PegBio Co., Ltd.

派格生物醫藥(杭州)股份有限公司

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

(Stock Code: 2565)

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

The Board of Directors of PegBio Co., Ltd. is pleased to announce the unaudited consolidated results of the Company and its subsidiaries for the six months ended June 30, 2026, together with comparative figures for the same period of 2025. The consolidated financial statements of the Group for the Reporting Period have been reviewed by the Audit Committee.

Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments or have been rounded to one or two decimal places, as appropriate. Any discrepancies in any table, chart or elsewhere totals and sums of amounts listed therein are due to rounding.

FINANCIAL HIGHLIGHTS

OPERATING RESULTS

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Loss from operations	**(214,233)**	(92,135)
Loss for the period	**(216,196)**	(93,672)
Loss per share – Basic and diluted (RMB)	**(0.55)**	(0.25)

FINANCIAL POSITION

	At	At
	June 30,	December 31,
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Non-current assets	**47,090**	42,951
Current assets	**457,181**	556,283
Total assets	**504,271**	599,234
Non-current liabilities	**58,774**	9,589
Current liabilities	**178,657**	141,055
Total liabilities	**237,431**	150,644
Total equity	**266,840**	448,590

BUSINESS HIGHLIGHTS

During the Reporting Period and up to the date of this announcement, the Group has made significant progress in the commercialization of our Core Product, the advancement of our innovative product pipeline, the development of our next-generation intelligent R&D capabilities, and global cooperation.

During the Reporting Period, the commercialization of the Group's Core Product, Visepegenatide injection (PB-119, trade name: Paidakang® (派達康®)) continued to advance. The Group entered into a strategic cooperation agreement (the "**Agreement**") with Shanghai Tenry Pharmaceutical Co., Ltd. ("**Tenry Pharmaceutical**") in March 2026 for the commercialization of Visepegenatide injection in the Chinese mainland, and received the first royalty payment of approximately HK$61.0 million under the Agreement from Tenry Pharmaceutical in June 2026. Visepegenatide injection has been included in the "List of Declared Drugs that Have Passed the Preliminary Review in Accordance with the Adjustment to 2026 Catalogue of Drugs for National Basic Medical Insurance, Work-related Injury Insurance and Maternity Insurance and the Catalogue of Innovative Drugs for Commercial Insurance" (《2026 年國家基本醫療保險、工傷保險和生育保險藥品目錄及商保創新藥目錄調整通過初步形式審查的申報藥品名單》) released by the National Healthcare Security Administration (國家醫療保障局). It has passed the application criteria under "Condition 1 for Drugs Not Included in the Catalogue", making further progress in market access. Subsequent to the Reporting Period, the first batch of commercial prescriptions for Paidakang® (派達康®) has been successively issued at multiple medical institutions, further advancing the clinical application and patient accessibility of the product. As the first batch of commercial prescriptions of Paidakang® (派達康®) has been successfully issued nationwide, all the conditions for the second royalty payment of approximately HK$49 million stipulated in the Agreement have been satisfied. The Group expects to receive the payment within the payment period stipulated in the Agreement.

Alongside the commercialization of its Core Product, the Group continued to focus on the fields of diabetes, obesity and related metabolic diseases, advancing next-generation innovative therapies with differentiation potential. During the Reporting Period, the first-in-human study of CR059 achieved milestone progress, with relevant research results being accepted by important international academic conferences. The Group also continued to advance the preclinical and subsequent development of key innovative product candidates such as APGP6 and PB-2312. The Group continued to dynamically evaluate and optimize the development priority of its various R&D projects based on clinical value, product differentiation potential, market competition landscape, and R&D resource allocation.

During the Reporting Period, the Group continued to advance the development of its next-generation intelligent R&D and data platform, further integrating artificial intelligence, computational science and biotechnology to enhance its capabilities in drug discovery, molecular design and optimization, and R&D data integration and analysis, thereby providing technical support for the continued discovery and development of innovative drug candidates.

The Group also continued to expand diversified development pathways and global cooperation opportunities for its self-developed innovative products. Subsequent to the Reporting Period, the Group entered into collaborations with international biotechnology enterprises such as Rani Therapeutics Holdings, Inc., in relation to innovative drug delivery technologies and metabolic disease candidate assets, exploring the feasibility of combining different technology platforms with the Group's self-developed drug candidates, as well as the potential for further development and commercialization of relevant products in overseas markets.

With the continued advancement of the commercialization of Visepegenatide injection, the continuous progress of its next-generation innovative product pipeline, and the gradual improvement of intelligent R&D capabilities, the Group is further building integrated capabilities covering innovative drug discovery, clinical development, product commercialization, and global cooperation.

MANAGEMENT DISCUSSION & ANALYSIS

I. OVERVIEW

Founded in 2008, we are a biopharmaceutical company focused on innovative therapies for metabolic diseases and related chronic diseases. We are committed to discovering, developing and commercializing innovative drugs with differentiated clinical value, and continuously building a product portfolio with long-term development potential to address significant unmet clinical needs.

After years of independent R&D, our Core Product, Visepegenatide injection (PB-119, trade name: Paidakang® (派達康®)), has been successfully approved for marketing and entered the commercialization stage, marking a significant leap for the Group from innovative drug discovery, clinical development and registration filing to product commercialization. During the Reporting Period and up to the date of this announcement, Visepegenatide injection continued to make progress in commercialization collaboration, market access and terminal application, while the Group's development model has gradually evolved from an R&D-focused model towards a balanced focus on innovative R&D and product commercialization.

Building on the commercialization of the Core Product, the Group continued to focus on the fields of diabetes, obesity and related metabolic diseases, advancing next-generation innovative therapies with differentiated mechanisms of action and potential clinical value, while actively exploring therapeutic directions with potential clinical value such as ultra-long-acting treatment, body composition management, and innovative drug delivery methods. Meanwhile, the Group continued to dynamically optimize the development priority of its R&D projects based on clinical value, product differentiation potential, market competition landscape, technical feasibility, and R&D resource allocation.

The Group also continued to enhance its independent innovative R&D capabilities. During the Reporting Period, the Group advanced the development of its next-generation intelligent R&D and data platform, further enhancing its capabilities in drug discovery, molecular design and optimization, and R&D data analysis by integrating artificial intelligence, computational science and biotechnology. Meanwhile, the Group actively sought collaboration with industry partners possessing innovative technologies and global development capabilities to expand the drug delivery methods, development pathways, and global value of its self-developed innovative products.

II. BUSINESS REVIEW

Our Products and Product Pipeline

The Group focuses on the fields of metabolic diseases and related chronic diseases, and continues to advance the discovery, development and commercialization of innovative drugs guided by unmet clinical needs and product differentiation value. As of June 30, 2026, the Group has established a multi-tiered product portfolio consisting of a commercialized Core Product, clinical-stage product candidates, and cutting-edge innovative R&D projects.

Visepegenatide injection (PB-119, trade name: Paidakang® (派達康®)) is the Group's first commercialized self-developed innovative drug. The Group entered into the Agreement with Tenry Pharmaceutical in March 2026 for the commercialization of Visepegenatide injection in the Chinese mainland, and has received the first royalty payment of approximately HK$61.0 million under the Agreement from Tenry Pharmaceutical in June 2026. Visepegenatide injection has been included in the "List of Declared Drugs that Have Passed the Preliminary Review in Accordance with the Adjustment to 2026 Catalogue of Drugs for National Basic Medical Insurance, Work-related Injury Insurance and Maternity Insurance and the Catalogue of Innovative Drugs for Commercial Insurance"(《2026 年國家基本醫療保險、工傷保險和生育保險藥品目錄及商保創新藥目錄調整通過初步形式審查的申報藥品名單》) released by the National Healthcare Security Administration (國家醫療保障局). It has passed the application criteria under "Condition 1 for Drugs Not Included in the Catalogue". Subsequent to the Reporting Period, the first batch of commercial prescriptions for Paidakang® (派達康®) has been successively issued at multiple medical institutions, and the Group will continue to work in collaboration with its partners to advance its market access, academic promotion, channel development, terminal coverage, and patient services.

In terms of the subsequent innovative pipeline, the Group continued to advance innovative therapies for metabolic diseases with differentiation potential. The first-in-human study related to CR059 achieved milestone progress during the Reporting Period, with its research results accepted by important international academic conferences. Key product candidates such as APGP6 and PB-2312 also continued to advance through preclinical research and preparations for subsequent development. The Group will rationally allocate R&D resources and continuously optimize its product pipeline based on the research results, differentiated competitive potential, and overall R&D strategy of each product candidate.

In terms of R&D strategy, the Group does not limit itself to a single technical pathway; but rather, employs a combination of various drug designs and cutting-edge technologies based on disease mechanisms and clinical needs, with a focus on enhancing the differentiation potential of product candidates in terms of efficacy, safety, convenience of administration, patient compliance, and overall clinical benefits. Meanwhile, the Group is further enhancing its innovative drug discovery and development capabilities through the development of its next-generation intelligent R&D and data platform and collaboration with external innovative technology platforms.

