Shandong Boan Biotechnology Co., Ltd.
山东博安生物技术股份有限公司

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

(Stock Code: 6955)

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

FINANCIAL HIGHLIGHTS

1. Revenue

For the six months ended 30 June 2026, the Group's revenue amounted to approximately RMB233.0 million, as compared to RMB393.4 million for the six months ended 30 June 2025, representing a decrease of approximately RMB160.4 million, or 40.8%.

2. Cost of Sales

Our cost of sales amounted to RMB87.0 million for the six months ended 30 June 2026, which accounted for approximately 37.3% of our total revenue for the same period (for the six months ended 30 June 2025: 28.2%).

3. Gross Profit

For the six months ended 30 June 2026, the Group recorded a gross profit of approximately RMB146.0 million, representing a decrease of RMB136.6 million, or 48.3% as compared with that for the six months ended 30 June 2025.

4. Selling and Distribution Expenses

For the six months ended 30 June 2026, the Group's selling and distribution expenses amounted to RMB107.1 million, as compared to RMB159.8 million for the six months ended 30 June 2025, representing a decrease of RMB52.7 million, or 33.0%.

5. Research and Development Expenses

For the six months ended 30 June 2026, the Group's recognised research and development ("**R&D**") expenses amounted to approximately RMB92.0 million, representing an increase of approximately RMB33.4 million as compared with the six months ended 30 June 2025.

INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Shandong Boan Biotechnology Co., Ltd. (the "**Company**" or "**Boan Biotech**") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**", "**we**" or "**us**") for the six months ended 30 June 2026 (the "**Period**" or "**Reporting Period**"), together with the comparative figures for the corresponding period of 2025, as follows:

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

	Notes	For the six months ended 30 June	
		2026	2025
		(Unaudited)	(Unaudited)
		RMB'000	*RMB'000*
REVENUE	*4*	**233,000**	393,410
Cost of sales		**(87,004)**	(110,826)
Gross profit		**145,996**	282,584
Other income and gains		**7,385**	2,584
Research and development costs		**(92,008)**	(58,572)
Administrative expenses		**(15,461)**	(23,175)
Selling and distribution expenses		**(107,105)**	(159,793)
Other expenses		**(127)**	(3,582)
Finance costs		**(21,689)**	(19,532)
(LOSS)/PROFIT BEFORE TAX	*5*	**(83,009)**	20,514
Income tax expense	*6*	**–**	–
(LOSS)/PROFIT FOR THE PERIOD		**(83,009)**	20,514
Attributable to:			
Owners of the parent		**(83,009)**	20,514
OTHER COMPREHENSIVE LOSS			
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**(187)**	(76)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX		**(187)**	(76)
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD		**(83,196)**	20,438
Attributable to:			
Owners of the parent		**(83,196)**	20,438
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted *(RMB)*	*8*	**(0.13)**	0.04

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		**595,997**	588,063
Advance payments for property, plant and equipment and intangible assets		**63,489**	95,797
Right-of-use assets		**3,924**	3,980
Intangible assets		**1,473,010**	1,424,490
Total non-current assets		**2,136,420**	2,112,330
CURRENT ASSETS			
Inventories		**174,360**	129,964
Trade and notes receivables	*9*	**571,736**	671,275
Prepayments, other receivables and other assets		**72,985**	79,120
Pledged deposits		**407**	2,549
Cash and cash equivalents		**1,105,453**	1,130,402
Total current assets		**1,924,941**	2,013,310
CURRENT LIABILITIES			
Trade and notes payables	*10*	**128,024**	148,289
Other payables and accruals		**228,930**	236,478
Interest-bearing bank and other borrowings		**735,747**	469,641
Due to related parties	*11(c)*	**14,557**	10,240
Total current liabilities		**1,107,258**	864,648
NET CURRENT ASSETS		**817,683**	1,148,662
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,954,103**	3,260,992

	As at	
	30 June 2026 (Unaudited) *RMB'000*	31 December 2025 (Audited) *RMB'000*
NON-CURRENT LIABILITIES		
Interest-bearing bank and other borrowings	**107,841**	313,635
Government grants	**67,507**	67,465
Other non-current liabilities	**118,037**	140,005
Total non-current liabilities	**293,385**	521,105
Net assets	**2,660,718**	2,739,887
EQUITY		
Equity attributable to owners of the parent		
Share capital	**622,334**	622,334
Reserves	**2,038,384**	2,117,553
Total equity	**2,660,718**	2,739,887

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

1. BASIS OF PREPARATION

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

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

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

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

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

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

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their products and only has one reportable operating segment. Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resource allocation and performance assessment.

4. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Revenue from contracts with customers	**233,000**	393,410

Disaggregated revenue information for revenue from contracts with customers

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Type of goods or services		
Sale of products	**212,606**	385,275
Out-licensing agreements	**18,160**	5,275
Provision of research and development services	**2,234**	2,860
Total	**233,000**	393,410
Timing of revenue recognition		
Transferred at a point in time	**233,000**	393,410
Geographical market information		
Chinese Mainland	**219,363**	393,410
Other countries	**13,637**	–
Total	**233,000**	393,410

5. (LOSS)/PROFIT BEFORE TAX

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

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Cost of inventories sold	**86,805**	110,227
Write-down of inventories to net realisable value	**199**	599
Depreciation of property, plant and equipment	**25,249**	23,467
Depreciation of right-of-use assets	**56**	56
Amortisation of intangible assets	**24,761**	16,351
Auditor's remuneration	**802**	802
Impairment on trade receivables, net	**(522)**	4,902
Reversal of impairment on other receivables	**–**	(509)
Foreign exchange differences, net	**(825)**	1,442
Government grants	**(2,125)**	(932)
Bank interest income	**(2,388)**	(70)

6. INCOME TAX

The Group is subject to income tax on an entity basis on profit arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Current and deferred tax charge for the period	**–**	–

7. DIVIDENDS

No interim dividend was declared by the Company for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

8. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 622,333,694 (2025: 574,333,694) outstanding during the period.

The Group had no potentially dilutive ordinary shares outstanding during the six months ended 30 June 2026 and 2025.

9. TRADE AND NOTES RECEIVABLES

	30 June 2026 (Unaudited) *RMB'000*	31 December 2025 (Audited) *RMB'000*
Trade receivables	**562,145**	650,204
Notes receivable	**12,751**	24,753
	574,896	674,957
Impairment	**(3,160)**	(3,682)
Net carrying amount	**571,736**	671,275

The Group's trading terms with its customers are mainly on credit. The credit period is generally one to three months, extending up to six months for major customers and depending on the specific payment terms in each contract. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

As at 30 June 2026, notes receivable of RMB5,795,000 (31 December 2025: RMB6,978,000) whose fair values approximate to their carrying values were classified as financial assets at fair value through other comprehensive income under IFRS 9. The fair value changes of these notes receivable at fair value through other comprehensive income were insignificant. The remaining notes receivable of RMB6,956,000 (31 December 2025: RMB17,775,000) were measured at amortised cost.

