB71 million for the six months ended June 30, 2026, representing a decrease of around RMB4 million from around RMB75 million for the six months ended June 30, 2025. The decrease was primarily due to (i) the recognition of gross profit of RMB42 million for the six months ended June 30, 2026 as compared to RMB29 million for the six months ended June 30, 2025; (ii) the increase in selling and distribution expenses of RMB11 million from RMB1 million for the six months ended June 30, 2025 to RMB12 million for the six months ended June 30, 2026; (iii) the decrease in administrative expenses of RMB5 million from RMB39 million for the six months ended June 30, 2025 to RMB34 million for the six months ended June 30, 2026; and (iv) the increase in other income of RMB2 million from RMB6 million for the six months ended June 30, 2025 to RMB8 million for the six months ended June 30, 2026.

Our adjusted net loss[(1)] was around RMB32 million for the six months ended June 30, 2026, representing a decrease of around RMB40 million from RMB72 million for the six months ended June 30, 2025. The decrease was primarily attributable to lower administrative expenses. Share-based compensation increased from RMB4 million for the six months ended June 30, 2025 to RMB39 million for the six months ended June 30, 2026, which affected the loss for the period but was excluded from adjusted net loss.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents were around RMB1,400 million as of June 30, 2026, representing an increase of around RMB277 million from around RMB1,123 million as of December 31, 2025. The increase was mainly due to new proceeds from the Top-up Placing of approximately RMB405 million in May 2026. Cash and cash equivalents at the end of 2026 are expected to be not less than RMB1,200 million. In light of operational factors such as the changes in operating cash flow, we expect to have adequate cash into 2030.

(1) Adjusted net loss and adjusted net loss per share are non-IFRS Accounting Standards measures. They exclude the impact of the adjusted items. For details of non-IFRS Accounting Standards measures, please refer to "Non-IFRS Accounting Standards Measures" subsection.

BUSINESS HIGHLIGHTS

As of the date of this announcement, we have made significant progress in advancing our technology innovations, product pipeline and business operations. A significant milestone was achieved in March 2026 with the inclusion of the Shares in the list of eligible shares for Southbound Trading of the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect programs.

Zevorcabtagene autoleucel (R&D code: CT053)

Zevorcabtagene autoleucel (zevor-cel) is an autologous fully human CAR T-cell product against B-cell maturation antigen (BCMA) approved by the National Medical Products Administration (NMPA) of China for the treatment of adult patients with relapsed/refractory multiple myeloma (R/R MM) who have progressed after at least 3 prior lines of therapy (including a proteasome inhibitor and an immunomodulatory agent) in 2024. CARsgen entered into a collaboration agreement with Huadong Medicine (Hangzhou) Co., Ltd., a wholly-owned subsidiary of Huadong Medicine Co., Ltd. (000963.SZ) ("**Huadong Medicine**") for the commercialization of zevor-cel in Chinese Mainland. From January 1, 2026 to June 30, 2026, we have received a total of 110 confirmed orders from Huadong Medicine. We anticipate that the growth of sales revenue of zevor-cel will further accelerate with continuous marketing activities and broader insurance coverage.

Satricabtagene autoleucel (R&D code: CT041)

Satricabtagene autoleucel (satri-cel) is an autologous humanized CAR T-cell product against Claudin18.2. The New Drug Application ("**NDA**") of satri-cel was approved by NMPA for the treatment of patients with Claudin18.2-positive, HER2-negative advanced gastric/gastroesophageal junction adenocarcinoma (G/GEJA) who have failed at least two prior lines of therapy in June 2026. This is the world's first and only approved CAR T-cell therapy product for the treatment of solid tumors. The long-term analysis research results of satri-cel, as sequential therapy after 1L treatment in patients with advanced G/GEJA, have been presented as a poster presentation at the 2026 American Society of Clinical Oncology (ASCO) Annual Meeting in May 2026. Amid a highly favorable competitive landscape with no direct peers and our global-first exclusive positioning, and the huge domestic unmet clinical needs for gastric cancer, the product is poised to capture considerable value. We have built a competitive in-house commercial team to independently lead domestic sales, with a targeted rollout across premium oncology institutions and cell therapy facilities nationwide to drive market adoption and expand sales. Following NMPA approval of satri-cel, the Company advances its global strategy. The Company will prioritize key regions with huge unmet clinical needs and accessible regulatory pathways, adopt diversified overseas development models, designate core overseas markets and major regional centers as top priorities for registration expansion, and conduct marketing authorization filings in an orderly manner in selected regional centers, leveraging their radiating and driving effects to lay a solid foundation for subsequent commercial launches across all regions.

Allogeneic CAR T-cell Products

CARsgen has been advancing differentiated allogeneic CAR T-cell products utilizing CARsgen's proprietary THANK-u Plus® platform, which can resist natural killer (NK) cells rejection and enhance expansion to potentially deliver superior efficacy and deeper remissions. Results for CT0596 (an allogeneic BCMA-targeted CAR T-cell product candidate) for the treatment of R/R MM and relapsed/refractory primary plasma cell leukemia (R/R pPCL) were presented as the poster presentation at the 2026 Annual Congress of the European Hematology Association (EHA). The IND clearance of CT0596 was received from NMPA in China for R/R MM. CT0596 will initiate a Phase I registrational trial. Results for CT1190B (an allogeneic CD19/CD20-targeted CAR T-cell product candidate) for the treatment of relapsed/refractory B-cell Non-Hodgkin's Lymphoma (R/R B-NHL) were presented as the poster presentation at the 2026 EHA. IND clearance of CT1190B was received from NMPA in China for relapsed/refractory large B-cell lymphoma (R/R LBCL). CT1190B will initiate a Phase I registrational trial.

***In vivo* CAR T-cell Products**

CARsgen is developing a portfolio of differentiated *in vivo* CAR T-cell product candidates based on the proprietary CARvivo® platform, featuring self-developed, patent-protected viral envelopes and T-cell-specific promoters. The platform achieves exceptionally high transduction efficiency and robust cell-type specificity, which greatly reduces the risk of off-target transduction in tumor cells and lowers the incidence of antigen masking and therapeutic resistance. IIT for KJ-C2529 targeting CD19/CD20 for B-cell malignancies has been initiated.

I. MANAGEMENT DISCUSSION AND ANALYSIS

1. OVERVIEW

CARsgen is a biopharmaceutical company focusing on developing innovative CAR T-cell therapies to address the unmet clinical needs including but not limited to hematologic malignancies, solid tumors and autoimmune diseases. CARsgen has established end-to-end capabilities for CAR T-cell research and development covering target discovery, preclinical research, product clinical development, and commercial-scale production. CARsgen has developed novel in-house technologies and a product pipeline with global rights to address challenges faced by existing CAR T-cell therapies. Efforts include improving safety profile, enhancing the efficacy in treating solid tumors, and reducing treatment costs, etc. CARsgen's mission is to be a global biopharmaceutical leader that provides innovative and differentiated cell therapies for patients worldwide and makes cancer and other diseases curable.

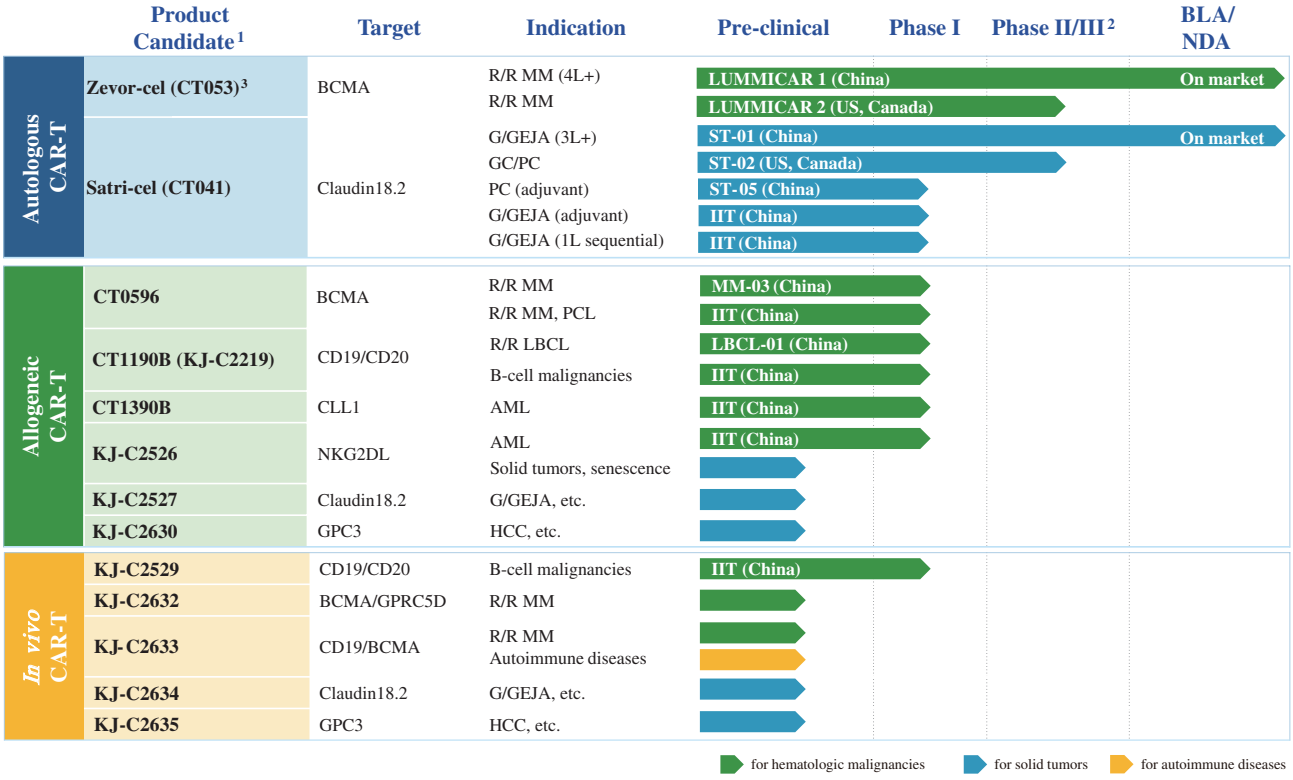
2. BUSINESS REVIEW

Our Products and Product Pipeline

Leveraging comprehensive capabilities and innovative technology platforms, CARsgen remains committed to pioneering advancements in CAR T-cell therapies. The Company continuously optimizes the strategic priorities and business framework to dynamically adapt to the evolving global industry landscape and market demands. We focus on developing breakthrough CAR T-cell products that address critical unmet medical needs for patients. Through regular pipeline evaluations, we prioritize projects with differentiated clinical and commercial value. Looking ahead, we anticipate collaborating with more partners to build an open ecosystem, fostering value co-creation through forward-looking strategic partnerships and jointly exploring broader development opportunities.