The following chart summarizes the development status of the Group's key products and product candidates as of June 30, 2026.

Drug candidates/ projects	Targets/types	Indications	Development stage	Preclinical	Phase I	Phase II	Phase III	NMPA	Rights	Latest R&D progress
Visepegenatide (PB-119)	Long-acting GLP-1 receptor agonist	T2DM (Mono and in combination with metformin)	Marketed	China (NMPA)					Global	Approved for marketing in China on November 14, 2025, with ongoing advancement in commercialization.
Visepegenatide (PB-119)	Long-acting GLP-1 receptor agonist	T2DM (U.S.)	Phase II completed	U.S. (FDA)						Phase I and II clinical trials completed in the United States.
Visepegenatide (PB-119)	Long-acting GLP-1 receptor agonist	Overweight or obesity	Phase Ib/IIa	China (NMPA)						Phase Ib/IIa clinical development is in progress.
Visepegenatide (PB-119)	Long-acting GLP-1 receptor agonist	T2DM (Cardiovascular benefits)	IND approved	China (NMPA)						IND approved by the NMPA.
PB-718	Long-acting GLP-1/GCG dual receptor agonist	Overweight or obesity	Phase Ib/IIa	China (NMPA)						Completed participant follow-up for a Phase Ib/IIa clinical trial.
PB-718	Long-acting GLP-1/GCG dual receptor agonist	MASH	Phase I completed	China (NMPA)						Phase I clinical trial completed in the United States.
PB-1902	Opioid receptor antagonist	OIC	Phase I completed	China (NMPA)						Phase I clinical trials completed in China.
PB-722	GCG receptor agonist	Congenital hyperinsulinemia	IND approved	China (NMPA)/U.S. FDA						IND approved by the NMPA in May 2023.
PB-2301	GLP-1/GIP dual receptor agonist	T2DM/Overweight or obesity/MASH	Preclinical	China (NMPA)						At the preclinical research stage.
PB-2309	GLP-1/GIP/GCG triple receptor agonist	T2DM/Overweight or obesity/MASH	Preclinical	China (NMPA)						At the preclinical research stage.
CR059	Circular RNA encoding metabolic peptides (innovative exploratory project in the preliminary research related to PB-2309)	Metabolic diseases	IIT completed/ Preclinical validation	China (NMPA)						CR059 is an innovative exploratory project in the preliminary research related to PB-2309; IIT study has been completed; non-human primate research showed sustained expression for over 8 weeks after a single administration; relevant results have been accepted as ADA 2026 Late-Breaking Abstract and EASD 2026 oral discussion.
APGP6	Innovative undisclosed target in the metabolic field	Overweight or obesity	Preclinical/ IND-enabling	China (NMPA)						IND-enabling research continues to advance; IND submission planned in 2026.
PB-2312	Innovative multi-target candidate drug for metabolic diseases	Weight management/ MASH and related metabolic diseases	Preclinical/ IND-enabling	China (NMPA)						Preclinical research continues to advance; currently conducting IND-supporting studies such as CMC and toxicology and preparation for clinical filing.

Core Product PB-119 (Visepegenatide Injection)

PB-119 is a long-acting GLP-1 receptor agonist independently developed by the Group. Visepegenatide injection (trade name: Paidakang® (派達康®)) was approved for marketing by the NMPA on November 14, 2025 for glycemic control in adults with type 2 diabetes mellitus, marking the formal transition of the Group's first self-developed innovative drug from the R&D stage into the commercialization stage.

During the Reporting Period, the Group continued to advance the commercialization of PB-119. The Group entered into the Agreement with Tenry Pharmaceutical in March 2026 for the commercialization of Visepegenatide injection in the Chinese mainland, and has received the first royalty payment of approximately HK$61.0 million under the Agreement from Tenry Pharmaceutical in June 2026. The parties continued to advance efforts in market access, academic promotion, channel development, terminal coverage, and patient services, with a view to enhancing the product's clinical and patient accessibility.

In terms of market access, PB-119 passed the preliminary review in accordance with the 2026 National Reimbursement Drug List adjustment during the Reporting Period. Subsequent to the Reporting Period, the first batch of commercial prescriptions for Paidakang® (派達康®) has been successively issued at multiple medical institutions, further advancing the clinical application and patient use of the product. The conditions for the second payment of approximately HK$49.0 million stipulated in the commercialization cooperation agreement have also been satisfied.

The successful marketing and subsequent commercialization progress of PB-119 mark the Group's achievement in transitioning its self-developed innovative products from drug discovery, clinical development and registration filing to product commercialization, and have furnished the Group with crucial experience for the subsequent product development, market access and commercialization operations.

PB-718, a long-acting GLP-1/GCG dual receptor agonist

PB-718 is a long-acting GLP-1/glucagon (GCG) dual receptor agonist independently developed by the Group, primarily designed for the treatment of overweight or obesity and metabolic dysfunction-associated steatohepatitis (MASH).

The Group has completed a Phase I clinical trial of PB-718 on healthy participants in the United States, and has completed a Phase Ib/IIa randomized, double-blind, placebo-controlled clinical study in obese participants in China to evaluate the safety, tolerability, pharmacokinetic profiles, and preliminary efficacy of PB-718.

Relevant clinical studies showed that PB-718 demonstrated overall good safety and tolerability, with preliminary signals of efficacy observed, including an improvement trend in liver lipid content, providing a research basis for the further evaluation of its potential clinical value in the fields of obesity, MASH and related metabolic diseases.

The Group will, taking into account the existing clinical study results, product differentiation potential, market competition landscape and overall R&D resource allocation, continuously evaluate the subsequent clinical development strategy and timing of advancement for PB-718.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET PB-718 SUCCESSFULLY.

PB-1902, a potential oral selective opioid receptor antagonist for the treatment of OIC

PB-1902 is an oral selective peripheral opioid receptor antagonist independently developed by the Group, intended for the treatment of opioid-induced constipation (OIC). PB-1902 is designed to preserve the central analgesic effects of opioid drugs to the greatest extent possible while improving OIC symptoms by selectively blocking gastrointestinal side effects mediated by peripheral opioid receptors.

The Group has completed two Phase I clinical trials of PB-1902 in healthy participants in China. Relevant study results showed that PB-1902 demonstrated good safety and tolerability, as well as expected pharmacokinetic (PK) and pharmacodynamic (PD) profiles. The NMPA has previously approved the Group to conduct a Phase II clinical trial of PB-1902 for the treatment of OIC indication in China.

OIC is a common gastrointestinal adverse reaction in patients undergoing long-term opioid therapy, which may cause a continuous impact on their quality of life. With its oral administration and peripheral selectivity profile, PB-1902 has the potential to be further investigated for its therapeutic value in OIC.

The Group will, taking into account the existing clinical study results, clinical needs, market environment and overall R&D resource allocation, continuously evaluate the subsequent clinical development strategy and timing of advancement for PB-1902.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET PB-1902 SUCCESSFULLY.

PB-722, a GCG receptor agonist being developed for the treatment of congenital hyperinsulinemia

PB-722 is a GCG receptor agonist independently developed by the Group, intended for the treatment of congenital hyperinsulinemia. Congenital hyperinsulinemia is a rare endocrine disease where patients face a persistent risk of hypoglycemia due to abnormal insulin secretion, representing an unmet clinical treatment need.

PB-722 has completed several pharmacodynamic and safety studies in relevant animal models, and has demonstrated its efficacy in raising and maintaining blood glucose levels in a hypoglycemic animal model. PB-722 was granted the Orphan Drug Designation by the U.S. FDA in May 2021, and received approval of its IND application from the NMPA in May 2023 to conduct clinical trials for the treatment of congenital hyperinsulinemia in China, making PB-722 the first drug candidate with IND approval for this indication in China.

The aforementioned regulatory progress and preclinical research results have laid the foundation for the further development of PB-722 in the field of congenital hyperinsulinemia. The Group will, taking into account the characteristics of clinical development for rare diseases, regulatory requirements and overall R&D resource allocation, prudently evaluate and advance its subsequent clinical development in due course.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET PB-722 SUCCESSFULLY.

PB-2301

PB-2301 is an investigational candidate drug independently developed by the Group for the treatment of metabolic-related diseases such as T2DM, overweight or obesity and MASH, which is currently at the preclinical research stage.

During the Reporting Period, the Group continued to conduct preclinical research on PB-2301, evaluating the pharmacodynamic characteristics, safety and potential therapeutic value of the candidate molecules in metabolic-related diseases, while continuing to optimize the relevant candidate molecules and development plans.

The Group will, based on the subsequent research results, product differentiation potential, competition landscape in the field of metabolic diseases and overall R&D resource allocation, evaluate the subsequent development strategy and clinical filing arrangements for PB-2301.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET PB-2301 SUCCESSFULLY.