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

	30 June 2026 (Unaudited) *RMB'000*	31 December 2025 (Audited) *RMB'000*
Within 1 year	**558,974**	646,464
1 to 2 years	**11**	58
Total	**558,985**	646,522

10. TRADE AND NOTES PAYABLES

	30 June 2026 (Unaudited) *RMB'000*	31 December 2025 (Audited) *RMB'000*
Trade payables	**99,106**	103,498
Notes payable	**28,918**	44,791
Total	**128,024**	148,289

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

	30 June 2026 (Unaudited) *RMB'000*	31 December 2025 (Audited) *RMB'000*
Within 3 months	**66,292**	61,587
3 to 6 months	**19,439**	13,458
6 to 12 months	**6,030**	7,727
1 to 2 years	**2,330**	15,580
Over 2 years	**5,015**	5,146
Total	**99,106**	103,498

The trade payables are non-interest-bearing and are normally settled on 90-day terms.

The maturity of notes payable is within six months.

At 30 June 2026, notes payable were secured by certain of the Group's deposits amounting to approximately RMB407,000 (31 December 2025: RMB2,549,000).

11. RELATED PARTY TRANSACTIONS

The Group's principal related parties are as follows:

Name	**Relationship with the Company**
Shandong Luye Pharmaceutical Co., Ltd. ("**Shandong Luye**")	The immediate holding company
Mr. Liu Dian Bo	Director of Shandong Luye
Yantai Luye Pharmaceutical Holdings Co., Ltd. ("**Yantai Luye**")	Shareholder of Shandong Luye
Luye Pharma Hong Kong Limited ("**Luye Hong Kong**")	Shareholder of Yantai Luye
Nanjing Luye Pharmaceutical Co., Ltd. ("**Nanjing Luye**")	Controlled by Yantai Luye
Nanjing Junshi Management Consulting Co., Ltd. ("**Nanjing Junshi**")	Controlled by Shandong Luye
Nanjing Jimai Biological Technology Co., Ltd. ("**Nanjing Jimai**")	Controlled by Nanjing Luye
Shandong International Biotechnology Development Co., Ltd. ("**Biotech Park Development**")	Controlled by Mr. Liu Dian Bo
GeneLeap Biotechnology LLC ("**GeneLeap Biotechnology**")	Controlled by Mr. Liu Dian Bo
Yantai Pull Valley Winery Management Co., Ltd. ("**Pull Valley Winery**")	Controlled by Mr. Liu Dian Bo
Qingdao Luye Shanghe Pharmaceutical Technology Co., Ltd. ("**Qingdao Luye**")	Controlled by Mr. Liu Dian Bo

(a) The Group had the following transactions with related parties during the period:

	Notes	For the six months ended 30 June	
		2026	2025
		(Unaudited)	(Unaudited)
		RMB'000	*RMB'000*
Sales of goods to:			
Qingdao Luye	*(i)*	**198**	–
Purchases of welfare goods from:			
Pull Valley Winery	*(ii)*	**359**	7
Lease and property management services from:			
Shandong Luye	*(ii)*	**870**	1,000
Biotech Park Development	*(ii)*	**1,079**	1,419
Nanjing Luye	*(ii)*	**–**	320
Operation services from:			
Nanjing Luye	*(ii)*	**–**	327
Nanjing Jimai	*(ii)*	**–**	100
Payments on behalf by:			
Shandong Luye	*(iii)*	**2,194**	2,127
Biotech Park Development	*(iii)*	**714**	–
Repayments to:			
Shandong Luye	*(iii)*	**64**	–
Biotech Park Development	*(iii)*	**101**	2,369
GeneLeap Biotechnology	*(iii)*	**–**	472

Notes:

(i) The transaction price was determined on normal commercial terms, negotiated on arm's length basis, and on similar basis as the Group conducted businesses with major customers.

(ii) The transaction prices were determined on terms mutually agreed between the parties with reference to the actual costs incurred and fees for similar transactions in the market.

(iii) The payments on behalf and advances were unsecured, interest-free and repayable on demand.

(b) Other transactions with related parties:

As at 30 June 2026, Shandong Luye, the Company's immediate holding company, and Yantai Luye, shareholder of Shandong Luye, have guaranteed the Group's bank loans amounting to RMB90,189,000 (31 December 2025: RMB134,881,000).

As at 30 June 2026, Shandong Luye, the Company's immediate holding company, has guaranteed the Group's bank and other borrowings amounting to RMB701,427,000 (31 December 2025: RMB584,972,000).

(c) Outstanding balances with related parties:

	30 June 2026 (Unaudited) *RMB'000*	31 December 2025 (Audited) *RMB'000*
Due to related parties:		
Shandong Luye*	**7,520**	4,353
Biotech Park Development**	**2,822**	1,023
Nanjing Luye	**–**	362
Luye Hong Kong***	**2,683**	2,770
Nanjing Junshi	**1,532**	1,532
Nanjing Jimai	**–**	200
Total	**14,557**	10,240

* At 30 June 2026, a balance of RMB1,959,000 was trade in nature (31 December 2025: RMB1,004,000), and a balance of RMB5,561,000 was non-trade in nature (31 December 2025: RMB3,349,000).

** At 30 June 2026, a balance of RMB1,079,000 was trade in nature (31 December 2025: nil), and a balance of RMB1,743,000 was non-trade in nature (31 December 2025: RMB1,023,000).

*** The balances were non-trade in nature.

Except as disclosed above, other outstanding balances with related parties were trade in nature.

The balances with related parties are unsecured, interest-free and have no fixed terms of repayment.

(d) Compensation of key management personnel of the Group:

	For the six months ended 30 June	
	2026 (Unaudited) *RMB'000*	2025 (Unaudited) *RMB'000*
Salaries, allowances and benefits in kind	**4,514**	4,219
Performance related bonuses	**–**	1,130
Pension scheme contributions	**298**	335
Share-based payment expense	**2,897**	4,775
Total compensation paid to key management personnel	**7,709**	10,459

MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview

Boan Biotech is a fully-integrated biopharmaceutical company that specializes in developing, manufacturing, and commercializing biologics, with a focus on oncology, autoimmune diseases, ophthalmology, and metabolic diseases. Our drug discovery activities revolve around multiple platforms, including: Human Antibody Transgenic Mouse Technology Platform, Bispecific/Multi-specific/Probody Technology Platform, Antibody Drug Conjugate ("**ADC**") Technology Platform and Artificial Intelligence/Big Data Application Platform.

We operate across the entire value chain of the industry covering antibody discovery, cell line development, upstream and downstream process development, analytical and bio-analytical method development, technology transfer, non-clinical research, clinical research, regulatory affairs and registration, and commercial production.

Our portfolio includes five products approved for marketing, along with a robust pipeline of proprietary investigational biologics and biosimilars. In addition to the People's Republic of China ("**China**" or "**Chinese Mainland**"), we are also developing biopharmaceutical products in overseas markets, including the United States ("**U.S.**"), the European Union ("**EU**"), the United Kingdom ("**UK**") and Japan. With a differentiated portfolio and well-established commercial capabilities, we operate across the industry's value chain from research and development to manufacturing and commercialization, laying a solid foundation for long-term, high-quality growth in the future.