The Company's current strategy comprises two core directions. First, the Company will advance the commercialization of its two approved autologous CAR T-cell products (zevor-cel and satri-cel) to generate robust, recurring revenue and sustainable cash flow. Second, the Company will consolidate its clinical and regulatory resources to synchronously develop the allogeneic THANK-u Plus® technology platform and the *in vivo* CARvivo® platform. These platforms aim to substantially reduce production costs, improve patient accessibility, deliver enhanced clinical value, and transform the treatment landscape for relevant indications. As regards pipeline progress, clinical data for CT0596 and CT1190B were presented at 2026 EHA. An IND clearance for CT0596 for the treatment of R/R MM was received from NMPA in China. An IND clearance for CT1190B for the treatment of R/R LBCL was received from NMPA in China. The IIT for *in vivo* CAR T-cell product KJ-C2529 has been initiated.

CARsgen is the only CAR-T company globally with commercialized pipelines covering solid tumors and hematological malignancies. The chart below summarizes the development status of our pipeline as of the date of this announcement.



R/R MM: relapsed/refractory multiple myeloma; G/GEJA: gastric/gastroesophageal junction adenocarcinoma; GC: gastric cancer; PC: pancreatic cancer; PCL: plasma cell leukemia; AML: acute myeloid leukemia; HCC: hepatocellular carcinoma

Notes:

1. All product candidates are self-developed with global rights.

2. Phase II trials of some indications are pivotal studies.

3. Core Product. Commercial rights in Chinese Mainland have been granted to Huadong Medicine (SZ: 000963).

Zevorcabtagene autoleucel (R&D code: CT053) – Fully Human BCMA CAR T

Zevorcabtagene autoleucel (zevor-cel) is a fully human, autologous BCMA CAR T-cell product for the treatment of R/R MM. It incorporates a CAR construct with a fully human BCMA-specific single-chain variable fragment (scFv) with low immunogenicity and increased stability that overcomes T-cell exhaustion by reducing the self-activation of CAR T cells in the absence of tumor-associated targets.

Zevor-cel was approved by NMPA in 2024 for the treatment of adult patients with R/R MM who have progressed after at least 3 prior lines of therapy (including a proteasome inhibitor and an immunomodulatory agent). It is our Company's first product commercialized in Chinese Mainland. It has been included in China's Commercial Health Insurance Innovative Drug Catalogue (2025) for the treatment of R/R MM. In January 2023, CARsgen and Huadong Medicine (Hangzhou) Co., Ltd. entered into an agreement for the exclusive right to commercialization of zevor-cel in Chinese Mainland. In addition to the RMB200 million upfront payment, CARsgen received a regulatory milestone payment of RMB75 million. CARsgen is eligible to receive regulatory and commercial milestone payments up to RMB1,025 million under the terms of the agreement. CARsgen continues to be responsible for the development, regulatory approval, and manufacturing of zevor-cel in Chinese Mainland. In terms of commercialization, Huadong Medicine has established a dedicated, professional, and comprehensive commercial team to promote the use of zevor-cel and has been utilizing China's multi-layered insurance system to improve patient accessibility. From January 1, 2026 to June 30, 2026, certification and regulatory filings for zevor-cel have been completed in more than 20 provinces or cities and we have received a total of 110 confirmed orders from Huadong Medicine.

Huadong Medicine has extensive commercialization experience and a large-scale sales network in Chinese Mainland. Huadong Medicine's strategic goal of being a leader in the oncology therapeutic area created the opportunity for a strong partnership between the two companies. We believe that the partnership with Huadong Medicine will maximize commercial success of zevor-cel in Chinese Mainland. Since reaching the agreement, teams from CARsgen and Huadong Medicine have been working together closely to implement commercialization strategy and ensure optimal product access.

The updated long-term follow-up results of Phase I clinical trial of zevor-cel have been presented as a poster at the 22nd International Myeloma Society Annual Meeting in September 2025 and published in *Blood Advances* in October 2025. The poster and the article were titled "Long term Follow-up of Zevor-cel in Patients with Relapsed/Refractory Multiple Myeloma".

The updated data of Phase II clinical trial, involving 102 patients with a median follow-up of 20 months, were published in *Experimental Hematology & Oncology* in September 2025. The article was titled "Phase II study of zevorcabtagene autoleucel, a fully human BCMA-targeting CAR T cell therapy, in patients with relapsed/refractory multiple myeloma".

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that zevorcabtagene autoleucel will ultimately be successfully developed and marketed (outside Chinese Mainland) by the Company. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

Satricabtagene autoleucel (R&D code: CT041) – Humanized Claudin18.2 CAR T

Satricabtagene autoleucel (satri-cel) is a world's first-in-class, autologous CAR T-cell product against protein Claudin18.2. Satri-cel targets the treatment of Claudin18.2-positive solid tumors with a primary focus on G/GEJA and pancreatic cancer (PC). Claudin18.2 is expressed in a range of solid tumors, including G/GEJA, PC, colorectal, lung, and ovarian cancers. Leveraging our in-depth understanding in CAR T-cell therapy, as well as our integrated antibody platform, we were, to our knowledge, the first in the world to successfully identify, validate and report Claudin18.2 as a solid tumor-associated antigen and viable target for CAR T-cell therapy. To further address the challenges of CAR T-cell therapies in treating solid tumors, we developed an innovative, patent-protected preconditioning FNC regimen, featuring the addition of low-dose nab-paclitaxel to the conventional lymphodepletion regimen comprising cyclophosphamide and fludarabine, to be administered prior to infusion of satri-cel.

Building on these foundational research and development breakthroughs, the NDA of satri-cel, our proprietary autologous humanized Claudin18.2 CAR T-cell therapy, was approved by NMPA for patients with Claudin18.2-positive, HER2-negative advanced G/GEJA who have failed at least two prior lines of therapy in June 2026.

This is the world's first and only approved CAR T-cell therapy product for the treatment of solid tumors.

The approval is supported by confirmatory Phase II trial (CT041-ST-01, NCT04581473) data, published in *The Lancet* and presented as an oral presentation at the 2025 ASCO Annual Meeting in June 2025. The article in *The Lancet* was titled "Claudin-18 isoform 2-specific CAR T-cell therapy (satri-cel) versus treatment of physician's choice for previously treated advanced gastric or gastro-oesophageal junction cancer (CT041-ST-01): a randomised, open-label, phase 2 trial". The oral presentation at the 2025 ASCO Annual Meeting was titled "Claudin18.2-specific CAR T cells (Satri-cel) versus treatment of physician's choice (TPC) for previously treated advanced gastric or gastroesophageal junction cancer (G/GEJC): Primary results from a randomized, open-label, phase II trial (CT041-ST-01)". Among all 108 patients who received satri-cel infusion (88 patients in satri-cel arm and 20 patients in treatment of physicians' choice (TPC) arm (one of apatinib, paclitaxel, docetaxel, irinotecan or nivolumab), the median overall survival (mOS) reached 9.17 months, while the mOS of 28 patients in TPC arm who did not receive satri-cel treatment was only 3.98 months (HR 0.288; 95% CI: 0.169-0.492). Satri-cel demonstrated significant progression-free survival (PFS) improvement and a clinically meaningful overall survival benefit with a manageable safety profile in Claudin18.2 positive G/GEJA patients with failure to at least 2 prior lines of treatment, compared to standard therapy. It is worth noting that randomized controlled trials (RCTs) for autologous CAR-T products present differences and significant challenges in efficacy evaluation compared to single-arm trials. In single-arm trials, the baseline is the pre-lymphodepletion imaging, and the first tumor assessment compares post-CAR-T infusion results with pre-lymphodepletion imaging, allowing for a more intuitive demonstration of actual efficacy. In RCTs, both arms use pre-randomization imaging as the baseline. Due to the time interval between randomization and lymphodepletion, tumor burden worsens in more than half of the patients before CAR-T infusion. As a result, the first tumor assessment (comparing post-CAR-T infusion imaging with pre-randomization imaging) often leads to an underestimation of the true therapeutic effect. Furthermore, since CAR-T cell manufacturing requires time, factors such as disease progression during the waiting period may prevent some patients from receiving CAR-T cell infusion but these patients are still included in the final efficacy analysis.

The latest clinical data of a case report on long-term peritoneal metastasis control in 3 patients with advanced gastric cancer treated with satri-cel monotherapy has been published in the *Journal of Hematology & Oncology* in July 2026. All patients achieved both clinical and radiographic benefits post-treatment, with durable control of peritoneal disease observed. The maximum follow-up period reached 48 months, significantly outperforming the historical survival data for patients with gastric cancer and peritoneal metastasis and demonstrating remarkable potential to fundamentally alter the natural course of the disease.

To translate this landmark clinical value into commercial impact, we have established a competitive in-house commercial team to lead domestic sales. During the two weeks after approval, Beijing Gaobo Hospital has issued the very first clinical prescription of satri-cel nationwide, Zhongshan Hospital of Fudan University has successfully completed the world's first patient leukapheresis procedure for satri-cel therapy, Jiahui International Cancer Center (JICC) has announced the completion of the first leukapheresis from an expatriate patient. Backed by deep oncology domain expertise and proven clinical promotion experience, the team is well positioned to drive efficient hospital access and product commercialization. In the early commercialization phase, we will prioritize satri-cel rollout across leading oncology hospitals and cell therapy centers at top-tier general hospitals nationwide. Leveraging expert collaborations, we will rapidly set clinical benchmarks and build market recognition. Satri-cel has been included in 2026 China Society of Clinical Oncology (CSCO) Guidelines for Diagnosis and Treatment of Gastric Cancer issued by CSCO, and China Anti-Cancer Association (CACA) Guidelines for Commercial Insurance Application of Innovative Oncology Diagnosis and Treatment Technology issued by the CACA. Satri-cel also passed preliminary formal review for 2026 National Commercial Insurance Innovative Drug Catalogue. The multi-payment system is to be established to reduce the financial burden of Chinese patients. Following initial domestic uptake, we will advance global expansion by creating a global commercial framework anchored in China with overseas growth drivers to maximize the product's long-term commercial value and global influence.

Building on its proven clinical benefit in later-line populations, satri-cel is being actively advanced into earlier lines of therapy and perioperative care to unlock deeper therapeutic value. The Company is actively expanding satri-cel application in early-line treatment and perioperative treatment of cancer: including an ongoing Phase I clinical trial for PC adjuvant therapy in China (CT041-ST-05, NCT05911217), an IIT for consolidation treatment following adjuvant therapy in patients with resected G/GEJA (CT041-CG4010, NCT06857786) and an IIT for sequential therapy following first-line treatment for G/GEJA (CT041-CG4011, NCT07179484). After satri-cel received marketing approval from NMPA, the Company persistently pushes forward its global development strategy. Prioritizing key regions with high unmet medical needs and accessible regulatory pathways, the Company will adopt diversified overseas development models, with core overseas markets and major regional hubs listed as the top priorities for registration expansion. The Company plans to conduct well-planned marketing authorization filings in selected regional hub markets, aiming to harness the radiating advantages of these hubs to establish a firm foundation for commercial launches in various regions going forward.