PB-2309 and CR059

PB-2309 is an innovative candidate for the treatment of metabolic diseases independently developed by the Group. The Group continued to conduct relevant early-stage and preclinical research on PB-2309 to evaluate its potential therapeutic value in diabetes, obesity and other metabolic-related diseases.

CR059 is an innovative exploratory project in the preliminary research related to PB-2309. Utilizing a circular Ribonucleic Acid ("**RNA**") technology platform, it aims to explore an ultra-long-acting treatment solution for metabolic diseases that differs from the half-life extension methods of traditional peptide drugs by enabling the sustained expression of GLP-1-like molecules in vivo.

During the Reporting Period, the investigator-initiated trial (IIT) related to CR059 achieved milestone progress, providing human study evidence for the further evaluation of its potential for sustained expression and low-frequency administration. Relevant research results were successively accepted by the 2026 Scientific Sessions of the American Diabetes Association (ADA) and selected as a Late-Breaking Abstract, and were also accepted by the European Association for the Study of Diabetes Annual Meeting 2026 and selected for an oral discussion session.

The aforementioned research progress supports the Group's continued exploration of the application potential of circular RNA technology in the field of long-acting treatment for metabolic diseases. The Group continues to optimize and refine its circular RNA drug delivery platform technology, the application of which is not limited to the treatment of metabolic diseases, but will also be further expanded into areas such as immunological diseases and even tumor treatment, with a particular focus on developing "alternative therapy solutions for protein-based drugs". This will lay the technical foundation and provide new technical pathways for the ongoing development of innovative drugs. The Group will, based on the subsequent clinical and translational research results, continuously evaluate the subsequent development strategies for CR059 and relevant projects.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET PB-2309 AND/OR CR059 RELATED PRODUCTS SUCCESSFULLY.

APGP6

APGP6 is an innovative candidate drug independently developed by the Group for weight management and body composition improvement, which is designed to improve or preserve lean mass and muscle function while reducing fat content, exploring the potential clinical needs for weight loss effects primarily driven by body fat reduction with more clinical benefits to address concerns about significant muscle loss potentially caused by currently marketed drugs that solely pursue absolute weight loss. It is currently at the preclinical research stage.

During the Reporting Period, the Group continued to advance the preclinical research of APGP6, conducting a comprehensive evaluation of its mechanism of action, pharmacodynamic characteristics and safety profile. Relevant research focused on examining the potential differentiated characteristics of APGP6 in terms of weight loss, fat reduction, lean mass preservation and muscle function improvement, and the existing preclinical research results provided positive research support for its further development.

In addition to weight and body composition management, APGP6 has also demonstrated potential for further improving cardiometabolic health. In relevant preclinical studies, its positive effects have been observed in terms of improving myocardial function, inhibiting ventricular remodeling and reducing fibrosis, providing a research basis for further exploration of its potential therapeutic value in obesity complicated by heart failure and other cardiometabolic diseases.

The Group is currently continuing to advance CMC, toxicology and other IND-supporting studies related to APGP6, and will, based on the subsequent preclinical research results, regulatory requirements and overall global development strategy, advance clinical filings and subsequent clinical development in Australia, China, the United States and other markets in due course.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET APGP6 SUCCESSFULLY.

PB-2312

PB-2312 is an innovative multi-target candidate drug for metabolic diseases independently developed by the Group, which is designed to exert multi-target synergistic effects to improve overall metabolic health while reducing body weight and fat content, and to explore its therapeutic potential in weight management, metabolic dysfunction-associated steatohepatitis (MASH) and other metabolic-related diseases. It is currently at the preclinical research stage.

During the Reporting Period, the Group continued to advance the preclinical research of PB-2312, conducting a comprehensive evaluation of its pharmacodynamic characteristics, safety and potential therapeutic value in weight management and metabolic-related diseases.

In the DIO-MASH mouse model, using investigational candidate drugs such as retatrutide and efruxifermin as controls, PB-2312 demonstrated a significant and sustained weight-reducing effect under the same research conditions, with the magnitude of weight loss superior to the aforementioned control candidate drugs, accompanied by sustained decrease in food intake, indicating strong potential for weight management.

In addition to its role in weight management, PB-2312 also demonstrated favorable hepatoprotective efficacy in the aforementioned model, achieving positive improvements in histological indicators such as liver Non-alcoholic Fatty Liver Disease Activity Score ("**NAS**") score, steatosis and inflammation. In this preclinical study, its overall liver histological improvement performance was comparable to that of efruxifermin and superior to that of retatrutide.

The relevant preclinical research results support PB-2312 as an innovative multi-target candidate drug, enabling further exploration of its development potential in weight management, MASH and other metabolic-related diseases, while providing a research foundation for subsequent clinical development.

The Group is currently continuing to advance IND-supporting studies for PB-2312 including efficacy, safety, CMC and toxicology, with a view to further refining preclinical and clinical filing materials, and will, based on the subsequent research results, regulatory requirements and overall global development strategy, advance clinical filings and subsequent development in China, the United States and other markets in due course.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET PB-2312 SUCCESSFULLY.

Research and Development

The Group continues to focus on the fields of chronic and metabolic diseases, and advances the discovery, development and transformation of innovative drug candidates guided by significant unmet clinical needs and product differentiation value.

In terms of R&D strategy, the Group does not limit itself to a single technical platform; rather, it employs a combination of various drug designs and cutting-edge biotechnologies based on different disease mechanisms, candidate asset characteristics and clinical needs, to continuously enhance the differentiation potential of product candidates in terms of efficacy, safety, convenience of administration, patient compliance, and overall clinical benefits.

During the Reporting Period, the Group continued to advance the development of its next-generation intelligent R&D and data platform, further integrating artificial intelligence, computational science and biotechnology to build intelligent R&D capabilities covering candidate molecule design and optimization, R&D data integration and analysis, and R&D decision support. This aims to further enhance the efficiency of early-stage drug discovery and candidate molecule optimization, thereby supporting the continuous expansion of the Group's innovative product pipeline.

With the ongoing progress of APGP6, PB-2312, CR059 and other innovative projects, the Group will also progressively deepen the synergy between its next-generation intelligent R&D and data platform and its actual R&D efforts. While retaining scientific and experimental validation as the core basis for R&D decision-making, the Group will utilize data and computational capabilities to enhance the efficiency of candidate molecule screening, research data analysis and R&D decision-making.

The Group has established an R&D team covering functions including drug discovery, clinical R&D and regulatory affairs. The drug discovery team is responsible for the design, screening and optimization of candidate molecules, and organizes and conducts pharmacodynamics, pharmacokinetics, safety and other preclinical research; the clinical R&D team is responsible for clinical development strategies, clinical trial protocol design, trial operation, drug safety monitoring and quality management.

The Group will continue to dynamically evaluate the subsequent development strategy and advancement pace of each R&D project based on its clinical value, differentiation potential, market competition landscape, technical feasibility and R&D resource allocation, so as to rationally allocate R&D resources and enhance overall R&D efficiency.

For the six months ended June 30, 2026, the Group's R&D expenses were RMB109.8 million, compared to RMB26.3 million for the six months ended June 30, 2025. The increase in R&D expenses was primarily due to the Group's continuous advancement of the preclinical research, translational research and IND-supporting work of its key innovative product candidates, as well as the construction of a next-generation intelligent R&D and data platform integrating artificial intelligence technology, which led to an increase in relevant R&D investment such as third-party R&D services, raw materials and consumables.

Chemistry, Manufacturing & Controls ("CMC")

The Group has established a CMC team consisting of professionals with experience in biopharmaceutical process development, production and quality management, responsible for supporting process development, quality research, manufacturing technology and supply management of products and product candidates from preclinical research and clinical development to the commercialization stage.

The CMC team plays a key role in the drug development and commercialization process, including establishing and continuously optimizing safe, robust and commercially feasible manufacturing processes, and ensuring that the production and quality of active pharmaceutical ingredients and preparations comply with applicable regulatory requirements.

As of the date of this announcement, the Group has not established its own commercialization-scale manufacturing facilities. Currently, it primarily adopts a production model of collaborating with professional CDMOs and CMOs, utilizing external partners with relevant technical capabilities, production capacity and commercial manufacturing experience to support clinical research and commercial supply.

The Group is responsible for the relevant processes, technologies, quality and supply chain management, and works continuously in collaboration with external manufacturing partners to ensure the supply stability of clinical and commercial products and the compliance of product quality with applicable regulatory requirements.

Commercialization

With the marketing approval of Paidakang® (派達康®) obtained in November 2025, the Group has officially entered the product commercialization stage and continues to establish and improve its capabilities in market access, medical and marketing support, channel management and patient services which are commensurate with the commercialization of innovative products.

The Group adopts a commercialization model whereby it formulates its own core commercialization strategies and executes in collaboration with partners possessing commercialization capabilities in relevant therapeutic areas. During the Reporting Period, the Group continued to work with Tenry Pharmaceutical to advance the commercialization of Paidakang® (派達康®) in the Chinese mainland, and has received the first royalty payment of approximately HK$61.0 million under the cooperation agreement.