2026 Interim Review

From the beginning of 2026, we have made significant achievements in all aspects of commercialization, pipeline development, research and development ("**R&D**"), manufacturing, and business collaboration.

For commercialization, in January 2026, our 60mg denosumab injection (Boyoubei) was approved for marketing by the Agencia Estatal de Medicamentos y Tecnologías en Salud ("**AGEMED**") in Bolivia. In May 2026, our dulaglutide injection (Boyouping) received marketing approval in Macau SAR for glycemic control in adults with type 2 diabetes. In May 2026, our 120mg denosumab injection (Boluojia) was approved by the National Medical Products Administration ("**NMPA**") for the treatment of patients with bone metastases from solid tumors or multiple myeloma, to delay or reduce the risk of skeletal-related events (SREs), which include pathological fractures, spinal cord compression, and bone-directed radiation or surgery. These are new indications approved for Boluojia. As of the date of this announcement, five of our products (Boyounuo, Boyoubei, Boluojia, Boyouping and Boyoujing) have been successfully marketed in Chinese Mainland and other countries or regions. These products have been sold to over 3,210 target hospitals and institutions in China. A number of post-marketing clinical observational studies have been carried out on these marketed products. We believe that with the approvals of new products and new indications in Chinese Mainland and other regions or countries, the accumulation of more clinical data, the coverage of wider hospitals or distribution channels and various external collaborations with experienced partners, sales of our products will continue to grow.

For the progress of pipeline products in China, in April 2026, the Center for Drug Evaluation ("**CDE**") accepted the phase 2 clinical trial application of our proprietary anti-CD25 antibody BA1106 in combination with a PD-1 inhibitor (a nivolumab biosimilar injection coded BA1104) as first-line or second-line regimens for non-small cell lung cancer ("**NSCLC**"), and in July 2026, the CDE approved the phase 2 clinical trial application. In May 2026, updated phase 1 clinical data for BA1301, an investigational ADC targeting CLDN18.2, were presented at the 2026 American Society of Clinical Oncology ("**ASCO**") Annual Meeting. BA1301 demonstrated promising signs of efficacy and a good safety profile in an expanded cohort of patients with advanced solid tumors. In July 2026, the CDE accepted the investigational new drug ("**IND**") application for BA1203, an antibody-cytokine prodrug targeting PD-1 and IL-2 pathways. To the knowledge of the Company, BA1203 is poised to become the first masked PD-1/IL-2 antibody-cytokine prodrug retaining α-subunit binding activity to enter clinical trials in China. In August 2026, BA1302, an investigational ADC targeting CD228, completed the monotherapy dose-escalation portion ("**phase 1a**") of the phase 1 clinical trial and will proceed to the phase 1b dose-expansion trial in China and the IND application for BA2201 was accepted by CDE. In addition, one other pre-clinical product, BA1304, is approaching IND application.

For the progress of pipeline products overseas, in May 2026, the Biologics License Applications ("**BLAs**") for BA6101 (denosumab injection 60 mg) and BA1102 (denosumab injection 120 mg) were submitted to the U.S. Food and Drug Administration ("**FDA**"), and in July 2026, the FDA accepted these BLAs. The BLAs seek approval for all indications currently approved for the two reference drug products: BA6101 for the treatment of conditions related to osteoporosis, and BA1102 for the treatment of conditions related to bone metastases from solid tumors, multiple myeloma, giant cell tumor of bone, and hypercalcemia of malignancy. In August 2026, we have submitted a BLA for BA9101 (Aflibercept Intravitreous Injection) to the Brazilian Health Regulatory Agency ("**ANVISA**"), intended for the treatment of neovascular (wet) age-related macular degeneration ("**nAMD**") and diabetic macular edema ("**DME**") in adults.

We continued to consolidate our R&D capabilities and industry influence. As of 30 June 2026, our R&D team had 249 experienced employees covering biopharmaceutical discovery research, biotechnology research, biopharmaceutical analysis research, biological activity research, non-clinical research, pilot process research, clinical research, regulatory affairs, project management and intellectual property and other R&D functions. From 1 January 2026 to the date of this announcement, we have been granted two new patents and have ten pending patent applications worldwide, including six PCT national phase entries, three PCT applications and one priority application. As of the date of this announcement, we have been granted 54 patents and have 43 pending patent applications worldwide.

We have sufficient production capacity to meet the current commercial needs of our products. As of the date of this announcement, our Yantai Site has a total land area of approximately 40,000 sq.m. and a total gross floor area of approximately 86,000 sq.m. It houses a number of production lines with a total pilot production capacity of 2,000L (two 2x500L lines) and commercial drug substance manufacturing capacity of 13,500L (two 3x2,000L lines and one 3x500L line), as well as one vial filling line and one pre-filled syringe ("**PFS**") filling line. We are also constructing a 4x2,000L commercial drug substance line to further expand our manufacturing capacity. During the Reporting Period, we achieved significant improvements in quality and efficiency by enhancing and upgrading the production processes of our existing products, continuously advancing digital manufacturing, and implementing domestic substitutions to reduce production costs. We have also built an electronic data environment for production, document management, training, warehousing and other aspects, promoting the integration of production data, flexible manufacturing, and intelligent management, improving production efficiency and production operation flexibility, optimizing production costs, and ensuring drug quality and patient safety.

We are actively exploring external business development and licensing-out arrangements. In March 2026, we and DP Technology officially entered into a strategic cooperation to jointly build an AI for Science (AI4S)-driven innovation model of "Scientific Agent + Drug Intelligent Discovery Platform + Innovative Biopharmaceutical R&D with Novel Mechanisms". In June 2026, we entered into a licensing agreement for the rights to BA5101 (Dulaglutide Injection) in the U.S. Pursuant to the licensing agreement, the partner will be responsible for the commercialization of BA5101 in the U.S. market, including the submission of the BLA and sales, and we will receive an upfront payment, milestone payments, and sales-based commissions. Furthermore, we are in discussions with a number of pharmaceutical companies (including multinational corporations ("**MNCs**")) or investment institutions for the licensing or co-development of our innovative drug pipelines, and are exploring international commercialization opportunities with our overseas partners for our products that have been marketed or completed clinical trials in China.

In the first half of 2026, we received the First Prize of the 2025 China General Chamber of Commerce Science and Technology Progress Award (July 2026) and the Second Prize of the 2025 Shandong Provincial Science and Technology Progress Award (August 2026), in recognition of our breakthrough in denosumab industrialization technology and our establishment of an independent domestic production system.

Apart from the abovementioned achievements, we also believe the following strengths and progress have contributed towards our success and differentiated us from other biopharmaceutical companies.

Risk-Balanced Product Pipeline

We, through years of efforts and dedication, have incubated a robust and risk-balanced portfolio, which brings us clear short-term commercial visibility and allows us to pursue long-term sustainable growth. Specifically, our portfolio, including five products approved for marketing and seven innovative candidates under different stages of clinical trials or pre-clinical studies, as of the date of this announcement, focuses on popular key therapeutic areas including oncology, metabolism, autoimmunity, and ophthalmology, which entail significant unmet needs and potential in China and overseas markets.