Promising data for early line treatment have been presented at top global oncology congresses. The long-term analysis results of satri-cel, as sequential therapy after first-line treatment in patients with advanced G/GEJA, have been presented as a poster presentation at the 2026 ASCO Annual Meeting. The poster was titled "Long-term Follow-up of Satricabtagene autoleucel (satri-cel) as Sequential Therapy After First-Line Treatment for Advanced Gastric Cancer – a subgroup analysis". Two patients received satri-cel infusions following first-line sequential therapy and subsequently underwent surgery; one had an OS of more than 58 months, and the other had an OS of more than 51 months.

The research results of the Phase Ib registrational clinical trial of satri-cel for PC adjuvant therapy in China (CT041-ST-05, NCT05911217) has been presented as a poster session at the European Society for Medical Oncology Congress in October 2025. The poster was titled "Adjuvant Therapy with Claudin18.2-specific CAR T Cells (Satri-cel) in High-Risk Pancreatic Cancer (CT041-ST-05)". The trial represents the world's first proof-of-concept (POC) study exploring CAR T-cell therapy for the adjuvant treatment of solid tumors. One patient who has completed 52-week follow-up post infusion is still under follow-up without disease recurrence.

These early clinical signals further strengthen our confidence that early intervention with CAR T-cell therapy for tumors may yield substantially superior clinical benefits and even potential curative outcomes. Two patients with advanced hepatocellular carcinoma (HCC) have achieved decade-long disease-free survival to date. Their clinical case data were previously published in *Cancer Communications*. In earlier disease stages with lower tumor burden and preserved immune function, CAR T-cell therapy is positioned to deliver deeper, more durable remissions and even curative potential. We believe satri-cel has tremendous room for value growth as it moves into earlier lines of care, with the potential to redefine standard of care and bring long-term survival benefits to a wider patient population.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that satricabtagene autoleucel will ultimately be successfully developed and marketed by the Company (outside Chinese Mainland). Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

Allogeneic CAR T-cell Product

In addition to autologous products, CARsgen has also been advancing differentiated allogeneic CAR-T-cell products utilizing the THANK-u Plus® platform, an updated version of THANK-uCAR® technology platform. Data of CT0590 (an allogeneic BCMA-targeted CAR T-cell product utilizing THANK-uCAR® platform) were presented at 2024 ASH. Among patients achieving stringent complete response (sCR), the duration of response reached 20 months and more than 23 months, respectively.

CT0596 is a BCMA-targeting allogeneic CAR T-cell product candidate deploying our THANK-u Plus® technology. IITs have been initiated in China to evaluate the safety and efficacy of CT0596 for the treatment of R/R MM and PCL. The IND clearance was achieved from NMPA in China for R/R MM. CT0596 will initiate a Phase I registrational trial. Updated IIT results have been presented at the 2026 EHA in June 2026. The poster was titled "First-in-human study of CT0596, an allogeneic BCMA CAR T In relapsed/refractory multiple myeloma and primary plasma cell leukemia: safety, efficacy, and pharmacokinetic at recommended dose".

CT1190B (KJ-C2219) is an allogeneic CAR T-cell product candidate targeting CD19/CD20 deploying our THANK-u Plus® technology, for B-cell malignancies. IITs for R/R B-NHL have been initiated. The IND clearance was achieved from NMPA in China for the treatment of patients with R/R LBCL who have failed at least two prior lines of standard therapy. CT1190B will initiate a Phase I registrational trial. Updated IIT results have been presented at the 2026 EHA in June 2026. The poster was titled "First in Human Study of CT1190B, An Allogeneic Anti-CD19/CD20 CAR T-cell Therapy, in Patients with Relapsed or Refractory B-cell Non-Hodgkin Lymphoma".

CT1390B is an allogeneic CAR T-cell product candidate against CLL1 deploying our THANK-u Plus® technology, for AML.

KJ-C2526 is an allogeneic CAR T-cell product candidate against NKG2DL deploying our THANK-u Plus® technology, for AML, other malignancies and senescence.

KJ-C2527 is an allogeneic CAR T-cell product candidate against Claudin18.2 deploying our THANK-u Plus® technology for the treatment of G/GEJA, etc.

KJ-C2630 is an allogeneic CAR T-cell product candidate against GPC3 deploying our THANK-u Plus® technology, for HCC, etc.

UCARsgen Biotech Limited ("**UCARsgen**") is a China-based new drug discovery biotechnology company focused on allogeneic CAR T-cell therapies for the treatment of hematologic malignancies, with the Company holding 92% share. UCARsgen has secured the exclusive rights in Chinese Mainland for the research, development, manufacture, and commercialization of the following allogeneic CAR T-cell products from the Company: the BCMA-targeted allogeneic CAR-T cell therapy for the treatment of multiple myeloma and plasma cell leukemia and the CD19/CD20 dual-targeted allogeneic CAR T-cell therapy for the treatment of B-cell malignancies (excluding indications for the treatment of autoimmune diseases). UCARsgen secured new investor Zhuhai Hengqin SB Xinchuang Equity Investment Management Enterprise (Limited Partnership) ("**Zhuhai SB Xinchuang**") in February 2025.

In vivo CAR T-cell Product

In addition to autologous and allogeneic CAR-T products, the Company is also developing *in vivo* CAR T-cell products. Transduction efficiency is a key determinant of clinical success for *in vivo* CAR-T therapies, particularly in highly aggressive disease settings. To address this, CARsgen has developed a proprietary and patent-protected fusogen with enhanced fusogenic capacity. This design enables significantly higher transduction efficiency, even at low multiplicity of infection (MOI), while maintaining strong cell-type specificity. The CARvivo® platform also incorporates our proprietary T cell-specific promoter, CARpro. This promoter restricts CAR expression to T cells, minimizing the risk of off-target transduction in tumor cells and reducing the potential for antigen masking or therapeutic resistance.

KJ-C2529 is an *in vivo* CAR T-cell product candidate against CD19/CD20 deploying our CARvivo® platform for the treatment of B-cell lymphoma. An IIT has been initiated in 2026 for the treatment of R/R B-NHL.

Other *in vivo* CAR T-cell products currently being developed include KJ-C2632 against BCMA/GPRC5D for R/R MM; KJ-C2633 against CD19/BCMA for R/R MM and autoimmune diseases; KJ-C2634 against Claudin18.2 for G/GEJA, etc.; KJ-C2635 against GPC3 for HCC, etc.

Continuous Discovery and Technology Development

Despite the approval of some CAR T-cell products for the last-line treatment of solid tumor and hematologic malignancies, significant challenges remain, such as limited efficacies against solid tumors, undesirable safety concerns, and high manufacturing and treatment costs. We strive to explore and develop innovative technology platforms to address these challenges to generate better cell therapy products for cancer patients globally.

We have established an integrated research and development platform covering the full CAR T development cycle including target discovery, vector design, manufacturing, quality assurance, and quality control. Our integrated cell therapy platform is composed of target discovery, immune cell function evaluation platform, plasmid and lentiviral vector preparation platforms, cell therapy process development platform, analytical platforms with molecular, flow cytometry, biochemical, physical-chemical, and cell-based analytical capabilities, biological samples tests platform, clinical-scale and commercial-scale CAR T manufacturing platform, and platform for clinical studies.

We continue to dedicate ourselves to advancing innovative technologies to address remaining challenges in the CAR-T industry:

(1) *In vivo* CAR-T CARvivo®:

In vivo CAR-T eliminates the need for lymphodepleting preconditioning chemotherapy and reduces manufacturing costs, thereby improving patient accessibility. We developed a novel platform, referred to as CARvivo®, for *in vivo* CAR-T cell generation utilizing an engineered redirected lentiviral vector. This platform rationally designed fusogen and binder moieties for immune cell specific targeting. To circumvent lentivirus's extensive tropism, the virus envelope glycoprotein was mutated without disrupting its fusogenic potential. For ensuring retargeting specificity, the vector was modified with high-affinity binder molecules, enabling it to target specific cells. In preclinical studies, the redirected modified lentiviral vector showed superior targeting specificity and high T cells transduction efficiency both in vitro and *in vivo*. And following intravenous administration, it can efficiently generate functional CAR-T cells and eliminate B-cell lymphoma xenograft tumor cells in human PBMC reconstituted mice. These data demonstrate the potential of our CARvivo® platform to generate functional CAR-T cells *in vivo*, laying a foundation for expanding its application to other types of cancers.

(2) Better patient access with allogeneic CAR-T:

To reduce the cost and increase accessibility of CAR T-cell therapies, we continue to develop our market-differentiating allogeneic THANK-uCAR® technology. THANK-uCAR® is our proprietary technology to generate allogeneic CAR T cells with improved expansion and persistence by modifying donor-derived T cells. To minimize graft versus host disease (GvHD) and host versus graft response (HvGR) from allogeneic T cells, we disrupt the genomic loci encoding TRAC and beta-2 microglobulin (B2M) to eliminate surface expression of the TCR or the human leukocyte antigen class I (HLA-I), an approach that has been validated by previous research. However, natural killer (NK) cells attack T cells without HLA-I expression, which then limits the expansion and persistence of the allogeneic CAR T cells. To protect the allogeneic CAR T cells from the patient's NK cells' attacks, we arm these TRAC-/B2M-T cells with a CAR that recognizes NKG2A to hinder the NKG2A-positive NK cell rejection of the CAR T cells and therefore allow the THANK-uCAR T cells to resist the attack by NK cells. Our *in vitro* and *in vivo* studies demonstrated that armoring the TRAC-/B2M-T cells with the anti-NKG2A CAR resulted in improved expansion in the presence of NK cells. Based on the clinical data, it is found that baseline NKG2A expression levels on NK cells may be related to treatment outcomes. To leverage this finding, we developed THANK-u Plus® platform.

CARsgen has developed the THANK-u Plus® platform as an enhanced version of its proprietary THANK-uCAR® allogeneic CAR-T technology to address the potential impact of NKG2A expression levels on therapeutic efficacy by adding an NK inhibitory signaling element (NKi binder). THANK-u Plus® demonstrates sustained expansion regardless of varying NKG2A expression levels on NK cells and exhibits significantly improved expansion compared to THANK-uCAR®. Preclinical studies show that THANK-u Plus® delivers superior antitumor efficacy in the presence of NK cells compared to THANK-uCAR®. Allogeneic BCMA or dual-targeting CD19/CD20 CAR-T cells developed using this platform exhibit robust antitumor activity in the presence of NK cells, indicating that THANK-u Plus® has broad potential for developing diverse allogeneic CAR-T therapies. We are developing allogeneic CAR T-cell products using THANK-u Plus® platform, which we believe could increase CAR T cell expansion, persistence and efficacy.