The Group and its partners continue to advance the market access, academic promotion, channel development, terminal coverage and patient services for Paidakang® (派達康®). During the Reporting Period, Visepegenatide passed the preliminary review in accordance with the 2026 National Reimbursement Drug List adjustment. Subsequent to the Reporting Period, the first batch of commercial prescriptions for Paidakang® (派達康®) has been successively issued at multiple medical institutions, further advancing the clinical use and patient accessibility of the product.

The Group also continues to explore diversified drug delivery methods and global collaborative development opportunities for its self-developed innovative products and candidate assets.

Subsequent to the Reporting Period, the Group entered into collaboration with Rani Therapeutics Holdings, Inc. to explore the feasibility of combining its RaniPill® oral biologics delivery platform with the Group's relevant candidate assets for obesity and metabolic diseases. The Group also entered into a Material Transfer Agreement (MTA) with Lexaria Bioscience Corp. to utilize its DehydraTECH™ oral drug delivery technology to conduct formulation and pharmacokinetic studies on the Group's self-developed candidate molecules.

The aforementioned collaborations adopt different innovative oral delivery technology approaches, further expanding the development pathways for the Group's self-developed candidate assets in combination with various international innovative drug delivery platforms, and reflecting the potential of relevant candidate assets in terms of diversified product development and international cooperation.

The Group will continue to adopt an open collaboration strategy and explore global cooperation opportunities including independent development, joint development, licensing and other forms based on the technical characteristics, development stages and market opportunities of different products and candidate assets, with a view to further expanding the product value and global market potential of its independent innovation achievements.

Intellectual Property

Intellectual property represents a vital foundation for the Group's independent innovation capabilities and long-term competitiveness. The Group continues to establish and improve its intellectual property protection system in China and major global markets centered on its Core Products, innovative product candidates and related technologies.

The Group's intellectual property strategy covers candidate molecules, pharmaceutical compositions, formulations, uses, manufacturing processes and other related innovative achievements, and the Group continues to advance patent applications, maintenance and global portfolio development based on product development progress and global development strategies.

As of June 30, 2026, the Group held 85 patents and patent applications, including 15 patents and 13 patent applications in relation to the Core Product. The Group's material patents and patent applications are primarily self-owned by the Group.

The Group will continue to strengthen the intellectual property portfolio across its Core Product, next-generation innovative product candidates and cutting-edge R&D technologies, in order to support the long-term development, commercialization and global cooperation relating to these products.

Future and Prospects

Looking ahead, the Group will continue to focus on the fields of metabolic diseases and related chronic diseases, and continue to advance its business development around product commercialization, innovative pipeline development, intelligent R&D capability construction and global cooperation.

In terms of commercialization, the Group and its partners will continue to advance the market access, academic promotion, channel and terminal coverage and patient services of Paidakang® (派達康®), thereby further enhancing the clinical use and patient accessibility of the product, while continuing to advance relevant market access in combination with the market and policy environment.

In terms of R&D, the Group will continue to advance the preclinical and clinical development of APGP6, PB-2312, CR059 and other products under development, and will adjust subsequent development strategies and advancement pace in due course based on the research results, clinical value, product differentiation potential, market competition landscape and overall R&D resource allocation of each project.

The Group will also continue to advance the development of its next-generation intelligent R&D and data platform, deepen the integration of artificial intelligence, computational science, biotechnology and drug R&D, while progressively enhancing the efficiency of candidate molecule discovery, design optimization, R&D data analysis and R&D decision-making, thereby providing technical support for the continuous generation of the Group's subsequent innovative products.

In terms of global development, the Group will continue to explore opportunities for clinical development, innovative drug delivery, licensing and commercialization collaboration for its self-developed innovative products and candidate assets in overseas markets, and actively establish collaborations with industry partners possessing differentiated technologies and global development capabilities to further expand the global value of its self-developed innovative products and technologies.

While advancing the commercialization of the Core Product, the Group will continue to strengthen its independent R&D and global cooperation capabilities, gradually forming a sustainable development model supported by commercialized products, continuously iterating innovative pipelines and next-generation intelligent R&D capabilities.

III. FINANCIAL REVIEW

Overview

We currently have not generated any revenue from product sales. We had not been profitable and incurred operating losses during the Reporting Period. For the six months ended June 30, 2026, we had a total loss of RMB216.2 million, compared to the total loss of RMB93.7 million for the six months ended June 30, 2025. Our total loss mainly resulted from research and development expenses, selling and marketing expenses and administrative expenses. During the Reporting Period, the Group continued to advance the commercialization of PB-119. The Group carried out cooperation with Tenry Pharmaceutical for the commercialization of PB-119 in the Chinese mainland, and has received the first commercialization cooperation payment of approximately HK$61.0 million under the cooperation agreement during the Reporting Period. We expect that our financial performance will fluctuate from period to period due to the development status of our drug candidates, timeline and terms of potential collaboration with our partners, regulatory approval timeline and commercialization of our drug candidates.

Loss for the Period

Net loss was RMB216.2 million for the six months ended June 30, 2026, representing an increase of RMB122.5 million from RMB93.7 million for the six months ended June 30, 2025. The increase was primarily due to the increases in selling and marketing expenses, research and development expenses and administrative expenses.

Non-HKFRS Measure

To supplement the Group's consolidated net loss which is presented in accordance with the HKFRS Accounting Standards, the Company has provided adjusted net loss as additional financial measure, which is not required by, or presented in accordance with, the HKFRS Accounting Standards.

Adjusted net loss for the period represents the net loss excluding the effect of a non-cash item, namely the share-based compensation expenses. The term adjusted net loss is not defined under the HKFRS 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 period	**(216,196)**	(93,672)
Add:		
Share-based compensation expenses	**34,446**	42,572
Adjusted net loss	**(181,750)**	(51,100)

The Company believes that the adjusted non-HKFRS measure is 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 this adjusted financial measure 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. This non-HKFRS measure, as the management of the Group believes, is widely accepted and adopted in the industry in which the Group is operating. However, the presentation of this non-HKFRS measure is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with the HKFRS Accounting Standards. Shareholders of the Company and potential investors should not view the adjusted results on a stand-alone basis or as a substitute for results under HKFRS Accounting Standards, and this non-HKFRS measure may not be comparable to similarly-titled measures represented by other companies.

Revenue

As of the end of the Reporting Period, the Group has not generated any revenue from product sales.

Other income and gains/(losses), net

Other income and gains/(losses), net recorded a net loss of RMB11.3 million for the six months ended June 30, 2026, compared to a net gain of RMB0.2 million for the six months ended June 30, 2025, primarily due to unrealized exchange gains and losses resulting from fluctuations in the exchange rates of US$ and HK$.

Selling and marketing expenses

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Staff costs	**3,326**	3,155
Marketing and research expenses	**17,079**	1,476
Depreciation and amortization expenses	**52**	6
Others	**486**	127
Total	**20,943**	4,765

Sales and marketing expenses were RMB20.9 million for the six months ended June 30, 2026, representing an increase of RMB16.1 million from RMB4.8 million for the six months ended June 30, 2025, primarily due to the increase in marketing and research expenses as a result of the continuous advancement of the commercialization of the Group's Core Product, Visepegenatide injection.

R&D Expenses

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Third-party contracting expenses	**90,480**	13,854
Staff costs	**8,391**	8,318
Cost of materials and consumables	**8,912**	1,490
Share-based compensation expenses	**638**	1,143
Depreciation and amortization expenses	**617**	526
Others	**770**	963
Total	**109,808**	26,294

R&D expenses were RMB109.8 million for the six months ended June 30, 2026, representing an increase of RMB83.5 million from RMB26.3 million for the six months ended June 30, 2025, primarily due to the Group's continuous advancement of the preclinical research, translational research and IND-supporting work of its key innovative product candidates, as well as the construction of a next-generation intelligent R&D and data platform integrating artificial intelligence technology, which led to an increase in relevant R&D investment such as third-party R&D services, raw materials and consumables.

Administrative Expenses

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Share-based compensation expenses	**33,808**	41,429
Staff costs	**14,583**	6,356
Professional and consulting service fees	**18,660**	10,139
Depreciation and amortization expenses	**1,321**	993
Others	**3,840**	2,337
Total	**72,212**	61,254

Administrative expenses were RMB72.2 million for the six months ended June 30, 2026, representing an increase of RMB10.9 million from RMB61.3 million for the six months ended June 30, 2025, primarily due to higher staff costs upon the relocation of the Group's headquarters and increased professional service fees upon the listing.

Liquidity and Capital Resources

We monitor and maintain a level of cash and cash equivalents deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flows. In addition, we monitor the utilization of borrowings and, from time to time, evaluate the options to renew the borrowings upon expiry based on our actual business requirement. We relied on equity financing as the major sources of liquidity during the Reporting Period.