The following table summarizes our Commercialized Products and drug candidate pipeline under development in China and worldwide across various therapeutic areas as of the date of this announcement:

	Therapeutic area	Product (reference drug)	Target	Indication	Territory	Clinical trial region	Pre-clinical / IND / Phase 1a / Phase 1b/2 / Phase 3 / BLA filed / Launched
Innovative Antibody Portfolio	Oncology	BA1106	CD25	Lung cancer, MSI-H/dMMR solid tumors, gastric cancer, etc.	Global	CN	
		BA1301	Claudin18.2 ADC	Cholangiocarcinoma, gastric cancer, cervical cancer, ovarian cancer, etc.	Global	CN	
		BA1302	CD228 ADC	Lung cancer, esophageal cancer, breast cancer, melanoma, head and neck cancer, cholangiocarcinoma, etc.	Global	CN	
						US	*IND approved*
		BA1304	EGFR/B7H3 ADC	Lung cancer, esophageal cancer, CRC, etc.	Global	CN	
		BA1203	PD-1/IL-2	Gastric cancer, lung cancer, urothelial carcinoma, esophageal cancer, gynecological tumors, etc.	Global	CN	*IND approved*
	Autoimmune	BA2101	IL4R (Long-Acting)	Atopic dermatitis, asthma, COPD, etc.	Global	CN	*Chinese Mainland rights for respiratory disease indications of BA2101 given to Joincare*
		BA2201	TL1A/IL-23	Inflammatory bowel disease, etc.	Global	CN	*IND approved*
Biosimilar Portfolio	Oncology	Boyounuo® (BA1101, Avastin® biosimilar)	VEGF	mCRC, advanced metastatic or recurrent NSCLC, recurrent GMB, HCC, epithelial ovarian cancer, fallopian tube cancer or primary peritoneal cancer, and cervical cancer	Global	CN	
						BR	*BLA accepted*
		Boluojia® (BA1102, Xgeva® biosimilar)	RANKL	Bone metastases from solid tumors, GCTB, and hypercalcemia of malignancy refractory to treatment	Global	CN	*Promotion rights in HK&Macau given to Kexing*
						Overseas	*EU&US&JP Ph 3 completed; rights of overseas licensed to several partners; BLA in the U.S.*
		BA1104 (Opdivo® biosimilar)	PD-1	Melanoma, NSCLC, MPM, RCC, cHL, HNSCC, urothelial carcinoma, CRC, HCC, esophageal cancer, gastric cancer, etc.	Global	CN	
						Overseas	*Completed communication with FDA and waived Ph 3*
	Metabolism	Boyoubei® (BA6101, Prolia® biosimilar)	RANKL	Postmenopausal osteoporosis, male osteoporosis, glucocorticoid-induced osteoporosis, bone loss in men undergoing ADT for prostate cancer, and bone loss in women receiving aromatase inhibitor therapy for breast cancer	Global	CN	*Promotion rights of Mainland given to CP Qingdao; promotion rights of HK&Macau given to Kexing*
						Overseas	*Bolivia launched; EU&US&JP Ph 3 completed; rights of overseas licensed to several partners; BLA in the U.S.*
		Boyouping® (BA5101,Trulicity® biosimilar)	GLP-1	Glycemic control in type 2 diabetes and reduction of the risk of adverse cardiovascular events in patients with type 2 diabetes	Global	CN	
						Overseas	*IND approved by FDA, Completed communication with FDA and waived Ph 3*
	Ophthalmology	Boyoujing® (BA9101, Eylea® biosimilar)	VEGF	wAMD, DME, RVO, DR, CNV associated with pathological myopia, and ROP	Global	CN	*Promotion rights given to Ocumension*
						Overseas	*BLA in Brazil*

Commercialized products

Boyounuo (BA1101, bevacizumab injection): *an anti-VEGF humanized monoclonal antibody injection and a biosimilar to Avastin independently developed by us.*

It has been approved for marketing by the NMPA in China in April 2021. As of the date of this announcement, Boyounuo has been approved for six indications (mCRC, advanced metastatic or recurrent non-small cell lung cancer, recurrent glioblastoma, epithelial ovarian, fallopian tube or primary peritoneal cancer, cervical cancer and hepatocellular carcinoma) and all its indications have been included in the NRDL. In addition, Boyounuo has also been approved for marketing in Macau SAR in May 2025. Apart from China, it is also under BLA review in Brazil.

Boyoubei (BA6101, 60mg denosumab injection): *a human immunoglobulin G2 monoclonal antibody of the RANK ligand and a biosimilar to Prolia independently developed by us.*

It has been approved for marketing by the NMPA in China for the treatment of postmenopausal women with osteoporosis at high risk for fracture in November 2022. It has been included in the NRDL and we have granted Qingdao Conson Pharmaceutical Co., Ltd. ("**Qingdao Conson**") the exclusive right to commercialize Boyoubei in Chinese Mainland. Boyoubei has also been approved for marketing in Macau SAR in May 2025. In addition, the commercialization rights of this product have been licensed to partners in multiple countries and regions worldwide, and the product is currently under marketing review in some of these jurisdictions.

- In November 2025, the Marketing Authorization Application ("**MAA**") for BA6101 was accepted by the Medicines and Healthcare products Regulatory Agency ("**MHRA**") in the UK and the application is under review.

- In January 2026, BA6101 has been approved for marketing by AGEMED in Bolivia.

- In May 2026, the BLA for BA6101 was submitted to the FDA, and in July 2026, the FDA has accepted this BLA. The BLA seeks approval for all indications currently approved for the reference drug product: BA6101 for the treatment of conditions related to osteoporosis.

Boluojia (BA1102, 120mg denosumab injection): *a fully human IgG2 anti-RANKL monoclonal antibody and a biosimilar to Xgeva independently developed by us.*

It has been approved for marketing by the NMPA in China for the treatment of giant cell tumor of bone that is unresectable or where surgical resection is likely to result in severe morbidity in adults and skeletally mature adolescents (defined as having at least one mature long bone and with body weight ≥45 kg) in May 2024 and has been approved for the treatment of patients with bone metastases from solid tumors or multiple myeloma, to delay or reduce the risk of skeletal-related events (SREs), which include pathological fractures, spinal cord compression, and bone-directed radiation or surgery in May 2026. Boluojia has also been

approved for marketing in Macau SAR in May 2025. In addition, the commercialization rights of this product have been licensed to partners in multiple countries and regions worldwide, and the product is currently under marketing review in some of these jurisdictions.

- In November 2025, the MAA for BA1102 has been accepted by the MHRA in the UK and the application is under review.

- In May 2026, Boluojia has been approved by the NMPA for the treatment of patients with bone metastases from solid tumors or multiple myeloma, to delay or reduce the risk of skeletal-related events (SREs), which include pathological fractures, spinal cord compression, and bone-directed radiation or surgery. These are the new indications approved for Boluojia.