(3) Target availability:

In development of cancer therapies, the expression of tumor-associated antigens in normal tissues poses a significant challenge, as this expression pattern leads to on-target off-tumor toxicities. To resolve the challenge with target availability, we continue to explore innovative technologies to enhance drug target availability and therefore turn undruggable antigens into promising targets. We developed LADAR® technology (local action driven by artificial receptor), in which an artificial receptor is triggered by a LADAR ligand to induce the transcription of the gene(s) of interest (e.g., the tumor antigen-targeted CAR, plus any cytokines or other therapeutic mediators). Through the LADAR® artificial receptor, the antitumor CAR transcription is only triggered when the LADAR binds to a LADAR ligand, making it possible to precisely control when and where immune cells act against cancer cells.

The LADAR-CAR signaling circuits require both antigens for LADAR® and CAR recognition to kill target cells, thus reducing on-target off-tumor effects when these two antigens are not simultaneously expressed in the same normal tissues. In our in vitro studies, the LADAR® system induced strong therapeutic gene expression in response to antigen engagement and, importantly, negligible leakage expression in resting cells. LADAR-CAR T cells executed killing function only if both antigens were present.

We are also working on other applications of LADAR® system, such as LADAR-cytokine circuits. We believe that the establishment of LADAR® system is the key step to developing CAR T cells with powerful and precise killing of cancer.

To develop effective CAR T-cell products for more cancer types and further enhance the antitumor effect, we have been expanding our research to more promising oncology targets for cell therapies. In addition, leveraging our proprietary antibody platforms, we have successfully developed humanized or fully human antibodies against these targets, such as B7-H3, etc. These antibodies, together with our CAR T-cell technology platforms, will help further enhance the product pipeline.

(4) Enhance efficacy in solid tumors:

To enhance efficacy against solid tumors, we developed CycloCAR® which features the co-expression of cytokine IL-7 and chemokine CCL21 in CAR T cells to potentially improve clinical efficacy and reduce the requirement of lymphodepletion conditioning. Preclinical results showed that IL-7 enhanced the proliferation and survival of CAR T cells and inhibited the apoptosis of CAR T cells, and CCL21 could drive infiltration of T cells and dendritic cells into tumor sites. The preclinical CycloCAR T cells improved the therapeutic effects against solid tumors in mice compared to conventional CAR T cells. Moreover, even without preconditioning chemotherapy, the CycloCAR T cells could potently suppress the tumor growth with a significantly better efficacy than CAR T cells co-expressing IL-7 and CCL19 (7×19 CAR T, a previously reported design by other researchers). Our studies demonstrated that, independent of lymphodepletion chemotherapy, CycloCAR T cells exerted potent antitumor effects which were facilitated by infiltration of T cells and dendritic cells into tumor tissues, CycloCAR T cells exhibited increased survival, and potential anti-angiogenesis effect. We are using CycloCAR® to develop CAR T-cell therapies against several targets including Claudin18.2, GPC3, and mesothelin. We continue to explore potential combination approaches to boost the therapeutic effects of single agents and identify new targets and approaches to tackle new indications.

The Company continues investigating combinatorial approaches to enhance clinical outcomes of CAR-T therapies. For example, our collaboration with Moderna to explore satricabtagene autoleucel in combination with Claudin18.2 encoding mRNA vaccines to help boost T cell activation, proliferation and persistence.

These technologies are currently being developed in-house with global rights and can be used alone or in combination to upgrade our existing products or generate future products.

Empowered by these technologies, we strive to further enrich our pipeline and advance these pipeline products to clinical and commercial stage.

As of June 30, 2026, we had more than 300 patents of which 152 patents had been issued globally including China, the United States, Europe, and Japan, representing an increase of 3 issued patents and 12 patent applications compared with that of December 31, 2025. Our R&D activities are expected to continue to generate substantial intellectual property in our areas of expertise.

Manufacturing

We have established in-house GMP-compliant manufacturing capabilities to support vertically integrated CAR T manufacturing, including plasmids, lentiviral vectors, and CAR T-cell production. The vertically integrated production contributes to increased efficiency and enhanced control, resulting in improved drug product consistency and aiming for faster turnaround times for patients. The integrated manufacturing is also expected to help significantly reduce costs and improve margins for more advantageous commercialization. We have also developed a robust process platform for allogeneic CAR T-cell products to support the IND filing and upcoming clinical manufacturing.

With the GMP-compliant commercial manufacturing facility in Jinshan District, Shanghai ("**Jinshan Manufacturing Facility**"), which has a designed capacity to support autologous CAR T-cell therapy for up to 2,000 patients annually, we can produce the lentiviral vectors and CAR T cells in-house to support clinical trials and CAR T-cell products commercialization in China. By scaling up lentiviral vector production, we can significantly reduce CAR-T manufacturing costs. Through establishing vertically integrated production capabilities, we anticipate substantially enhancing manufacturing sustainability, reducing costs, and shortening the time from vein to vein.

The Company is actively preparing for capacity expansion, enhancing the manufacturing capabilities for CAR T-cell therapies that meet international standards to support the commercialization of multiple products and strengthen its global competitiveness. On February 12, 2026, the Company, through its indirectly wholly-owned subsidiary CARsgen Diagnostics Co., Ltd., has entered into the strategic cooperation agreements with Shanghai Jingong Enterprise Development Co., Ltd., which is a key platform enterprise in the Bay Area High-Tech Zone of Jinshan District, Shanghai (上海市金山區灣區高新區). With a total investment amount not exceeding RMB370 million, the Company will establish an advanced commercial manufacturing base for CAR T-cell products in Jinshan District, Shanghai ("**Jinshan Manufacturing Base**"). This indicates that the project is highly in line with national and local policies on the biopharmaceutical industry and has received high attention and strong support from the government. This strategic partnership will further consolidate the Company's leading position in the global CAR T-cell therapy industry while creating long-term value for Shareholders.

Industry Overview

As a revolutionary therapeutic modality for oncology, CAR T-cell therapy has achieved remarkable global commercial progress to date, with seven products approved by the U.S. FDA and nine by China's NMPA. Despite these advances, the global CAR-T industry is undergoing two defining paradigm shifts. The first is the expansion of therapeutic indications from well-established hematologic malignancies to refractory solid tumors, an area with substantial unmet clinical need. The second is the technological evolution from conventional autologous CAR-T to next-generation allogeneic and *in vivo* CAR-T platforms. Industry participants are channeling significant R&D resources into developing allogeneic and *in vivo* CAR T-cell product candidates, with the aim of overcoming the inherent limitations of autologous therapies, lowering production costs, and expanding treatment access to a broader population of cancer patients worldwide. In line with these prevailing industry trends, the Company has built a differentiated pipeline of allogeneic and *in vivo* CAR T-cell product candidates underpinned by its proprietary core technology platforms, to improve patient access and address unmet clinical needs across both hematologic malignancies and solid tumors.

Future and Outlook

With CARsgen's mission of "making cancer curable", we devote ourselves to developing innovative products for the treatment of cancer patients worldwide. Building on the milestones we have achieved, the Company will continue to focus on the commercialization of zevorcabtagene autoleucel and satricabtagene autoleucel, and plan to expand these products into earlier-line treatment settings. Leveraging our profound expertise and continuous iteration of innovative CAR-T technologies in the CAR-T field, the Company is committed to developing next-generation CAR-T therapies that are more effective, more innovative, and more accessible. The Company will continue to develop allogeneic and *in vivo* CAR-T cell therapies and advance the R&D pipeline of other products in clinical and preclinical stages, fully unlock the potential of its innovative technology platforms. The Company plans to continuously expand its manufacturing capacity in China to provide solid support for the clinical trials and future commercialization of both autologous and allogeneic products. We will continue to establish additional external partnerships with leading research institutes and pharmaceutical companies on technology and product licensing as a means to maximize the application of our technology platform and the value of our product, bringing more innovative cell therapy products to cancer patients worldwide and ultimately creating more value for our investors and the society.

3. FINANCIAL REVIEW

Overview

We had one product, zevorcabtagene autoleucel, approved on February 23, 2024 for commercial sale and have generated revenue from product sales. We have not been profitable and have incurred operating losses in every year since inception, with operating losses of RMB71 million and RMB77 million for the six months ended June 30, 2026 and 2025, respectively. Substantially all of our operating losses resulted from selling and distribution expense, research and development expenses, and administrative expenses for the six months ended June 30, 2026.

Loss for the Period

Net loss was RMB71 million for the six months ended June 30, 2026, representing a decrease of RMB4 million from RMB75 million for the six months ended June 30, 2025. The decrease was primarily due to the increase in revenue and gross profit.

Non-IFRS Accounting Standards Measures

To supplement the Group's consolidated net loss and net loss per share which are presented in accordance with the IFRS Accounting Standards, the Company has provided adjusted net loss and adjusted net loss per share as additional financial measures, which are not required by, or presented in accordance with, the IFRS Accounting Standards.

Adjusted net loss for the periods and adjusted net loss per share for the periods represent the net loss and net loss per share respectively excluding the effect of a non-cash item, namely the share-based compensation. The terms adjusted net loss and adjusted net loss per share are not defined under the IFRS Accounting Standards.

The table below sets forth a reconciliation of the loss to adjusted loss during the periods indicated:

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss for the periods	**(70,840)**	(75,483)
Add:		
Share-based compensation	**38,913**	3,684
Adjusted net loss	**(31,927)**	(71,799)

	Six months ended June 30,	
	2026	2025
	RMB	*RMB*
	(Unaudited)	(Unaudited)
Loss per share for the periods	**(0.13)**	(0.14)
Add:		
Share-based compensation per share	**0.07**	0.01
Adjusted net loss per share	**(0.06)**	(0.13)

The Company believes that the adjusted non-IFRS Accounting Standards measures are useful for understanding and assessing the underlying business performance and operating trends, and that the Company's management and investors may benefit from referring to these adjusted financial measures in assessing the Group's financial performance by eliminating the impact of certain unusual, non-recurring, non-cash and/or non-operating items that the Group does not consider indicative of the performance of the Group's core business. These non-IFRS Accounting Standards measures, as the management of the Group believes, are widely accepted and adopted in the industry in which the Group is operating. However, the presentation of these non-IFRS Accounting Standards measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with the IFRS Accounting Standards. Shareholders and potential investors should not view the adjusted results on a stand-alone basis or as a substitute for results under IFRS Accounting Standards, and these non-IFRS Accounting Standards measures may not be comparable to similarly-titled measures represented by other companies.