During the Reporting Period, we incurred negative cash flows from our operations and substantially all of our operating cash outflows resulted from our research and development and administrative activities. Our operating activities used RMB78.0 million and RMB155.0 million of cash for the six months ended June 30, 2025 and 2026, respectively.

We expect to generate more cash flow from our operating activities, through launching and commercializing our products and enhancing our cost containment capacity and operating efficiency. In order to bring to fruition our research and development objectives, we will ultimately need additional funding sources and there can be no assurances that they will be made available.

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

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Net cash used in operating activities	**(155,041)**	(78,035)
Net cash generated from investing activities	**21,156**	86,841
Net cash generated from financing activities	**56,170**	228,805
Net increase/(decrease) in cash and cash equivalents	**(77,715)**	237,611
Cash and cash equivalents at the beginning of the period	**467,540**	28,392
Effect of foreign exchange rate changes	**(14,204)**	(1,474)
Cash and cash equivalents at the end of the period	**375,621**	264,529

Net Cash Used in Operating Activities

For the six months ended June 30, 2026, our net cash used in operating activities was RMB155.0 million, which was primarily attributable to the R&D and administrative expenses. For the six months ended June 30, 2025, our net cash used in operating activities was RMB78.0 million, which was primarily attributable to the R&D and administrative expenses.

Net Cash Generated from Investing Activities

For the six months ended June 30, 2026, our net cash generated from investing activities was RMB21.2 million, which was primarily attributable to the redemption of financial assets. For the six months ended June 30, 2025, our net cash generated from investing activities was RMB86.8 million, which was primarily attributable to the redemption of financial assets.

Net Cash Generated from Financing Activities

For the six months ended June 30, 2026, our net cash generated from financing activities was RMB56.2 million, primarily attributable to the increase in interest-bearing borrowings. For the six months ended June 30, 2025, our net cash generated from financing activities was RMB228.8 million, primarily attributable to the proceeds from the Listing.

Cash and Cash Equivalents

The Group's cash and cash equivalents as at June 30, 2026 were RMB375.6 million, representing a decrease of RMB91.9 million compared to RMB467.5 million as at December 31, 2025. The decrease was mainly due to the R&D and administrative expenses.

Borrowing and Gearing Ratio

The Group's total borrowings, including interest-bearing borrowings, as at June 30, 2026 were RMB145.0 million, representing an increase of RMB60.0 million compared to RMB85.0 million as at December 31, 2025.

As at June 30, 2026 and December 31, 2025, all of the Group's interest-bearing borrowings were unsecured.

As at June 30, 2026, the Group's interest-bearing borrowings will mature within one year with the interest rate of 2.3%-2.6% (as at December 31, 2025: 2.4%-3.0%).

The gearing ratio (calculated by dividing the sum of interest-bearing borrowings and lease liabilities by total equity) of the Group as at June 30, 2026 was 57.2% (as at December 31, 2025: 20.9%).

Lease Liabilities

The lease liabilities of the Group were related to properties leased for our offices and R&D premises. The Group recognized lease liabilities for all leases except for short-term leases and leases of low-value assets.

Our lease liabilities decreased to RMB7.6 million as at June 30, 2026 from RMB8.6 million as at December 31, 2025, mainly due to lease payments made.

Significant Investments

During the Reporting Period, we held the following negotiable certificate of deposits with bank, which accounts for 5% or more of the Group's total assets as of June 30, 2026:

Two deposits in the aggregate principal amount of RMB30 million with Evergrowing Bank Co., Ltd. Shanghai Branch Business Department (恒豐銀行股份有限公司上海分行營業部) deposited on September 21, 2023 and August 1, 2024. The maturity date for these two deposits is August 1, 2026, and the contractual yields are both 3.20%. The aggregate reported gain on changes in fair value from these deposits during the Reporting Period was approximately RMB2.57 million and the aggregate fair value amounted to approximately RMB32.80 million as at June 30, 2026.

Save as disclosed above, 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 during the Reporting Period.

The Group has adopted an investment strategy with the aim of effectively managing and enhancing the return on its cash reserves. This strategy is being implemented while the Group contemplates its investments.

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 People's Republic of China. Certain of our bank balances are denominated in foreign currencies and are exposed to foreign currency risk.

As at June 30, 2026, the Group had no foreign exchange hedging instruments or 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 RMB1.8 million, which was mostly used in payment for R&D equipment and fitting out of our offices.

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. We confirm that as of the date of this announcement, there had been no material changes or arrangements to our contingent liabilities.

Employees and Remuneration Policies

As of June 30, 2026, we had a total of 53 employees, compared to 58 employees as at December 31, 2025.

In compliance with the applicable labor laws, we enter into individual employment contracts with our employees covering salaries, employee benefits, workplace safety, confidentiality and non-competition, work product assignment clause and grounds for termination. We normally enter into an employment contract and a non-competition agreement with our key management members and technical personnel, with a term of three years. The non-competition obligation is effective during the course of employment and within 12 months after the termination of the employment, unless written consent from the Company otherwise has been obtained. 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 and up to the date of this announcement, 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.

Our employees' remuneration comprises salaries, bonuses, provident funds, social security contributions, and other welfare payments. We have made contributions to our employees' social security insurance funds (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds pursuant to applicable laws and regulations. We had complied with all statutory social security insurance fund and housing fund obligations applicable to us under the laws and regulations in China in all material aspects during the Reporting Period and as of the date of this announcement.

To maintain our workforce's quality, knowledge, and skill levels, we provide continuing education and training programs, including internal training, to improve their technical, professional or management skills. We also provide training programs to our employees from time to time to ensure their awareness and compliance with our policies and procedures in various aspects. Furthermore, we provide various incentives and benefits to our employees, including competitive salaries, bonuses and share-based payment, particularly our key employees.

Future Plans for Material Investments and Capital Assets

It is the Group's corporate mission to continue to explore ways to improve its financial performance and to broaden the sources of revenue within acceptable risk level. Hence, the Company does not rule out the possibility of investing in or changing to other business as long as it is in the interest of the Company and the shareholders as a whole. Also, as part of its routine exercise, the Company reviews the performance of its existing business portfolio and evaluates possible investment opportunities available to the Company from time to time.

Subject to the result of such review and the then market and economy situation, the Company may make suitable investment decisions which may involve the disposal of part of its existing business portfolio and/or change of the asset allocation of its business and investment portfolio and/or expanding its business portfolio with a view of realizing and/or optimizing the expected return and minimizing the risks. Meanwhile, the Company does not preclude the possibility that the Company may implement debt and/or equity fund raising plan(s) to satisfy the financing needs arising out of any business development of the Group as well as to improve its financial position in the event that suitable fund raising opportunities arise, as the Company has from time to time been approached by investors for potential investment projects. In these regards, the Company will publish announcement as and when appropriate according to applicable rules and regulations.

IV. PRINCIPAL RISKS AND UNCERTAINTIES

We believe that there are certain risks involved in our operations, many of which are beyond our control. These risks are set out in the section headed "Risk Factors" in our Prospectus. Some of the major risks we face include:

- We may face intense competition and rapid technological change and the possibility that our competitors may develop therapies that are similar, more advanced, or more effective than ours, which may adversely affect our financial condition and our ability to successfully commercialize our drug candidates.

- We could be unsuccessful in obtaining or maintaining adequate patent protection for one or more of our drug candidates through intellectual property rights, or if the scope of such intellectual property rights obtained is not sufficiently broad, third parties may compete directly against us.

- Clinical drug development involves a lengthy and expensive process with uncertain outcomes, and we may need to deprioritize certain drug candidates, and may be unable to commercialize our drug candidates at all.

- If our drug candidates fail to demonstrate safety and efficacy to the satisfaction of regulatory authorities or do not otherwise produce positive results, we may incur additional costs or experience delays in completing, or may ultimately be unable to complete, the development and commercialization of our drug candidates.

- Our drug candidates may cause undesirable adverse events.

- Negative results from off-label drug use of our drug products could negatively impact our business, financial condition, results of operations and prospects and expose us to liability.

- We work with various third parties to develop our drug candidates. If these third parties fail to duly perform their contractual obligations or meet expected timelines, we may be unable to obtain regulatory approvals for, or commercialize, our drug candidates, and our business, financial condition and results of operations could be materially and adversely affected.

- We intend to work with third parties for the commercialization of our drug candidates. We may fail to identify competent third parties for such purposes, fail to achieve the expected synergies with the clinical development partners, and have little or no control over the marketing and sales efforts of the commercialization partners.

- We work with third parties to manufacture a portion of our drug candidates for clinical development and future commercialization. Our business could be harmed if those third parties fail to deliver sufficient quantities of products.

- The market size of our drug candidates might be smaller than we expected.

- We have incurred significant net losses since inception and we may continue to incur net losses and may fail to achieve or maintain profitability in the future. As a result, you may lose substantially all of your investment in us if our business fails.

For further details of the risk factors stated above, please see section headed "Risk Factors" in our Prospectus.