- In May 2026, the BLA for BA1102 was submitted to the FDA, and in July 2026, the FDA has accepted this BLA. The BLA seeks approval for all indications currently approved for the reference drug product: BA1102 for the treatment of conditions related to bone metastases from solid tumors, multiple myeloma, giant cell tumor of bone, and hypercalcemia of malignancy.

Boyouping (BA5101, dulaglutide injection): *a long-acting glucagon-like peptide-1 (GLP-1) receptor agonist and a biosimilar to Trulicity independently developed by us.*

It has been approved for marketing in China in August 2025. We are partnering with Shanghai Pharmaceutical Co., Ltd. ("**Shaphar**") to commercialize BA5101 in Chinese Mainland. In addition, the commercialization rights of this product have been licensed to partners in multiple countries and regions worldwide, and the product is currently under marketing review in some of these jurisdictions.

- In May 2026, BA5101 received marketing approval in Macau SAR for glycemic control in adults with type 2 diabetes.

Boyoujing (BA9101, aflibercept intravitreous injection): *a recombinant human vascular endothelial growth factor receptor antibody fusion protein ophthalmic injection and a biosimilar to Eylea.*

It has been approved for marketing in China in November 2025 for wet nAMD and DME in adults. We have granted Ocumension Therapeutics (a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") with stock code: 1477) an exclusive right to promote and commercialize BA9101 in Chinese Mainland. In addition, the commercialization rights of this product have been licensed to partners in multiple countries and regions worldwide, and the product is currently under marketing review in some of these jurisdictions.

- In August 2026, we submitted a BLA for BA9101 to ANVISA in Brazil, intended for the treatment of nAMD and DME in adults.

Products to be commercialized in the near future

BA1104 (nivolumab injection): *a monoclonal antibody that can enhance the immune response of T cells against tumors by preventing the programmed cell death 1 (PD-1) receptor from binding to its ligands PD-L1 and PD-L2. It is a biosimilar to Opdivo independently developed by us.*

Being a broad-spectrum anticancer medication, Nivolumab has been approved for multiple indications both in China and overseas. These include its use as a neoadjuvant, an adjuvant, or a first-line or later-line therapy for advanced cancers. It can be used as a standalone treatment, in combination with chemotherapy, or alongside novel immune checkpoint inhibitors. Nivolumab has become a product of basic therapy for a variety of solid tumors.

- In October 2025, patient enrolment was completed for the Phase 3 clinical trial of BA1104 in China. This is China's first biosimilar of Opdivo to undergo a phase 3 clinical trial. As of the date of this announcement, the clinical trial is progressing well.

Other investigational pipeline products

BA1106: *a non-IL-2 blocking anti-CD25 antibody independently developed by us.*

BA1106 is China's first investigational non-IL-2-blocking anti-CD25 (IL-2R-alpha) antibody to undergo a clinical trial for the treatment of solid tumors. Present across various solid tumors, regulatory T cells (Tregs) are critical immunosuppressive components of the tumor microenvironment, where high infiltration typically correlates with poor prognosis. As such, targeting Tregs has become a focal point of next-generation cancer immunotherapy. With "moderate" ADCC activity and a unique binding epitope design, BA1106 selectively targets CD25-overexpressing Tregs. While depleting Tregs, it expands effector T cell (Teff) populations and preserves IL-2 signaling, thereby enhancing anti-tumor immune responses and demonstrating potential for the treatment of multiple solid tumors.

In 2023, BA1106 entered phase 1 clinical trials in China. In the phase 1 clinical trial, the combination of BA1106 and BA1104 showed encouraging efficacy signals in patients with lung adenocarcinoma, squamous cell lung cancer, and gastric cancer, and all of them had previously experienced disease progression on ICIs. Furthermore, BA1106 demonstrated a favorable safety and tolerability profile as a monotherapy or in combination with BA1104. Most treatment-related adverse events were mild (Grades 1–2). During dose escalation, no dose-limiting toxicities (DLTs) were observed, and the maximum tolerated dose (MTD) was not reached at dose levels up to 1.2 mg/kg. These results are encouraging and support the continued clinical development of BA1106.

- In April 2026, the CDE accepted the phase 2 clinical trial application of BA1106 in combination with BA1104 as first-line or second-line regimens for NSCLC, and in July 2026, the CDE has approved the phase 2 clinical trial application. The phase 2 clinical trial is a multicenter, single-arm, open-label study designed to evaluate the efficacy, safety, and pharmacokinetic (PK) profile of BA1106 in combination with BA1104 in patients with driver gene-negative NSCLC.

BA1301: *an ADC candidate that targets Claudin 18.2 independently developed by us.*

BA1301 for injection is our first novel ADC candidate that targets Claudin 18.2. It utilizes C-Lock site-specific conjugation to link the tubulin inhibitor payload, Duostatin-5, with a CLDN18.2-targeting monoclonal antibody. This enables the precise delivery of the cytotoxic payload to tumors, maximizing the anti-tumor activity while reducing the off-target toxicity and widening the therapeutic window. In addition, the bystander effect of the ADC further enhances its efficacy against heterogeneous tumors in gastric cancer and other GI malignancies.

In 2023, BA1301 entered a phase 1 clinical trial in China. As of the date of this announcement, this phase 1 clinical trial is progressing well. We have completed the monotherapy dose-escalation part of this clinical trial and are undergoing the dose expansion part. BA1301 has been granted the Orphan Drug Designation ("**ODD**") by the FDA for the treatment of gastric cancer (including cancer of gastroesophageal junction) and pancreatic cancer.

- In May 2026, updated phase 1 clinical data for BA1301 were presented at the 2026 ASCO Annual Meeting. As of the data cutoff date of 22 December 2025, 91 patients had received at least one dose of BA1301. Key findings included: (i) BA1301 demonstrated potential in treating multiple types of solid tumors, including gastric and biliary tract tumors. In patients with medium-to-high CLDN18.2 expression treated with BA1301 at doses ≥1.6 mg/kg, the objective response rate (ORR) reached 29% for gastric cancer, 30% for biliary tract cancer, 14% for pancreatic cancer, and 33% for gynecological malignancies. Notably, one patient with biliary tract cancer achieved a partial response (PR) who had received the treatment for more than 16 months and is still receiving the treatment; (ii) BA1301 exhibited good safety and tolerability. Incidences of hematological and gastrointestinal adverse events and their severity were low. Treatment-related anemia and decreased neutrophil counts (≥Grade 3) occurred in 4.4% and 2.2% of the patients, respectively. Treatment-related vomiting and nausea (≥Grade 3) occurred in 3.3% and 2.2% of the patients, respectively. Treatment-related serious adverse events (SAE) occurred in 14.3% of the patients, and no treatment-related deaths were observed; (iii) BA1301 demonstrated excellent molecular stability enabled by C-Lock site-specific conjugation. At a dose of 2.0 mg/kg, the area under the curve (AUC) for Duostatin-5 was approximately 0.002% of the total antibody and 0.005% of the intact ADC. This indicated low payload dissociation in plasma and robust molecular stability in circulation, further confirming the superiority of the conjugation method.