Revenue

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue	**61,919**	50,961
Total	**61,919**	50,961

Revenue increased to RMB62 million for the six months ended June 30, 2026, representing an increase of RMB11 million from RMB51 million for the six months ended June 30, 2025, primarily due to the sale volume increase in zevorcabtagene autoleucel.

Gross Profit

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Gross profit	**42,019**	29,369
Total	**42,019**	29,369

Gross profit increased to RMB42 million for the six months ended June 30, 2026, representing an increase of RMB13 million from RMB29 million for the six months ended June 30, 2025, primarily due to the sale volume increase in zevorcabtagene autoleucel.

Research and Development Expenses

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Employee benefit expenses	**75,570**	68,170
Testing and clinical expenses	**25,086**	28,514
Depreciation of property, plant and equipment	**8,518**	8,019
Research and development consumables	**13,135**	14,607
Utilities	**5,418**	5,619
Amortization of intangible assets	**260**	910
Short-term lease and low-value lease expenses	**727**	1,030
Travelling and transportation expenses	**718**	807
Depreciation of right-of-use assets	**1,519**	1,221
Office and other expenses	**1,510**	1,324
Total	**132,461**	130,221

Research and development expenses increased to RMB132 million for the six months ended June 30, 2026, representing an increase of RMB2 million from RMB130 million for the six months ended June 30, 2025, primarily due to (i) the increase in employee benefit expenses by RMB7 million; (ii) the decrease in testing and clinical expenses by RMB3.5 million; and (iii) the decrease in research and development consumables by RMB1.5 million.

Administrative Expenses

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Employee benefit expenses	**20,456**	21,620
Professional service fees	**5,783**	5,816
Depreciation of property, plant and equipment	**357**	533
Depreciation of right-of-use assets	**171**	204
Office expenses	**1,749**	1,689
Travelling and transportation expenses	**172**	642
Auditors' remuneration	**1,998**	2,130
– audit service	**1,890**	1,916
– non-audit service	**108**	214
Utilities	**475**	475
Amortization of intangible assets	**240**	60
Short-term lease and low-value lease expenses	**461**	510
Other expenses	**2,603**	5,350
Total	**34,465**	39,029

Administrative expenses are RMB34 million for the six months ended June 30, 2026, representing a decrease of RMB5 million from RMB39 million for the six months ended June 30, 2025, primarily due to (i) the decrease in other expenses by RMB3 million; (ii) the decrease in employee benefit expenses by RMB1.2 million; and (iii) the decrease in traveling and transportation expenses by RMB0.5 million.

Selling and Distribution Expenses

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Employee benefit expenses	**7,225**	–
Marketing service fees	**3,718**	612
Travelling and transportation expenses	**548**	7
Depreciation of right-of-use assets	**75**	–
Other expenses	**695**	323
Total	**12,261**	942

Selling and distribution expenses are RMB12 million for the six months ended June 30, 2026, representing an increase of RMB11 million from RMB1 million for the six months ended June 30, 2025, primarily due to (i) the increase in employee benefit expenses by RMB7.2 million as the results of recruitment of our in-house commercialization team; (ii) the increase in traveling and transportation expenses by RMB0.5 million; and (iii) the increase in marketing service fees by RMB3.1 million.

Details of employee benefit expenses and share-based payments included in the above administrative, research and development and selling and distribution expenses are as below:

Employee benefit expenses

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Wages and salaries	**50,225**	65,036
Pension costs	**5,748**	7,546
Share-based compensation	**37,763**	3,644
Other employee benefits	**9,515**	13,564
Total	**103,251**	89,790
Amount included in research and development expenses	**75,570**	68,170
Amount included in administrative expenses	**20,456**	21,620
Amount included in selling and distribution expenses	**7,225**	–

The increase in employee benefit expenses was mainly due to the increase in share-based compensation.

Share-based payments

Expenses for the share-based compensation have been charged to the consolidated statements of comprehensive income as follows:

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Administrative expenses	**6,366**	779
Research and development expenses	**30,391**	2,865
Selling and distribution expenses	**1,006**	–
Cost of sales	**1,150**	40
Total	**38,913**	3,684

Liquidity and Capital Resources

Management monitors and maintains a level of cash and cash equivalents deemed adequate to finance our operations and mitigate the effects of fluctuations. In addition, management monitors our borrowings and, from time to time, evaluates operations to renew our borrowings upon expiry based on our actual business requirements. We rely on equity financing and debt financing as our major sources of liquidity.

The following table sets forth our cash flows for the periods indicated:

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Net cash used in operating activities	**(130,010)**	(196,308)
Net cash (used in)/generated from investing activities	**(3,631)**	1,715
Net cash generated from/(used in) financing activities	**417,404**	(29,635)
Net increase/(decrease) in cash and cash equivalents	**283,763**	(224,228)
Cash and cash equivalents at beginning of the period	**1,123,414**	1,479,058
Exchange (losses)/gains on cash and cash equivalents	**(7,382)**	5,963
Cash and cash equivalents at end of the period	**1,399,795**	1,260,793

Net Cash Used in Operating Activities

During the Reporting Period, we incurred negative cash flows from operations, and substantially all of our operating cash outflows resulted from selling and distribution expenses, research and development expenses and administrative expenses.

Our net cash used in operating activities was RMB130 million and RMB196 million for the six months ended June 30, 2026 and 2025, respectively.

We had two products, zevor-cel and satri-cel, approved by NMPA on February 23, 2024 and in June 2026, respectively. Revenue in the first half of 2026 primarily comes from zevor-cel. Satri-cel is expected to generate revenue in the second half of 2026. We believe our pipeline products have promising global market potential in the future. We intend to continue investing in our research and development efforts and aim to obtain marketing approvals for our product candidates as soon as feasible. As we launch and commercialize our product candidates, we expect to generate operating income and improve our net operating cash outflow position.

Net Cash (Used in)/Generated from Investing Activities

Our cash used in investing activities mainly reflects our cash used for our purchase of term deposits with original maturity between three and twelve months, property, plant and equipment and our cash generated from investing activities mainly reflects our net cash receipts from term deposits with original maturity between three and twelve months.

For the six months ended June 30, 2026, our net cash used in investing activities was RMB3.6 million, which was primarily attributable to purchase of property, plant and equipment and intangible assets. For the six months ended June 30, 2025, our net cash generated from investing activities was RMB1.7 million, which was primarily attributable to interest receipts from term deposit with original maturity between three and twelve months.

Net Cash Generated from/(Used in) Financing Activities

For the six months ended June 30 2026, our net cash generated from financing activities was RMB417 million primarily attributable to new proceeds from issue of ordinary shares of RMB405 million. For the six months ended June 30, 2025, our net cash used in financing activities was RMB30 million primarily attributable to repayment of bank borrowings of RMB89 million, capital injection from the investor of a subsidiary of RMB80 million, payments for ordinary share repurchase of RMB31 million, proceeds from issue of shares to employees under Employee Incentive Schemes of RMB18 million and payment of lease expenses of RMB8 million.

Cash and Cash Equivalents

	As at June 30, 2026 ***RMB'000*** **(Unaudited)**	As at December 31, 2025 *RMB'000* (Audited)
Cash at banks		
– RMB	**1,365,143**	1,032,696
– USD	**17,554**	37,341
– HKD	**17,098**	53,377
Subtotal	**1,399,795**	1,123,414

The Group's cash and cash equivalents as at June 30, 2026 were RMB1,400 million, representing an increase of RMB277 million compared to RMB1,123 million as at December 31, 2025. The increase was mainly due to the gross proceeds of RMB405 million from the Top-up Placing.

Borrowing and Gearing Ratio

The Group's total borrowings, including interest-bearing borrowings, as at June 30, 2026 were RMB18.5 million, representing an increase of RMB18.5 million compared to nil as at December 31, 2025.

The gearing ratio (calculated by dividing the sum of borrowings and lease liabilities by total equity) of the Group as at June 30, 2026 was 6.58%, compared to 7.85% as at December 31, 2025.

Lease Liabilities

The Group leases offices and dormitory. Leases of offices and dormitory were measured at net present value of the lease payments to be paid during the lease terms.

Lease liabilities were discounted at incremental borrowings rates of the Group.

Our lease liabilities decreased to RMB54 million as at June 30, 2026 from RMB61 million as at December 31, 2025, mainly because the lease contract of No. 4021 Stirrup Creek Drive Suite 350, Durham, NC, USA expired on June 30, 2026.

Significant Investments

As at June 30, 2026, we did not hold any significant investments (including any investment in an investee company) with a value of 5% or more of the Group's total assets.

Material Acquisitions and Disposals

During the six months ended June 30, 2026, we did not have material acquisitions or disposals of subsidiaries, associates and joint ventures.

Foreign Exchange Risk

The Group has entities operating in the United States and China and there are certain cash and cash equivalents, other receivables, accruals and other payables denominated in a currency that is not the functional currency of the relevant group entities. As at June 30, 2026, the Group had no foreign exchange hedging instruments and foreign currency hedging policy. However, our management constantly monitors the economic situation and our Group's foreign exchange exposure and will consider appropriate hedging measures in the future should the need arise.

Capital Expenditure

For the six months ended June 30, 2026, the Group's total capital expenditure amounted to approximately RMB6.1 million, which was mostly used in purchase of property, plant and equipment, and software.

Charge on Assets

As at June 30, 2026 and December 31, 2025, the Group did not have any charge on assets.

Contingent Liability

As at June 30, 2026, the Group did not have any material contingent liabilities.

Employees and Remuneration Policies

As of June 30, 2026, we had a total of 424 employees, compared to 362 employees at December 31, 2025.

In compliance with the applicable labor laws, we enter into standard confidentiality and employment agreements with our key management and research staff. The contracts with our key personnel typically include a standard non-compete agreement that prohibits the employee from competing with us, directly or indirectly, during his or her employment and for up to two years after the termination of his or her employment. The agreements also typically include undertakings regarding assignment of inventions and discoveries made during the course of his or her employment.

During the Reporting Period, we did not experience any strikes, labor disputes or industrial action which had a material effect on our business. We believe we have not experienced any significant difficulty in recruiting staff for our operations. We have established a labor union that represents employees with respect to the promulgation of bylaws and internal protocols in China.

Our employees' remuneration consists of salaries, bonuses, share-based incentive plans, social insurance contributions and other welfare payments. In accordance with applicable laws, we have made contributions to social insurance funds (including pension plan, unemployment insurance, work-related injury insurance, medical insurance and maternity insurance, as applicable) and housing funds for our employees. During the Reporting Period, we had complied with all statutory social insurance fund obligations applicable to us under PRC & US laws in all material aspects, and housing fund obligations applicable to us under PRC laws.