CORPORATE GOVERNANCE AND OTHER INFORMATION

I. INTERIM DIVIDEND

The Board has resolved not to recommend the payment of an interim dividend for the six months ended June 30, 2026 (six months ended June 30, 2025: nil).

II. COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code to regulate all dealings by the Directors, the Supervisors and relevant employees of securities in the Company and other matters covered by the Model Code since the Listing Date. Specific enquiries have been made to all Directors and Supervisors, all of the Directors and Supervisors have confirmed that they have complied with the Model Code during the Reporting Period and up to the date of this announcement.

The Company's employees, who are likely to be in possession of inside information of the Company, have also been subject to the Model Code for securities transactions. No incident of non-compliance of the Model Code by the employees was noted by the Company during the Reporting Period and up to the date of this announcement.

III. 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 Corporate Governance Code as its own code of corporate governance practices.

During the Reporting Period, the Company has complied with all the applicable code provisions as set out in the Corporate Governance Code, save as disclosed 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 paragraph C.2.1 of Part 2 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 responsibilities between chairman and chief executive should be segregated and should not be performed by the same individual. We do not have a separate chairman and chief executive and Dr. Michael Min XU ("**Dr. XU**") currently performs the roles of the chairman of our Board and the general manager of our Company. Dr. XU has assumed the role of general manager of our Company since May 2008. He has extensive experience in the business operations and management of our Group. Our Board believes that, in view of his experience, personal profile and his roles in our Company, Dr. XU is the Director best suited to identify strategic opportunities and focus of the Board due to his extensive understanding of our business as our general manager. The Board also believes that vesting the roles of both chairman and general manager in the same person has the benefit of (i) ensuring consistent leadership within the Group, (ii) enabling more effective and efficient overall strategic planning and execution of strategic initiatives of the Board, and (iii) facilitating the flow of information between the management and the Board for the Group.

The Board considers that the balance of power and authority for the present arrangement will not be impaired, and this arrangement will enable the Company to make and implement decisions promptly and effectively. In addition, all major decisions are made in consultation with members of the Board, including the relevant Board committees, and three independent non-executive Directors. The Board will continue to review and consider splitting the roles of chairman of the Board and general manager of the Company at a time when it is appropriate by taking into account the circumstances of the Group as a whole.

Following the resignation of Ms. Xinpeng FAN as an independent non-executive Director, the chairperson of the Audit Committee, and a member of each of the remuneration and appraisal committee of the Board (the "**Remuneration and Appraisal Committee**") and the nomination committee of the Board (the "**Nomination Committee**") on May 19, 2026, the Company had only two independent non-executive Directors and, as a result, failed to comply with the requirements under Rules 3.10(1), 3.10A, 3.21, 3.25 and 3.27A of the Listing Rules and code provision B.3.5 of Part 2 of the Corporate Governance Code. With the appointment of Ms. Yik Lam LIAO as an independent non-executive Director on June 24, 2026, the Board comprises three independent non-executive Directors, representing at least one-third of the Board members. In addition, the Audit Committee comprises no fewer than three members, the Remuneration and Appraisal Committee comprises a majority of independent non-executive Directors, and the Nomination Committee comprises a majority of independent non-executive Directors. Accordingly, the Company has re-complied with the requirements under Rules 3.10(1), 3.10A, 3.21, 3.25 and 3.27A of the Listing Rules and code provision B.3.5 of Part 2 of the Corporate Governance Code. For further details, please refer to the announcements of the Company dated May 19, 2026, and June 24, 2026.

IV. AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

We have established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of Part 2 of the Corporate Governance Code. The Audit Committee consists of two independent non-executive Directors, namely Ms. Yik Lam LIAO (廖亦琳) and Dr. Yangyang CHEN (陳秧秧), and one non-executive Director, namely Dr. Xiangjun ZHOU. Ms. Yik Lam LIAO (廖亦琳), who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules, serves as the chairperson of the Audit Committee. The primary duties of the Audit Committee include but are not limited to the following:

- proposing the appointment or change of external auditors to our Board, and monitoring the independence of external auditors and evaluating their performance;
- guiding internal audit work and ensuring the effectiveness of our internal audit function;
- examining the financial information of our Company, reviewing financial reports and statements of our Company and giving comments on relevant matters;
- assessing the effectiveness of our risk management and internal control systems;
- coordinating the communication among management, internal audit department, related departments and external audit agency; and
- dealing with other matters that are authorized by the Board or involved in relevant laws and regulations.

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.

V. PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period and up to the date of this announcement, 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 of June 30, 2026, there were no treasury Shares held by the Company and no Shares repurchased but pending cancellation.

VI. USE OF PROCEEDS

Global Offering

The Company's H Shares, each with nominal value of RMB1.00, were listed on the Stock Exchange on May 27, 2025 with a total of 19,283,500 offer shares issued at an issued price of HK$15.6 and the net proceeds raised from the Global Offering were approximately HK$231.8 million (equivalent to RMB212.6 million) after the deduction of underwriting fees and related expenses in connection with the Global Offering.

The net proceeds from the Global Offering have been and will be utilized in accordance with the purposes set out in the Prospectus. As of June 30, 2026, the Group had used the net proceeds from the Global Offering for the following purposes:

Use of proceeds	Approximate % of total net proceeds *(%)*	Planned allocation of net proceeds *(RMB million)*	Unutilized Net Proceeds (as of December 31, 2025)	Utilized Net Proceeds during the Reporting Period *(RMB million)*	Unutilized Net Proceeds (as of June 30, 2026) *(RMB million)*	Expected timeline for application of unutilized net proceeds
Commercialization and indication expansion of our Core Product PB-119	50.2	106.7	105.7	1.8	103.9	Expected to be fully utilized by the end of 2027
Further development of our key product PB-718	34.5	73.3	72.1	–	72.1	Expected to be fully utilized by the end of 2027
Ongoing and planned research and development of our other pipeline product candidates	5.3	11.3	6.1	–	6.1	Expected to be fully utilized by the end of 2026
Business development activities and enhancing our overseas presence	1.0	2.1	2.0	–	2.0	Expected to be fully utilized by the end of 2026
Working capital and other general corporate purposes	9.0	19.2	–	–	–	
Total	**100**	**212.6**	**185.9**	**1.8**	**184.1**	

The December 2025 Placing

On December 12, 2025 (after trading hours), the Company entered into a placing agreement (the "**Placing Agreement**") for the placing of an aggregate of 5,136,000 H Shares to not less than six placees at a price of HK$58.41 per H Share (the "**Placing**"). The placing price of HK$58.41 per H Share represents: (i) a discount of 10% to the closing price of HK$64.90 per H Share as quoted on the Stock Exchange on December 12, 2025 (Hong Kong time), being the date of the Placing Agreement; and (ii) a discount of approximately 7.11% to the average closing price of HK$62.88 per H Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the date of the Placing Agreement. The gross proceeds and net proceeds (after deducting related costs and expenses to be borne by the Company) from the Placing amounted to approximately HK$299,993,760 and approximately HK$295,699,826, respectively.

Completion of the Placing took place on December 22, 2025. The net proceeds from the Placing have been and will be utilized in accordance with its intended use. As of June 30, 2026, the Group had used the net proceeds from the Placing for the following purposes:

Intended use of net proceeds	Approximate % of total net proceeds	Allocation of net proceeds *(HK$ million)*	Unutilized Net Proceeds (as of December 31, 2025)	Net proceeds utilized during the Reporting Period *(HK$ million)*	Unutilized net proceeds (as of June 30, 2026) *(HK$ million)*	Expected timeline for utilization of the net proceeds*(Note 1)*
Construction of a new-generation intelligent R&D and data platform	40	118.28	118.28	75.00	43.28	Expected to be fully utilized by the end of 2026
Repayment of loans and strengthening of the Company's capital structure	28	82.80	82.80	22.73	60.07	Expected to be fully utilized by the end of 2026
Ongoing and planned R&D of PB-2301 and PB-2309	12	35.48	35.48	19.02	16.46	Expected to be fully utilized by the end of 2026
Establishment of a HK subsidiary and acceleration of the Group's overseas presence	10	29.57	29.57	0.79	28.78	Expected to be fully utilized by the end of 2026
General corporate purposes and working capital	10	29.57*(Note 2)*	29.57	29.57	–	
Total	**100**	**295.70**	**295.70**	**147.11**	**148.59**	

Notes:

(1) The expected timeline is based on the best estimation of future market conditions and business operations made by the Company currently and remains subject to change based on future development of market conditions and actual business needs.

(2) Among the HK$29.57 million, it is expected that (i) HK$12.59 million will be used as employee salary expense; and (ii) HK$16.98 million will be used to pay professional services fees.

For further details of the Placing, please refer to the announcements of the Company dated December 14, 2025 and December 22, 2025.

VII. EVENTS AFTER THE REPORTING PERIOD

There has been no significant event occurred after the Reporting Period which require additional disclosures or adjustments as at the date of this announcement.