BA1302: *a novel CD228-directed ADC independently developed by us.*

The CD228 target protein is highly expressed in various solid tumors, including melanoma, breast cancer, non-small cell lung cancer, mesothelioma, colorectal cancer and pancreatic cancer, whilst having low expression in normal tissues, which makes CD228 an ideal target for ADCs. BA1302 utilizes a cleavable hydrophilic linker to conjugate the cytotoxic payload MMAE to an anti-CD228 monoclonal antibody via the cysteines in hinge region. This enables the antibody to specifically deliver the payload into the tumor tissues, exerting anti-tumor effects while reducing the toxicity and expanding the therapeutic window.

Preclinical studies demonstrated that BA1302 was highly potent in internalization and the bystander effect, effectively inhibiting tumor growth in various patient-derived xenograft (PDX) models, indicating that it is a promising drug candidate either as a monotherapy or in combination with other therapies in pan-tumor indications. Compared with marketed ADCs utilizing MMAE as the payload, BA1302 exhibited a longer half-life, higher exposure, and more favorable safety profile in cynomolgus monkeys.

In 2024, BA1302 entered phase 1 clinical trials in China. This is the first CD228 targeted novel ADC drug candidate approved for clinical trials in China. As of the date of this announcement, this clinical trial is progressing well. BA1302 has been granted the ODD by the FDA for the treatment of squamous non-small-cell lung cancer (sqNSCLC) and pancreatic cancer. In June 2025, BA1302 was approved by the FDA to initiate clinical trials in the U.S.

- In August 2026, we have completed the phase 1a of the phase 1 clinical trial. As of 1 August 2026, the phase 1a portion of the trial had evaluated seven dose levels ranging from 0.2 mg/kg to 3.6 mg/kg. A total of 36 subjects with different types of advanced solid tumors were enrolled in the trial. 31 of them were treated at a dose level of 2.0 mg/kg or higher. Among all the subjects enrolled in the trial, 83.3% of them had metastases in two or more organs, 66.7% of them had received at least two lines of prior treatment, and most of them had experienced disease progression following treatments with chemotherapy, targeted therapy or immunotherapy. Data from the Phase 1a trial showed that: 1) Preliminary anti-tumor activity was observed in multiple types of solid tumors. Partial Responses (PRs) were observed in subjects with triple-negative breast cancer, esophageal carcinoma, melanoma, and cervical cancer. Specifically, one of the two subjects with triple-negative breast cancer achieved a PR, one of the three subjects with CD228-positive esophageal cancer achieved a PR, one of the twelve subjects with melanoma treated at a dose of 2.0 mg/kg or higher achieved a PR, and the only subject with cervical cancer achieved a PR. These results are indicative of the preliminary efficacy of BA1302. At present, overall progression-free survival (PFS) and overall survival (OS) data remain immature; 2) BA1302 demonstrated a favorable overall safety and tolerability profile. Common treatment-related adverse events (TRAEs) were hematologic toxicities and changes in liver enzyme levels. The vast majority of TRAEs were mild to moderate in severity (Grade 1 to 2 according to CTCAE v5.0) and improved or resolved with appropriate treatment. Following the phase 1a trial, we will proceed to the phase 1b dose-expansion trial to further evaluate the potential of BA1302 against key cancer types.

BA1203: *a masked anti-PD-1/IL-2 fusion protein independently developed by us.*

BA1203 is a next-generation immuno-oncology ("**IO**") therapy intended to treat multiple solid tumors. To the knowledge of the Company, BA1203 is poised to become the first masked PD-1/IL-2 antibody-cytokine prodrug retaining alpha-subunit binding activity to enter clinical trials in China.

BA1203 leverages the dual mechanism of action of a PD-1 antibody and an IL-2 cytokine, aiming to simultaneously achieve immune checkpoint blockade and localized immune activation within the tumor microenvironment ("**TME**"). Through a masked design, the IL-2 prodrug selectively activates within the TME to amplify local anti-tumor immunity while minimizing cytokine activity in peripheral tissues to mitigate systemic toxicity risks. Concurrently, the molecule features a high-affinity, bivalent PD-1 targeting architecture, which enhances pathway blockade and enables precise delivery of IL-2 to PD-1-positive tumor-infiltrating T cells. BA1203 features a symmetric molecular structure, which improves molecular stability and the controllability of manufacturing process.

Preclinical studies show that BA1203 exhibits a differentiated profile in terms of PD-1 binding, immune pathway blockade, and immune activation within the TME. BA1203 demonstrated superior anti-tumor activity that significantly outperformed existing PD-1/PD-L1 antibodies across multiple tumor models where such checkpoint inhibitors were ineffective or exhibited limited activity. In tumor-bearing mouse models, BA1203 demonstrated superior efficacy compared to the competitor in the same class, while exhibiting a more favorable safety profile driven by tumor-dependent activation. Crucially, while enhancing localized intratumoral immune activation, BA1203 maintains low peripheral toxicity; studies involving cynomolgus monkeys demonstrate its favorable safety and tolerability profile.

- In July 2026, the CDE accepted the IND application for BA1203.

BA2201: *a bispecific antibody targeting TL1A and IL23p19 independently developed by us.*

Its potential indications include inflammatory bowel disease, psoriasis, and psoriatic arthritis, etc. The antibodies in BA2201 were selected based on their high activity and low immunogenicity, thereby enhancing BA2201's prospects for successful development. The anti TL1A antibody, derived from the BA-huMab platform, binds to a unique epitope and exhibits excellent neutralizing activity. Its bispecific design, incorporating a novel 1+1 format and Fc engineering for half-life extension, exhibits favorable developability and potent efficacy both in vitro and in vivo. The data from the in vitro and in vivo immunogenicity assay demonstrated a low immunogenicity risk for BA2201. BA2201 also shows long half-life in cynomolgus monkeys, supporting the expectation of a dosing frequency of once every 3 months in human. In addition, the successful development of a high-concentration formulation for BA2201 allows for convenient subcutaneous administration.

- In August 2026, the CDE accepted the IND application for BA2201.

BA1304: *a bispecific ADC targeting B7-H3 and EGFR independently developed by us.*

It is constructed via glycan-based site-specific conjugation technology, intended for multiple tumor indications, such as lung cancer, colon cancer, bladder cancer, kidney cancer, and esophageal cancer. BA1304 utilizes a "1+1" common light chain format, which contributes to its excellent developability and high homogeneity. BA1304 employs multiple anti-tumor mechanisms of action, including potent ADC-mediated cytotoxicity, enhanced blockade of EGFR signaling, efficient internalization mediated by both EGFR and B7-H3, and antibody dependent cell-mediated cytotoxicity. The bispecific design enhances binding to tumor cells co-expressing EGFR and B7-H3 while reducing binding to normal tissues expressing only a

single target. This selectivity significantly lowers the risk of on-target off-tumor toxicity. In non-human primate studies, maximal tolerable dose exceeded 60 mg/kg. BA1304 employs Exatecan as its payload, enabling it to overcome drug resistance and demonstrate broad spectrum anti-tumor potential. In a variety of solid tumor models, BA1304 has shown potent in vitro cytotoxicity against cancer cells with varying target expression levels, including B7-H3 low/EGFR low, B7-H3 high/EGFR low, B7-H3 low/EGFR high, and B7-H3 high/EGFR high.