To remain competitive in the labor market, we provide various incentives and benefits to our employees. We invest in continuing education and training programs, including internal and external training, for our management staff and other employees to upgrade their skills and knowledge. We also provide competitive salaries, project and stock incentive plans to our employees, especially key employees.

Future Investment Plans and Expected Funding

The Group will continue to expand its markets in the PRC and globally in order to tap its internal potential and maximize Shareholders' interest. The Group will continue to grow through self-development, mergers and acquisitions, and other means. We will employ a combination of financing channels to finance capital expenditures, including but not limited to internal funds, capital markets and bank loans. Currently, the bank credit lines available to the Group are adequate.

II. INTERIM RESULTS

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended June 30, 2026

	Note	**2026 (Unaudited) *RMB'000***	2025 (Unaudited) *RMB'000*
Revenue	*4*	**61,919**	50,961
Cost of sales	*6*	**(19,900)**	(21,592)
Gross profit		**42,019**	29,369
Other income	*4*	**8,419**	5,638
Selling and distribution expenses	*6*	**(12,261)**	(942)
Administrative expenses	*6*	**(34,465)**	(39,029)
Research and development expenses	*6*	**(132,461)**	(130,221)
Other gains – net	*5*	**57,410**	58,481
Operating loss		**(71,339)**	(76,704)
Finance income	*6*	**4,704**	4,285
Finance costs	*6*	**(4,205)**	(3,064)
Finance income – net		**499**	1,221
Loss before income tax		**(70,840)**	(75,483)
Income tax expense	*7*	**–**	–
Loss for the period		**(70,840)**	(75,483)
Attributable to:			
Owners of the parent		**(66,663)**	(75,340)
Non-controlling interests		**(4,177)**	(143)
		(70,840)	(75,483)
Other comprehensive income/(loss) for the period:			
Items that may be reclassified to profit or loss			
Exchange differences on translation of subsidiaries		**66,804**	79,679
Items that will not be reclassified to profit or loss			
Exchange differences on translation of the Company		**(131,757)**	(129,926)
Other comprehensive loss for the period, net of tax		**(64,953)**	(50,247)

	Note	**2026 (Unaudited) *RMB'000***	2025 (Unaudited) *RMB'000*
Total comprehensive loss for the period		**(135,793)**	(125,730)
Attributable to:			
Owners of the parent		**(131,616)**	(125,587)
Non-controlling interests		**(4,177)**	(143)
		(135,793)	(125,730)
Loss per share attributable to ordinary equity holders of the parent			
Basic and diluted loss per share (in RMB)	*9*	**(0.13)**	(0.14)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

June 30, 2026

	Note	**June 30, 2026 (Unaudited) *RMB'000***	December 31, 2025 (Audited) *RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**77,866**	84,424
Right-of-use assets		**12,200**	13,421
Intangible assets		**1,145**	1,147
Other non-current assets and prepayments		**30,269**	15,057
Equity investments designated at fair value through other comprehensive income ("**FVTOCI**")		**500**	–
Total non-current assets		**121,980**	114,049
CURRENT ASSETS			
Trade receivables	*10*	**11,585**	15,552
Inventories		**7,236**	7,138
Other receivables		**25,820**	16,043
Other current assets and prepayments		**13,052**	15,940
Cash and cash equivalents		**1,399,795**	1,123,414
Total current assets		**1,457,488**	1,178,087
CURRENT LIABILITIES			
Accruals and other payables	*11*	**120,409**	138,470
Other borrowings		**18,462**	–
Lease liabilities		**11,438**	12,842
Deferred income		**11,775**	11,889
Contract liabilities	*12*	**44,053**	42,256
Total current liabilities		**206,137**	205,457
NET CURRENT ASSETS		**1,251,351**	972,630
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,373,331**	1,086,679
NON-CURRENT LIABILITIES			
Lease liabilities		**42,091**	48,336
Deferred income		**8,100**	6,665
Other financial liability		**76,669**	74,092
Contract liabilities		**154,037**	178,249
Total non-current liabilities		**280,897**	307,342
Net assets		**1,092,434**	779,337

	Note	**June 30, 2026 (Unaudited) *RMB'000***	December 31, 2025 (Audited) *RMB'000*
EQUITY			
Equity attributable to owners of the parent			
Share capital	*13*	**1**	1
Reserves		**1,100,385**	783,317
		1,100,386	783,318
Non-controlling interests		**(7,952)**	(3,981)
Total equity		**1,092,434**	779,337

1. GENERAL INFORMATION

CARsgen Therapeutics Holdings Limited (hereinafter the "**Company**") was incorporated under the law of the Cayman Islands as a limited liability company on February 9, 2018. The address of the Company's registered office is P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1 – 1205 Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (hereinafter collectively referred to as the "**Group**") are focusing on developing innovative CAR T-cell therapies to address the unmet clinical needs including but not limited to hematologic malignancies, solid tumors and autoimmune diseases.

2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended June 30, 2026 has been prepared in accordance with *IAS 34 Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2025.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2025, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period's financial information.

Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to IFRS Accounting Standards – Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7

The nature and impact of the amended IFRS Accounting Standards are described below:

(a) Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognized when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognized on the settlement date. The amendments introduce an accounting policy option to derecognize a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information. The Group will provide additional disclosures for its equity investments designated at fair value through other comprehensive income in the Group's consolidated financial statements for the year ending December 31, 2026.

(b) Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

(c) *Annual Improvements to IFRS Accounting Standards* – Volume 11 set out narrow scope amendments to IFRS 1, IFRS 7 (and the accompanying Guidance on implementing IFRS 7), IFRS 9, IFRS 10 and IAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding IFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

4. REVENUE AND OTHER INCOME

An analysis of revenue is as follows:

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Sale of pharmaceutical products	**59,502**	48,263
Provision of cryopreservation services	**2,417**	2,698
Total	**61,919**	50,961

Disaggregated revenue information for revenue from contracts with customers:

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Geographical market		
Chinese Mainland	**61,919**	50,961
Timing of revenue recognition		
Goods transferred at a point in time	**59,502**	48,263
Services transferred over time	**2,417**	2,698
Total	**61,919**	50,961

An analysis of other income is as follows:

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Government grants *(i)*	**2,047**	1,143
Interest income on term deposits with original maturity between three and twelve months	**3,019**	4,495
Others	**3,353**	–
Total	**8,419**	5,638

(i) The government grants mainly represent subsidies received from the government to support on certain research and development projects that are relating to both expenses and assets. Government grants were released to profit or loss either over the periods that the expenses for which it is intended to compensate are expensed, or over the expected useful life of the relevant asset, when all attaching conditions and requirements are compliant with.

5. OTHER GAINS – NET

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Foreign exchange gains – net	**59,195**	59,841
Others	**(1,785)**	(1,360)
Total	**57,410**	58,481

6. LOSS BEFORE TAX

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

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Employee benefit expenses	**113,265**	99,370
Testing and clinical expenses	**25,086**	28,514
Depreciation of property, plant and equipment	**9,874**	9,307
Research and development consumables	**13,135**	14,607
Professional service expenses	**5,783**	5,816
Depreciation of right-of-use assets	**1,761**	1,425
Utilities	**5,893**	6,094
Office expenses	**3,295**	2,925
Travelling and transportation expenses	**1,438**	1,449
Amortization of intangible assets	**500**	1,962
Short term lease and low value lease expenses	**1,188**	1,540
Auditors' remuneration	**1,998**	2,130
– *Audit service*	**1,890**	1,916
– *Non-audit service*	**108**	214
Other expenses	**3,443**	4,446
Cost of inventories sold	**8,710**	11,257
Marketing service fees	**3,718**	942
Interest income	**(4,704)**	(4,285)
Interest expense on lease liabilities	**1,166**	1,533
Interest expense on financial liabilities	**2,577**	1,213
Interest expense on bank and other borrowings	**462**	318
Total	**198,588**	190,563
Cost of inventories sold	**19,900**	21,592
Selling and distribution expenses	**12,261**	942
Administrative expenses	**34,465**	39,029
Research and development expenses	**132,461**	130,221
Finance income	**(4,704)**	(4,285)
Finance costs	**4,205**	3,064
Total	**198,588**	190,563

7. INCOME TAX EXPENSE

Current 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 operated.

(a) Cayman Islands income tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

(b) Hong Kong income tax

No provision for Hong Kong profits tax has been provided for at the rate of 16.5% (2025: 16.5%) as the Company has no estimated assessable profit.

(c) Chinese Mainland corporate income tax

Subsidiaries in Chinese Mainland are subject to income tax at a rate of 25% (2025: 25%) pursuant to the Corporate Income Tax Law of the People's Republic of China (the "**PRC**") and the respective regulations (the "**CIT Law**"). In addition, CARsgen Life Sciences (Shanghai) Co., Ltd. is in the process of applying for the High and New Technology Enterprise qualification, and upon approval, it is expected to be entitled to a preferential tax rate of 15% for a three-year period commencing from 2026.

No provision for Chinese Mainland corporate income tax was provided for, as there's no assessable profit.

(d) The US corporate income tax

CARsgen USA, which was incorporated in Delaware, the United States on May 4, 2016, was subject to statutory U.S. Federal corporate income tax at a rate of 21% (2025: 21%) for the six months ended June 30, 2026. CARsgen USA was also subject to the state income tax for the six months ended June 30, 2026 and 2025.

No provision for US corporate income tax was provided for as there's no assessable profit.

(e) British Virgin Islands income tax

Under the current laws of BVI, the subsidiary incorporated in BVI is not subject to tax on income or capital gains. In addition, upon payments of dividends by our BVI subsidiaries to us, no BVI withholding tax is imposed.

(f) Ireland corporation income tax and Ireland capital gains tax

Subsidiary in Ireland is subject to income tax at a rate of 12.5% (2025: 12.5%) on the estimated assessable profit and 33% (2025: 33%) on the capital gains.

No provision for Ireland corporate income tax was provided for as there's no assessable profit.

8. DIVIDEND

No dividend was declared or paid by the Company during the six months ended June 30, 2026 (six months ended June 30, 2025: Nil).

9. 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 attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue (excluding shares reserved for share incentive scheme) during the periods.

No adjustment has been made to the basic loss per share amounts presented for the periods in respect of a dilution as the impact of outstanding potential ordinary shares in relation to share-based payment and the put option over non-controlling interests of a subsidiary had anti-dilutive effects on the basic loss per share amounts presented.