VIII. CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

The Company does not have any disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

IX. PUBLICATION OF INTERIM RESULTS AND 2026 INTERIM REPORT

This interim results announcement is published on the website of the Company (www.pegbio.com) and the website of the Stock Exchange (www.hkexnews.hk). The interim report of the Company for the six months ended June 30, 2026 containing all the information required by the Listing Rules will be despatched to the Shareholders who have requested corporate communications in printed copy and published on the respective websites of the Company and the Stock Exchange within the prescribed time and in accordance with the requirements under the Listing Rules.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2026 (unaudited)

(Expressed in Renminbi)

	Note	Six months ended 30 June	
		2026	2025
		RMB'000	*RMB'000*
Other income and gains/(losses), net	*3*	**(11,270)**	178
Selling and marketing expenses		**(20,943)**	(4,765)
Research and development expenses		**(109,808)**	(26,294)
Administrative expenses		**(72,212)**	(61,254)
Loss from operations		**(214,233)**	(92,135)
Finance costs	*4(a)*	**(1,963)**	(1,537)
Loss before taxation	*4*	**(216,196)**	(93,672)
Income tax	*5*	**–**	–
Loss for the period		**(216,196)**	(93,672)
Other comprehensive income for the period (after tax and other adjustments)		**–**	–
Total comprehensive income for the period		**(216,196)**	(93,672)
Attributable to:			
Equity shareholders of the Company		**(216,143)**	(93,618)
Non-controlling interests		**(53)**	(54)
Loss and total comprehensive income for the period		**(216,196)**	(93,672)
Loss per share			
Basic and diluted (RMB)	*6*	**(0.55)**	(0.25)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
at 30 June 2026 (unaudited)
(Expressed in Renminbi)

	Note	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Non-current assets			
Property, plant and equipment		**5,431**	6,920
Right-of-use assets	*7*	**7,302**	8,346
Intangible assets		**375**	554
Other non-current assets		**33,982**	27,131
		47,090	42,951
Current assets			
Inventories		**3,051**	873
Prepayments and other receivables	*8*	**45,414**	33,369
Financial assets at fair value through profit or loss ("FVPL")	*9*	**33,070**	54,474
Pledged deposits		**25**	27
Cash and cash equivalents		**375,621**	467,540
		457,181	556,283
Current liabilities			
Trade and other payables	*10*	**31,800**	54,038
Interest-bearing borrowings	*11*	**144,998**	84,969
Lease liabilities		**1,859**	2,048
		178,657	141,055
Net current assets		**278,524**	415,228
Total assets less current liabilities		**325,614**	458,179

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
at 30 June 2026 (unaudited)
(Expressed in Renminbi)

	Note	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Non-current liabilities			
Lease liabilities		**5,774**	6,589
Deferred income		**3,000**	3,000
Other non-current liabilities		**50,000**	–
		58,774	9,589
NET ASSETS		**266,840**	448,590
CAPITAL AND RESERVES			
Share capital	*12*	**391,092**	391,092
Reserves		**(124,301)**	57,396
Total equity attributable to equity shareholders of the Company		**266,791**	448,488
Non-controlling interests		**49**	102
TOTAL EQUITY		**266,840**	448,590

Approved and authorised for issue by the board of directors on 25 August 2026.

Michael Min Xu
Director

Xiaojun Wang
Director

NOTES

(Expressed in Renminbi unless otherwise indicated)

1 BASIS OF PREPARATION

派格生物醫藥(杭州)股份有限公司 (PegBio Co., Ltd.) (the "Company") and its subsidiaries (together, the "Group") are engaged in research and development therapies in chronic disease. The Company completed the listing of H shares on the Main Board of The Stock Exchange of Hong Kong Limited in May 2025.

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It has been reviewed by the audit committee of the Company and was authorised for issue on 25 August 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the accountant's report disclosed in Appendix I to the prospectus of the Company dated 19 May 2025 (the "Accountants' Report"), except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in Note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

The interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the Accountants' Report. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS").

The financial information relating to the financial year ended 31 December 2025 that is included in the interim financial report as comparative information does not constitute the Company's annual consolidated financial statements for that financial year but is derived from those financial statements.

2 CHANGES IN ACCOUNTING POLICIES

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 31 December 2025, except for the adoption of the following amended HKFRS Accounting Standards for the first time for the current period's financial information:

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

The Group has assessed the impact of the adoption of the above amendments and considered that there was no significant impact on the Group's results and financial position or any substantial changes in the Group's accounting policies.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 OTHER INCOME AND GAINS/(LOSSES), NET

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Net realised and unrealised gain on financial instruments carried at FVPL	**637**	1,523
Government grants	**76**	1
Interest income on bank deposits	**2,796**	174
Foreign exchange loss	**(14,414)**	(1,532)
Others	**(365)**	12
	(11,270)	178

4 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

(a) Finance costs

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Interest on interest-bearing borrowings	**1,825**	1,391
Interest on lease liabilities	**138**	146
	1,963	1,537

(b) Other items

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Depreciation of property, plant and equipment	**805**	451
Depreciation of right-of-use assets	**1,045**	926
Amortisation of intangible assets	**141**	154
Equity-settled share-based payment expenses	**34,446**	42,572

5 INCOME TAX

The Company's subsidiaries established and operated in the People's Republic of China (the "PRC") are subject to the PRC corporate income tax at the rate of 25%.

According to the tax incentive policies promulgated by the State Tax Bureau of the PRC in September 2022, an additional 100% of qualified research and development expenses incurred for the six months ended 30 June 2025 and 2026 is allowed to be deducted from taxable income.

During the six months ended June 30, 2025 and 2026, the Group did not have any assessable profits.

6 LOSS PER SHARE

(a) Basic loss per share

During the six months ended 30 June 2026, the calculation of basic loss per share is based on the loss attributable to equity shareholders of the Company of RMB216,143,000 (six months ended 30 June 2025: RMB93,618,000) and the weighted average of 391,092,000 ordinary shares (six months ended 30 June 2025: 370,380,000) in issue during the period.

(b) Diluted loss per share

During the six months ended 30 June 2026, the Company did not have any outstanding ordinary shares or potential ordinary shares (six months ended 30 June 2025: nil) with potential dilution effects. Therefore, diluted loss per share is the same as basic loss per share.

7 RIGHT-OF-USE ASSETS

During the six months ended 30 June 2026, the Group recognised the additions to the right-of-use assets of nil (six months ended 30 June 2025: RMB9,559,000).

8 PREPAYMENTS AND OTHER RECEIVABLES

	At 30 June 2026	At 31 December 2025
	RMB'000	*RMB'000*
Prepayments to suppliers	**44,843**	32,663
Other debtors and deposits	**571**	706
	45,414	33,369

All the prepayments and other receivables are expected to be recovered or recognised as expenses within one year.

9 FINANCIAL ASSETS AT FVPL

	At 30 June 2026	At 31 December 2025
	RMB'000	*RMB'000*
Negotiable certificate of deposits with banks	**32,802**	54,028
Wealth management products	**268**	446
	33,070	54,474

During the six months ended 30 June 2026, the Group invested in certain negotiable certificate of deposits with banks in the PRC. The negotiable certificate of deposits were transferable and carried fixed interest rates 3.2% per annum (six months ended 30 June 2025: 3.1% to 3.2%). The directors of the Company determine such negotiable certificate of deposits are mainly for the purpose of short-term fund management, which will be sold in the secondary market within one year, depending on the cash needs. Therefore, the negotiable certificate of deposits are classified as current financial assets at FVPL.

The maturity date of wealth management products is within 1 year from each reporting date or redeemable on demand.

10 TRADE AND OTHER PAYABLES

	At 30 June 2026	At 31 December 2025
	RMB'000	*RMB'000*
Within 1 year	**22,616**	25,052
Over 1 year	**1,885**	190
Trade payables	**24,501**	25,242
Accrued payroll	**4,791**	24,907
Tax payables	**694**	953
Other payables and accruals	**1,814**	2,936
	31,800	54,038

All of trade and other payables are expected to be settled within one year or are repayable on demand.

11 INTEREST-BEARING BORROWINGS

	At 30 June 2026	At 31 December 2025
	RMB'000	*RMB'000*
Bank loans	**144,998**	84,969

As at 30 June 2026, all of the above interest-bearing borrowings are unsecured and carried at amortised cost. All these interest-bearing borrowings are to be settled within one year.

12 CAPITAL, RESERVES AND DIVIDENDS

(a) Share capital and capital reserve

In May 2025, the Company issued 19,283,500 new H shares of RMB1 each at a price of HK$15.60 per share by way of the initial public offering on The Stock Exchange of Hong Kong Limited (the "Offering"). The amount of total proceeds raised from the Offering was HK$300,823,000 (equivalent to approximately RMB275,924,000). Consequently, RMB19,283,500 was recorded in share capital and the corresponding premium of RMB234,795,000 (after deduction of transaction costs directly attributable to the Offering amounted to RMB21,845,000) was recognised in capital reserve.