- As of the date of this announcement, it is under pre-clinical stage.

Strong R&D Capabilities

We have a fully-fledged proprietary R&D technology platform focusing on antibody discovery and drug development. We have R&D teams and facilities located in Yantai and Nanjing in China, with rich experience and strong track records in drug discovery and development. In terms of technology, we boast proprietary Human Antibody Transgenic Mouse Technology Platform, Bispecific/Multi-specific/Probody Technology Platform, ADC Technology Platform and Artificial Intelligence/Big Data Application Platform which we believe these will provide us with great technological support.

We take pride in our strong chemistry, manufacturing and controls ("**CMC**") capability which is the backbone of the quality and cost efficiency that we have maintained throughout the process of our drug development and commercial production, especially in cell line development, upstream and downstream process development, analytical and bio-analytical method development as well as technology transfer. Our CMC function establishes practical qualitative and quantitative standards for us to maintain product quality and effectively progresses drug discovery to actual manufacturing.

Our strong CMC capability accumulated through the years of effort has shortened drug development time and enabled speed to market. We believe such capability is a formidable barrier to competitors and has paved the way for our first-mover advantage.

Our high caliber R&D team has outstanding execution capability in drug development with a proven track record. As of 30 June 2026, our R&D team consisted of 249 experienced employees covering biopharmaceutical discovery research, biotechnology research, biopharmaceutical analysis research, biological activity research, non-clinical research, pilot process research, clinical research, regulatory affairs, project management and intellectual property and other R&D functions, most of whom had R&D and clinical experience of more than seven years.

As a biopharmaceutical company, we are keenly aware of the importance of establishing and protecting our intellectual property rights. We have filed a number of patent applications for our drug candidates in various jurisdictions, and expect to rely on a combination of patents, trademarks, trade secrets and other intellectual property rights, as well as employee and third party confidentiality agreements, for safeguarding our intellectual properties. From 1 January 2026 to the date of this announcement, we have been granted two new patents and have ten pending patent applications worldwide, including six PCT national phase entries, three PCT applications and one priority application. As of the date of this announcement, we have been granted 54 patents and have 43 pending patent applications worldwide.

Underpinned by our strong R&D capability, we have published 22 research papers in world renowned academic journals including *Cell Discovery of Nature, Antibody Therapeutics, Molecular Cancer Therapeutics* and *Cancer Communications*, introducing our research breakthroughs on some of our drug candidates.

Strong Manufacturing Capability with High Quality and Cost Efficiency

We have a sizable pilot and commercial production site located in Yantai, China. We employ a robust quality management system for the Yantai Site that meets various quality standards such as good manufacturing practice set by the relevant regulatory authorities of China and the EU Quality Person ("**QP**"). We have passed a number of audits in China and the EU QP. Our Yantai Site, having a total land area of approximately 40,000 sq.m. and a total gross floor area of approximately 86,000 sq.m., houses a number of production lines with a total pilot production capacity of 2,000L (two 2x500L lines) and commercial drug substance manufacturing capacity of 13,500L (two 3x2,000L lines and one 3x500L line), as well as one vial filling line and one PFS filling line as of the date of this announcement. We are also constructing a 4x2,000L commercial drug substance line. Our manufacturing system, including production, quality, engineering, etc., is managed by a strong and integrated team of 375 employees as of 30 June 2026.

Apart from production capacity, our proprietary manufacturing capability, such as perfusion culture and fed-batch culture, provides flexibility and improves the throughput and production efficiency. Our Yantai Site is also highly versatile, adaptable to manufacturing drugs targeting different antibodies, and is capable of producing various formulations. To further improve production cost efficiency, we utilize digital management in our production.

While improving production efficiency and scale, we are also committed to green and sustainable development. By formulating a sound environmental management system, we improve resource utilization, promote energy conservation and emission reduction, accelerate the application of artificial intelligence, promote digital transformation, and promote the high quality development of enterprises.

Well-Established Commercialization Capability

We have successfully expanded our commercial portfolio into five products (Boyounuo, Boyoubei, Boluojia, Boyouping and Boyoujing) spanning over multiple therapeutic areas.

Leveraging our well-established and demonstrated commercialization capability backed by marketing strategies implemented by our dedicated sales and marketing team, we believe that we are well positioned to achieve speed to market and rapid ramp-up of product sales. Internally, we have a dedicated in-house sales and marketing team with extensive industry experience, and they develop and implement marketing and sales initiatives and plans for our product and drug candidates in their scheduled rollouts. Externally, we collaborate with various resourceful business partners which lay the foundation for our strong commercialization capability. Our collaboration with experienced third-party promoters effectively publicizes and maximizes market potential of our products.

We had an extensive distribution network of more than 154 distributors as of 30 June 2026, penetrating selected regions and reaching more than 3,210 target hospitals and institutions in China.

In January 2026, our 60mg denosumab injection (Boyoubei) was approved for marketing by AGEMED in Bolivia. In May 2026, our dulaglutide injection (Boyouping) received marketing approval in Macau SAR for glycemic control in adults with type 2 diabetes. In May 2026, our 120mg denosumab injection (Boluojia) was approved by the NMPA for the treatment of patients with bone metastases from solid tumors or multiple myeloma, to delay or reduce the risk of skeletal-related events (SREs), which include pathological fractures, spinal cord compression, and bone-directed radiation or surgery. These are new indications approved for Boluojia.

Extensive Collaboration with Various Resourceful Business Partners

We have explored a number of cooperations with well-known domestic and foreign companies in various fields as of the date of this announcement.

For our launched products in China, we have granted Qingdao Conson the exclusive right to promote Boyoubei in Chinese Mainland since 2023 and granted OcuMension Therapeutics the exclusive right to promote Boyoujing in Chinese Mainland after its launch. We have granted Kexing Biopharm Co., Ltd. ("**Kexing**") the promotion rights of denosumab injection (BA6101 and BA1102) in Hong Kong SAR and Macau SAR in 2025. We have granted Shaphar the exclusive right to market and distribute Boyouping through all channels in the Chinese Mainland in 2025.

For our pipeline products in China, we have granted Joincare the exclusive right to the development, registration, manufacturing, and commercialization of BA2101 for the treatment of asthma, COPD and other respiratory system diseases in Chinese Mainland in 2024.