The calculation of the basic and diluted loss per share is based on:

	For the six months ended June 30,	
	2026	2025
	(Unaudited)	(Unaudited)
Loss attributable to the ordinary equity holders of the parent (RMB'000)	**(70,840)**	(75,483)
Weighted average number of ordinary shares in issue during the period, used in the basic and diluted loss per share calculation ('000)	**551,454**	551,391
Basic and diluted loss per share (in RMB)	**(0.13)**	(0.14)

10. TRADE RECEIVABLES

An ageing analysis of the trade receivables as at the end of the periods, based on the invoice date and net of loss allowance, is as follows:

	June 30, 2026	December 31, 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 year	**11,585**	15,552
Net carrying amount	**11,585**	15,552

Trade receivables are non-interest-bearing. The Company had a concentration of credit risk of RMB11,574,500 in trade receivables due from one single customer as of June 30, 2026 (as of December 31, 2025: RMB15,552,000). The Company seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by management. Based on the customer's past repayment record and stable business relationship with the Group, management believes that the risk of expected credit loss is minimal.

11. ACCRUALS AND OTHER PAYABLES

	June 30, 2026	December 31, 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Accrued expenses *(i)*	**79,271**	103,302
Staff salaries and welfare payables	**21,508**	24,948
Payables to employees *(ii)*	**10,210**	2,773
Payables for research and development consumables	**3,891**	2,115
Other taxes payable	**2,673**	2,121
Payables for acquisition of property, plant and equipment	**773**	979
Others	**2,083**	2,232
Total	**120,409**	138,470

(i) Accrued expenses were mainly expenses incurred for the research and development activities.

(ii) Payables to employees were mainly amounts owed to employees arising from the sales of shares under the employee share incentive plans.

12. CONTRACT LIABILITIES

The Group has recognised the following liabilities related to contracts with customers:

	June 30, 2026	December 31, 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Advances received from a customer		
Exclusive distribution rights of CT053	**197,640**	217,151
Others	**450**	3,354
Non-current	**154,037**	178,249
Current	**44,053**	42,256
Total	**198,090**	220,505

13. SHARE CAPITAL

Authorized:

	Number of shares *In thousands*	Nominal value of shares *USD*	RMB equivalent value *RMB'000*
As at January 1, 2025 and June 30, 2025, January 1, 2026 and June 30, 2026	200,000,000	50,000	349

Issued and fully paid:

	Number of ordinary shares at USD0.00000025 par value *In thousands*	RMB equivalent value *RMB'000*
As at December 31, 2024 (audited)	571,671	1
Issue of shares held in trust	1,698	–*
Issue of shares to employees under Employee Incentive Schemes *(ii)*	2,535	–*
As at June 30, 2025 (unaudited)	575,904	1
As at December 31, 2025 (audited)	578,117	1
Issue of shares *(i)*	23,700	–*
Issue of shares to employees under Employee Incentive Schemes *(ii)*	677	–*
As at June 30, 2026 (unaudited)	602,494	1

* The amounts are less than RMB1,000.

(i) In May 2026, the Company issued a total number of 23,700,000 ordinary shares at a subscription price of HKD19.84 per share (equivalent to RMB17.29 per share) via private placement to the placees according to the terms and conditions set out in the placing agreement and subscription agreement. The proceeds of HKD46 (equivalent to RMB40) representing the par value were credited to the Company's share capital and the remaining proceeds of HKD470,208,000 (equivalent to RMB409,810,000, before deducting share issue costs of RMB7,236,000) were credited to the share premium account. Further details of the share issue are set out in the announcements issued by the Company on May 26, 2026.

(ii) During the six months ended June 30, 2026, the Company issued 677,000 ordinary shares for a total consideration of HK$8,085,000 (equivalent to approximately RMB7,001,000) in total, at the prices ranging from HK$ nil to HK$16.32 per share, to employees under Employee Incentive Schemes (six months ended June 30, 2025: 2,535,450 ordinary shares at HK$28,180,000 (equivalent to approximately RMB26,478,000) in total, at the prices ranging from HK$ nil to HK$16.32 per share).

Movements in treasury shares during the period:

	Number of treasury shares *In thousands*	**RMB equivalent value** *RMB'000*
As at December 31, 2024 (audited)	22,261	–*
Issue of shares held in trust	1,698	–*
Transfer of treasury shares to employees related to employee share-based payment *(i)*	(1,783)	–*
As at June 30, 2025 (unaudited)	22,176	–*
As at December 31, 2025 (audited)	31,959	–*
Transfer of treasury shares to employees related to employee share-based payment *(i)*	(836)	–*
As at June 30, 2026 (unaudited)	31,123	–*

* The amounts are less than RMB1,000.

(i) During the six months ended June 30, 2026, the Company transferred 836,000 treasury shares to employees under Employee Incentive Schemes at a consideration of HK$464,000 (equivalent to approximately RMB402,000) in total, at the prices ranging from nil to HK$10.81 per share, (During the six months ended June 30, 2025, the Company transferred 1,783,150 treasury shares to employees under Employee Incentive Schemes at a consideration of HK$1,058,000 (equivalent to approximately RMB994,000) in total, at the prices ranging from nil to HK$4.60 per share).

III. CORPORATE GOVERNANCE AND OTHER INFORMATION

Interim Dividend

The Board does not recommend the payment of interim dividend to the Shareholders for the Reporting Period.

Purchase, Sale or Redemption of the Company's Listed Securities

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury Shares (as defined under the Listing Rules)).

As of June 30, 2026, there were 7,818,000 treasury Shares (as defined under the Listing Rules) held by the Company and 455,000 Shares repurchased but pending cancellation. In July 2026, such 7,818,000 treasury Shares and 455,000 Shares repurchased but pending cancellation have been cancelled by the Company.

Subsequent to the Reporting Period, a total of 711,000 Shares were repurchased by the Company in July 2026 and are pending cancellation as at the date of this announcement.

Model Code for Securities Transactions

The Company has adopted the Insider Dealing Policy (the "**Policy**"), with terms no less exacting than the Model Code as its own securities dealing policy to regulate all dealings of the securities of the Company by Directors and employees who, because of his/her office or employment, is likely to possess inside information in relation to the Group or the Company's securities.

Specific enquiries have been made to all Directors and the Directors have confirmed that they have complied with the Policy throughout the Reporting Period.

No incident of non-compliance of the Policy by the employees was noted by the Company for the Reporting Period.

Compliance with the Corporate Governance Code

The Company recognizes the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the Shareholders as a whole. The Company has adopted and applied the principles and code provisions as set out in the Part 2 of the Corporate Governance Code as its own code of corporate governance practices.

For the Reporting Period, the Company has complied with all the applicable code provisions as set out in the Corporate Governance Code, except for code provision C.2.1 described in the paragraph below. The Board will continue to review and monitor the code of corporate governance practices of the Company with an aim to maintaining a high standard of corporate governance.

Pursuant to code provision C.2.1 of the Corporate Governance Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the roles of chairman and chief executive should be separate and should not be performed by the same individual. We do not have separate Chairman of the Board and Chief Executive Officer ("**CEO**"). Dr. Zonghai LI ("**Dr. LI**"), the Chairman of our Board and CEO, currently performs these two roles. Our Board believes that, in view of his experience, personal profile and his roles in our Company as mentioned above, Dr. LI is the Director best suited to identify strategic opportunities and focus of the Board due to his extensive understanding of our business as our CEO. Our Board also believes that the combined role of Chairman of the Board and CEO can promote the effective execution of strategic initiatives and facilitate the flow of information between management and the Board. Our Board will continue to review and consider splitting the roles of Chairman of the Board and the CEO at a time when it is appropriate by taking into account the circumstances of our Group as a whole.

Subsequent Event

No significant events have occurred after the Reporting Period and up to the date of this announcement which require additional disclosures or adjustments as at the date of this announcement.

Legal Proceedings

As of June 30, 2026, as far as the Company is aware, the Company and its subsidiaries were not involved in any material litigation or arbitration and no material litigation or claim of material importance was pending or threatened against or by the Company.

Use of Proceeds

Use of Proceeds from the Global Offering

The Company's shares were listed on the Stock Exchange on June 18, 2021 with a total of 94,747,000 offer shares issued and the net proceeds raised from the Global Offering were approximately HK$3,008 million. The net proceeds from the Global Offering (adjusted on a pro rata basis based on the actual net proceeds) have been and will be utilized in accordance with the purposes set out in the Prospectus. There was no change in the intended use of net proceeds as previously disclosed in the Prospectus as follows:

- approximately HK$902.4 million (US$115.7 million) (or approximately 30% of the net proceeds) to fund further development of our Core Product, BCMA CAR-T (CT053);

- approximately HK$932.5 million (US$119.6 million) (or approximately 31% of the net proceeds) to fund ongoing and planned research and development of our other pipeline product candidates;

- approximately HK$601.6 million (US$77.2 million) (or approximately 20% of the net proceeds) for developing full-scale manufacturing and commercialization capabilities;

- approximately HK$300.8 million (US$38.6 million) (or approximately 10% of the net proceeds) for continued upgrading of CAR-T technologies and early-stage research and development activities; and

- approximately HK$270.7 million (US$34.7 million) (or approximately 9% of the net proceeds) will be used for our working capital and other general corporate purposes.

The net proceeds from the Global Offering have been utilized in accordance with the purposes set out in the Prospectus. The table below sets out the applications of the net proceeds and actual usage up to June 30, 2026:

Use of proceeds	Planned allocation of Net Proceeds *(HKD million)*	Planned allocation of Net Proceeds *(RMB million)*	Utilized amount (as at December 31, 2025) *(RMB million)*	Utilized for the six months ended June 30, 2026 *(RMB million)*	Utilized amount (as at June 30, 2026) *(RMB million)*	Remaining amount (as at June 30, 2026) *(RMB million)*
Further development of our Core Product, BCMA CAR-T (CT053)	902.4	851.7	851.7	0	851.7	0
Ongoing and planned research and development of our other pipeline product candidates	932.5	835.9	811.7	24.2	835.9	0
Developing full-scale manufacturing and commercialization capabilities	601.6	539.3	451.4	50.5	501.9	37.4
Upgrading of CAR-T technologies and early–stage research and development activities	300.8	269.6	251.6	18.1	269.6	0
Working capital and other general corporate purposes	270.7	255.5	255.5	0	255.5	0
Total	**3,008.0**	**2,752.0**	**2,621.9**	**92.8**	**2,714.6**	**37.4**

The unutilized amount of net proceeds is expected to be fully utilized for the intended use by 2026, which is later than originally planned, due to cost savings achieved via improved operational efficiency and moving outsourced services internally.

The above RMB amounts were converted using the December 31, 2025 exchange rate of HK$1 to RMB0.8964.

Use of Proceeds from the Top-up Placing

To facilitate the settlement efficiency of the Placing and secure more favorable terms for the Company, the Placing is structured as a top-up arrangement which does not constitute a transaction intended for the Vendor to sell down its Shares or realize its investment.