In December 2025, the Company issued a total of 5,136,000 H shares to several investors with a net proceeds of HK$295,659,000 (equivalents to RMB268,160,000). Consequently, RMB5,136,000 was recorded in share capital and the corresponding premium of RMB263,024,000 (after deduction of the capitalised expenses amounted to RMB1,210,000) was recognised in capital reserve.

(b) Dividends

The directors of the Company did not propose the payment of any dividend during the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

(c) Equity-settled share-based transactions

Restricted Share Unit Scheme

Pursuant to a written shareholders' resolution of the Company passed on 27 March 2021, a restricted share unit (the "RSU") scheme ("the Scheme") was adopted for purpose of providing incentives to eligible employees of the Group. The participant of the RSU Scheme invested in the Company by the way of acquiring share capital of the Company from the existing shareholder through an employee share purchase platform (the "Platform").

The Scheme contains certain service conditions and non-market performance conditions. The RSUs shall vest upon the completion of initial public offering ("IPO") of the Company and if the Company still incurred loss when the IPO completed, these RSUs shall vest upon the 3 fiscal years after the completion of IPO of the Company.

Pursuant to a resolution passed at the shareholders' meeting of the Company in February 2024, certain terms and conditions of the Scheme were modified. The implicit service period was changed from the full 3 fiscal years after the completion of an IPO to 12 months following the completion date of the IPO.

Set out below are details of the movements of RSUs:

	Six months ended 30 June	
	2026	2025
	Number of underlying shares of the Company	*Number of underlying shares of the Company*
At the beginning of the period	**29,175,230**	29,175,230
Granted	**–**	–
Forfeited	**–**	–
Cancelled	**–**	–
At the end of the period	**29,175,230**	29,175,230

Fair value of RSUs

The Group recognised equity-settled share-based payment expense of RMB34,446,000 during the six months ended 30 June 2026 (for the six months ended 30 June 2025: RMB42,572,000).

"affiliate"	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
"Articles of Association"	the articles of association of the Company, as amended from time to time
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Audit Committee"	the audit committee of the Company
"Board of Directors", "Board" or "our Board"	the board of Directors
"BVI"	the British Virgin Islands
"China" or "PRC"	the People's Republic of China, which for the purpose of this announcement and for geographical reference only, excludes Hong Kong, Macau and Taiwan
"Company", "our Company", "the Company" and "PegBio"	PegBio Co., Ltd. (派格生物醫藥(杭州)股份有限公司) (formerly known as PegBio Co., Ltd. (派格生物醫藥(蘇州)股份有限公司)), a limited liability company incorporated in the PRC on May 13, 2008 and converted into a joint stock company with limited liability on December 30, 2020
"Core Product"	has the meaning ascribed to it in Chapter 18A of the Listing Rules and in this context, refers to PB-119
"Corporate Governance Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)"	the director(s) of the Company
"FDA"	U.S. Food and Drug Administration

"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 and its subsidiaries
"H Share(s)"	listed ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which is/are to be subscribed for and traded in HK dollars and to be listed on the Hong Kong Stock Exchange
"HKFRS" or "HKFRS Accounting Standards"	All applicable HKFRS Accounting Standards, which collectively include all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants
"HK$" or "Hong Kong Dollars" or "HK Dollars" and "HK cents"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited
"Listing"	the listing of our H Shares on the Main Board
"Listing Date"	May 27, 2025
"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"	the National Medical Products Administration of China (國家藥品監督管理局) or, where the context so requires, its predecessor, the China Food and Drug Administration (國家食品藥品監督管理總局), or CFDA

"NPC"	the National People's Congress of the PRC (中華人民共和國全國人民代表大會)
"Prospectus"	the prospectus issued by the Company on May 19, 2025 in connection with the Hong Kong Public Offering
"Reporting Period"	the period from January 1, 2026 to June 30, 2026
"RMB"	Renminbi, the lawful currency of China
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Cap. 571), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each
"Shareholder(s)"	holder(s) of Shares of the Company
"subsidiary(ies)"	has the meaning ascribed to it in section 15 of the Companies Ordinance
"Supervisor(s)"	supervisor(s) of the Company
"treasury Shares"	has the meaning ascribed to it under the Listing Rules
"United States" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"%"	per cent

GLOSSARY

"Agonist"	an agonist is an agent that activates a receptor to produce a biological response
"CAGR"	compound annual growth rate
"CDMO"	contract development and manufacturing organization, a company that serves other companies in the pharmaceutical industry on a contract basis to provide comprehensive services from drug development through drug manufacturing
"clinical trial/study"	a type of research carried out on human for validating or finding the therapeutic effects and side effects of test drugs in order to determine the therapeutic value and safety of such drugs
"CMC"	chemistry, manufacturing, and controls
"CMO"	contract manufacturing organization, a company that serves other companies in the pharmaceutical industry on a contract basis to provide comprehensive services for drug manufacturing
"diabetes"	a complex, chronic metabolic disease characterized by elevated levels of blood glucose, which over time leads to serious damage to the heart, blood vessels, eyes, kidneys, nerves and other organs, comprised of two categories including type 1 diabetes mellitus and type 2 diabetes mellitus
"GCG"	glucagon, the main catabolic hormone of the body, produced by alpha cells of the pancreas; it raises the concentration of glucose and fatty acids in the bloodstream
"GLP-1"	glucagon-like peptide-1; a peptide hormone that decreases blood sugar levels in a glucose-dependent manner by enhancing the secretion of insulin
"glycemic control"	the management of blood sugar levels
"IND"	investigational new drug, an application in the drug review process required by a regulatory authority to decide whether a new drug is permitted to initiate clinical trials; also known as clinical trial application, or CTA, in China

"NASH" or "non-alcoholic steatohepatitis"	the liver manifestation of a metabolic disorder, and the most severe form of non-alcoholic fatty liver disease, also known as metabolic dysfunction-associated steatohepatitis (MASH)
"NDA"	new drug application, a process required by a regulatory authority to approve a new drug for sale and marketing
"obesity"	abnormal or excessive fat accumulation in the body; defined as an individual having a body mass index over 28kg/m^2 or more in China and 30 kg/m^2 or more in the United States, respectively
"OIC"	opioid-induced constipation; opioid drugs inhibit gastric emptying and peristalsis in the gastrointestinal tract which results in delayed absorption of medications and increased absorption of fluid
"opioid"	a class of drugs used to reduce pain
"PD"	pharmacodynamics; the study of how a drug affects an organism, which, together with pharmacokinetics, influences dosing, benefit, and adverse effects of the drug
"PEG"	polyethylene glycol
"PEGylation"	a process through which PEG chains are attached to proteins, peptides or other molecules to alter certain properties, such as molecular mass, solubility, stability and half-life in the body
"Phase I clinical trial"	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 efficacy
"Phase II clinical trial"	a study in which a drug is administered to a limited patient population to preliminarily evaluate the efficacy of the product for specific targeted diseases, to identify possible adverse effects and safety risks, and to determine optimal dosage
"Phase III clinical trial"	a study in which a drug is administered to an expanded patient population generally at geographically dispersed clinical trial sites, in well-controlled clinical trials to generate enough data to statistically evaluate the efficacy and safety of the product for approval, to provide adequate information for the labeling of the product

"placebo"	a medical treatment or preparation with no specific pharmacological activity
"preclinical study"	a study testing a drug on non-human subjects, to gather efficacy, toxicity, pharmacokinetic and safety information and to decide whether the drug is ready for clinical trials
"R&D"	research and development
"receptor agonist"	a receptor agonist is an agent that activates a receptor to produce a biological response
"SGLT-2"	sodium-glucose cotransporter-2; SGLT-2 is the major cotransporter involved in glucose reabsorption in the kidney, responsible for reabsorption of 80-90% of the glucose filtered by the kidney glomerulus
"SGLT-2i"	sodium-glucose cotransporter-2 inhibitors, a class of prescription medicines that are FDA-approved for use with diet and exercise to lower blood sugar in adults with T2DM
"T2DM"	type 2 diabetes mellitus, a form of diabetes characterized by high blood sugar, insulin resistance and relative lack of insulin; the pancreas in T2DM patient makes less insulin, and the body becomes resistant to insulin

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

By Order of the Board
PegBio Co., Ltd.
派格生物醫藥(杭州)股份有限公司
Michael Min XU
Chairman of the Board, Executive Director and General Manager

Hangzhou, the PRC, August 25, 2026

As of the date of this announcement, the board of directors of the Company comprises: (i) Dr. Michael Min XU and Ms. Xiaojun WANG as executive directors; (ii) Dr. Xiangjun ZHOU, Dr. Yuhong XU, Ms. Ting ZHAI and Mr. Hongkai LI as non-executive directors; and (iii) Dr. Jiancun ZHANG, Dr. Yangyang CHEN and Ms. Yik Lam LIAO as independent non-executive directors.