Upon the completion of the Top-up Placing, the Company has allotted and issued 23,700,000 new Shares under the general mandate passed at the annual general meeting of the Company held on May 22, 2025. The net proceeds from the Top-up Placing (after deducting all fees, costs and expenses properly incurred in connection therewith) amount to approximately HK$461,961,808.

The net proceeds from the Top-up Placing have been utilized in accordance with the purposes set out in the announcement dated May 26, 2026. The table below sets out the applications of the net proceeds and actual usage up to June 30, 2026:

Use of proceeds	Planned allocation of Net Proceeds *(HKD million)*	Planned allocation of Net Proceeds *(RMB million)*	Utilized for the six months ended June 30, 2026 *(RMB million)*	Utilized amount (as at June 30, 2026) *(RMB million)*	Remaining amount (as at June 30, 2026) *(RMB million)*	Expected timeline of full utilization of the net proceeds
Clinical development of the Company's innovative drugs globally (including China)	323.4	278.4	13.6	13.6	264.8	Before December 31, 2028
Equipment and facility expenses for global R&D (including new process development) and manufacturing	69.3	59.7	10.5	10.5	49.2	Before December 31, 2028
Working capital and other general corporate purposes	69.3	59.7	4.3	4.3	55.4	Before December 31, 2027
Total	**462.0**	**397.8**	**28.4**	**28.4**	**369.4**	

Note: Such allocation and expected time frame are based on the Directors' best estimation barring unforeseen circumstances, and would be subject to change based on the future development of the Company, the market conditions and availability of business development and investment opportunities.

The working capital and other general corporate purposes mainly include 1) RMB1.76 million for employee salary and social benefit in general and administration departments, i.e administration, finance, legal, IT, purchase, internal audit, investor relationship; 2) RMB0.62 million for company rental fee and its property management fee, i.e office, dormitory, shuttle bus; 3) RMB0.28 million for office expense and office supply; 4) RMB0.3 million for travel expense; 5) RMB1.1 million for legal and lawyer consulting fee; and 6) RMB0.29 million for IT spending, i.e. software, laptop, server, network, Antifire, ERP.

The above RMB amounts were converted using the June 2, 2026 exchange rate of HK$1 to RMB0.8609.

Audit Committee

As at the date of this announcement, the Audit Committee has three members comprising Ms. Xiangke ZHAO (chairman), Mr. Huaqing GUO and Dr. Wen ZHOU, with terms of reference in compliance with the Listing Rules.

The Audit Committee has reviewed and agreed with the accounting principles and practices adopted by the Group and has discussed matters in relation to internal controls and financial reporting with the management, including the review of the unaudited condensed consolidated interim financial results of the Group for the six months ended June 30, 2026. The Audit Committee considers that the interim financial results for the six months ended June 30, 2026 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

Publication of Interim Results Announcement and Interim Report

This announcement is published on the websites of the Stock Exchange (**www.hkexnews.hk**) and the Company (**www.carsgen.com**).

The interim report for the Reporting Period containing all the information required by Appendix D2 to the Listing Rules will be published on the websites of the Stock Exchange and the Company in due course.

"Audit Committee"	the audit committee of the Company
"Board of Directors", "Board" or "our Board"	our board of Directors
"BVI"	the British Virgin Islands
"China" or "PRC"	the People's Republic of China, which for the purpose of the Prospectus and for geographical reference only, excludes Hong Kong, Macao and Taiwan
"Company", "our Company", "the Company", "CARsgen Therapeutics" or "CARsgen"	CARsgen Therapeutics Holdings Limited (科濟藥業控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on February 9, 2018
"Core Product"	has the meaning ascribed to it in Chapter 18A of the Listing Rules and in this context, refers to CT053
"Corporate Governance Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
"Director(s)"	the director(s) of the Company
"Global Offering"	the initial public offering of the Shares on the terms and subject to the conditions as described in the Prospectus
"Group", "our Group", "we", "us" or "our"	our Company, its subsidiaries and consolidated affiliated entities from time to time or, where the context so requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries and consolidated affiliated entities, such subsidiaries and consolidated affiliated entities as if they were subsidiaries and consolidated affiliated entities of our Company at the relevant time
"HK$" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Huadong Medicine"	Huadong Medicine Co., Ltd. (Stock Code: 000963.SZ), a leading large-scale comprehensive pharmaceutical listed company based in Hangzhou, China
"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

"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
"NMPA"	National Medical Products Administration (國家藥品監督管理局), the successor of the China Food and Drug Administration (國家食品藥品監督管理總局), or the CFDA, the State Food and Drug Administration (國家食品藥品監督管理局), or the SFDA and the State Drug Administration (國家藥品監督管理局), or the SDA
"Placing"	the placement of 23,700,000 Placing Shares to independent investors at the Placing Price pursuant to the Placing Agreement
"Placing Agreement"	the placing agreement entered into among the Company, the Vendor and the joint placing agents on May 15, 2026 (before trading hours)
"Placing Price"	HK$19.84 for each Placing Share
"Placing Shares"	existing Shares sold pursuant to the Placing Agreement
"Prospectus"	the prospectus issued by the Company on June 7, 2021 in connection with the Global Offering
"RMB"	Renminbi, the lawful currency of China
"Shareholder(s)"	holder(s) of shares of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription"	the subscription of the Subscription Shares by the Vendor pursuant to the Subscription Agreement
"Subscription Agreement"	the subscription agreement entered into between the Vendor and the Company on May 15, 2026 (before trading hours)
"Top-up Placing"	the Placing and the Subscription
"United States" or "U.S." or "US"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US$" or "USD"	United States dollars, the lawful currency of the United States
"Vendor"	YIJIE Biotech Holding Limited

GLOSSARY

"antigen"	the substance that is capable of stimulating an immune response, specifically activating lymphocytes, which are the body's infection-fighting white blood cells
"ASCO"	American Society of Clinical Oncology
"ASH"	American Society of Hematology
"BCMA"	B-cell maturation antigen, a protein that is highly expressed in multiple myeloma with limited expression on normal tissues other than plasma cells
"B2M"	Beta-2 microglobulin
"CAR(s)"	chimeric antigen receptor(s)
"CAR-T" or "CAR T"	chimeric antigen receptor T cell
"CD19"	a cell surface protein expressed on the surface of almost all normal B lineage cells and B cell leukemia and lymphoma
"CD20"	cell-surface molecule expressed on the surface of normal B lymphocyte and B-cell malignancies
"chemotherapy"	a category of cancer treatment that uses one or more anti-cancer chemotherapeutic agents as part of its standardized regimen
"CR"	complete response
"CycloCAR®"	a next-generation CAR-T technology under development by the Company, which features co-expression of cytokines IL-7 and chemokine CCL21 in the CAR T-cells to potentially improve clinical efficacy and reduced requirement for lymphodepletion conditioning
"cytokine"	a broad and loose category of small proteins that are important in cell signaling; their release affects the growth of all blood cells and other cells that help the body's immune and inflammation responses
"EHA"	European Hematology Association
"FDA" or "U.S. FDA"	United States Food and Drug Administration
"GMP"	Good Manufacturing Practice

"GPC3"	Glypican-3, an oncofetal antigen expressed in a variety of tumors including certain liver and lung cancers
"G/GEJA"	gastric/gastroesophageal junction cancer, a type of cancer
"GvHD"	graft versus host disease
"HCC"	hepatocellular carcinoma, a type of cancer arising from hepatocytes in predominantly cirrhotic liver patients
"HLA"	human leukocyte antigen
"HvGR"	host versus graft response
"IIT"	clinical trial sponsored and conducted by independent investigators
"IND"	investigational new drug or investigational new drug application, also known as clinical trial application in China
"LADAR®"	Local Action Driven by Artificial Receptor technology, with similar mechanism of synNotch system, in which the intracellular transcription of the gene of interest is controlled by a chimeric regulatory antigen receptor
"mesothelin"	cell-surface protein whose expression is mostly restricted to mesothelial cell layers lining the pleura, pericardium and peritoneum
"MM" or "R/R MM"	multiple myeloma, a type of cancer that forms in the plasma blood cells; cancer that relapses or does not respond to treatment is called relapsed and/or refractory multiple myeloma
"NDA"	new drug application
"NK cell"	natural killer cell, the human body's first line of defense due to their innate ability to rapidly seek and destroy abnormal cells
"NKG2A"	also named KLRC1, killer cell lectin-like receptor subfamily C, member 1

"Phase I"	a study in which a drug is introduced into healthy human subjects or patients with the target disease or condition and tested for safety, dosage, tolerance, absorption, metabolism, distribution, excretion, and if possible, to gain an early indication of its effectiveness
"Phase Ib"	a phase of clinical trials that primarily assesses safety, tolerability and pharmacokinetics/pharmacodynamics at multiple ascending dose levels prior to commencement of a Phase II or Phase III clinical trial
"Phase II"	a study in which a drug is administered to a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the drug for specific targeted disease, and to determine dosage tolerance and optimal dosage
"sCR"	stringent complete response
"solid tumor"	an abnormal mass of tissue that usually does not contain cysts or liquid areas
"TCR"	T cell receptor
"THANK-uCAR®"	the Company's proprietary technology to generate CAR T cells with improved expansion and persistence from T cells that are sourced from third-party donors

CAUTIONARY LANGUAGE REGARDING FORWARD-LOOKING STATEMENTS

All statements in this announcement that are not historical fact or that do not relate to present facts or current conditions are forward-looking statements. Such forward-looking statements express the Group's current views, projections, beliefs and expectations with respect to future events as of the date of this announcement. Such forward-looking statements are based on a number of assumptions and factors beyond the Group's control. As a result, they are subject to significant risks and uncertainties, and actual events or results may differ materially from these forward-looking statements and the forward-looking events discussed in this announcement might not occur. Such risks and uncertainties include, but are not limited to, those detailed under the heading "Principal Risks and Uncertainties" in our most recent annual report and interim report and other announcements and reports made available on our corporate website, https://www.carsgen.com. No representation or warranty is given as to the achievement or reasonableness of, and no reliance should be placed on, any projections, targets, estimates or forecasts contained in this announcement.

By Order of the Board
CARsgen Therapeutics Holdings Limited
Dr. Li Zonghai
Chairman

Hong Kong, August 18, 2026

As at the date of this announcement, the board of directors of the Company comprises Dr. Zonghai LI, Dr. Huamao WANG and Dr. Hua JIANG as executive Directors; Mr. Huaqing GUO and Mr. Ronggang XIE as non-executive Directors; Dr. Guangmei YAN, Ms. Xiangke ZHAO and Dr. Wen ZHOU as the independent non-executive Directors.

In the case of inconsistency, the English text of this announcement shall prevail over the Chinese text.