In the overseas market, we collaborated with internationally renowned biomedicine enterprises, including Shaphar, Pharmacare, Kexing, Nanjing King-Friend Biochemical Pharmaceutical Co., Ltd. ("**NKF**"), etc., to fully boost Boyounuo, Boyoubei, Boluojia, Boyouping and Boyoujing's marketing process and further sales in the U.S., Latin America, Southeast Asia, and other regions, as well as many other emerging markets at the country level, covering over 20 countries/regions around the world. In June 2026, we entered into a new licensing agreement for the rights to BA5101 in the U.S. Pursuant to the licensing agreement, the partner will be responsible for the commercialization of BA5101 in the U.S. market, including the submission of the BLA and sales, and we will receive an upfront payment, milestone payments, and sales-based commissions. Furthermore, we are in discussions with a number of pharmaceutical companies (including MNCs) and investment institutions for the licensing or co-development of our innovative drug pipelines, and are exploring international commercialization opportunities with our overseas partners for our products that have been marketed or completed clinical trials in China.

For R&D technology platform, we have also entered into an agreement with the Zencore Biologics Co., Ltd. ("**Zencore Biologics**"), authorizing Zencore Biologics to use our self-developed stable cell line development platform non-exclusively, BA-HIEXcell for the development of antibodies and therapeutic proteins in Chinese Mainland. In March 2026, we and DP Technology have officially entered into a strategic cooperation. The two parties will jointly build an AI for Science (AI4S)-driven innovation model of "Scientific Agent + Drug Intelligent Discovery Platform + Innovative Biopharmaceutical R&D with Novel Mechanisms". Two parties will conduct in-depth collaboration around the development of our antibody drugs, ADCs, and T-cell engager ("**TCE**") drugs, empowering new drug R&D with AI technology to further enhance development efficiency and innovation quality.

For manufacturing and quality management, we have signed a strategic cooperation agreement with Qingdao Haier Biomedical Co., Ltd. ("**Haier Biomedical**") in 2024. According to the agreement, Haier Biomedical will upgrade the digital system and customize digital scenario solutions for us, including the EMS DataManager data analysis, QC-Sample Manager sample management system, EBR electronic batch record and other business areas, so as to improve the digital level of our manufacturing process and quality management. At the same time, the two parties will leverage their respective resource advantages and explore the development and innovation direction of digital transformation of the pharmaceutical industry by using cutting-edge technologies such as digital analysis, automation, and AI integration.

Post Results Outlook

Having successfully obtained marketing approval in China for five biosimilar products – Boyounuo (bevacizumab injection), Boyoubei (60mg denosumab injection), Boluojia (120mg denosumab injection), Boyouping (dulaglutide injection) and Boyoujing (aflibercept intravitreous injection) – we have completed the first phase of our strategy of establishing a stable and sustainable source of cash flow. BA1104 (nivolumab injection), the final biosimilar in our current portfolio, is expected to be submitted for marketing application in China in the second half of 2026.

The second phase of our strategy, focusing on the overseas commercialization of our biosimilar portfolio, is also progressing steadily. Multiple products have been registered or marketed in overseas emerging markets. In developed markets, we are approaching an inflection point. Our two denosumab injections (BA6101 and BA1102), which are under review by the MHRA, are expected to be launched in the UK in the second half of 2026. In addition, BLAs for the two denosumab injections were submitted to the U.S. FDA in May 2026, and accepted for review in July 2026. These two products are expected to be approved in the U.S. in the first half of 2027.

Following the successful execution of the first two phases of our strategy and our recent capital markets financing, our cash and cash equivalents amounted to RMB1,105.5 million as of 30 June 2026. Supported by a strong capital position, we are accelerating the third phase of our strategy: advancing early-stage R&D and clinical development of innovative molecules with market potential. In the first half of 2026, our R&D expenses increased by 57.0% compared with the same period in 2025. This significant increase in R&D investment has supported the rapid advancement of our drug pipeline. During the Reporting Period, BA1301 (Claudin18.2 ADC) is progressing well in its phase 1 clinical trial, with updated

phase 1 clinical data being presented at the 2026 ASCO Annual Meeting. BA1106 (anti-CD25 antibody) is also progressing well in its phase 1 combination clinical trial, and in July 2026, the CDE approved the phase 2 clinical trial application of BA1106 in combination with BA1104 for NSCLC. BA1302 (CD228 ADC) completed its phase 1 monotherapy dose-escalation phase of the phase 1 clinical trial and proceeded to the dose expansion phase in August 2026. BA1203 (a masked PD-1/IL-2 fusion protein) is expected to enter clinical trials following the CDE's acceptance of its IND application in July 2026. In addition, BA2201 (TL1A/IL23p19 bispecific antibody) had its IND application accepted by the CDE in August 2026. Finally, several other pre-clinical candidates, including BA1304 (B7-H3/EGFR bispecific ADC), are expected to have their IND applications filed within the next two years.

Looking ahead, we intend to establish BA1203 and BA1302 – two potentially best-in-class molecules – as the foundation of our future oncology pipeline, and BA2201 as the foundation of our autoimmune pipeline, accelerating their development and advancing our global innovation strategy. Over the next 12 to 18 months, we also expect to present additional clinical data relating to our drug candidates at major international academic conferences.

Beyond our development efforts, we will continue to actively pursue partnerships for our drug portfolio. We will work closely with our partners to accelerate project advancement while seeking additional strategic and financial resources to strengthen our innovation platform. We are in discussions with a number of pharmaceutical companies (including MNCs) and investment institutions for the licensing or co-development of our innovative drug pipelines, and we will continue to explore international commercialization opportunities with our overseas partners for products that have been marketed or completed clinical trials in China. In March 2026, we and DP Technology officially entered into a strategic cooperation to jointly build an AI for Science (AI4S)-driven innovation model, empowering the development of our next-generation antibody drugs, ADCs, and TCE drugs with AI technology.

In summary, underpinned by our cash-generating biosimilar portfolio, imminent overseas commercialization milestones, and strong R&D pipeline, we are well-positioned to transition from a biosimilar-led growth model into an innovation-driven biopharmaceutical company with global reach. We will continue to attract outstanding talent, invest in cutting-edge technologies, increase investment in innovative drug R&D, enhance R&D efficiency and accelerate the commercialization of our portfolio. Looking ahead, despite the macroeconomic uncertainties, geopolitical challenges and evolving healthcare policies in China relating to centralized procurement and NRDL negotiations, we believe that the demand for high-quality, affordable biologics in China and globally remains robust. With our differentiated portfolio, fully-integrated capabilities, and disciplined execution, we remain confident in our long-term growth prospects and in our mission of providing innovative and accessible biologic therapies to patients in China and around the world.

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2026, the Group's revenue amounted to approximately RMB233.0 million, as compared to RMB393.4 million for the six months ended 30 June 2025, representing a decrease of approximately RMB160.4 million, or 40.8%. The decrease was mainly attributable to the policy-related expectation of the upcoming government-led volume-based procurement.

Cost of Sales

Our cost of sales amounted to RMB87.0 million for the six months ended 30 June 2026, which accounted for approximately 37.3% of our total revenue for the same period (for the six months ended 30 June 2025: 28.2%). The decrease in cost of sales was broadly consistent with the decline in revenue for the corresponding period.

Gross Profit

For the six months ended 30 June 2026, the Group recorded a gross profit of approximately RMB146.0 million, representing a decrease of RMB136.6 million, or 48.3% as compared with that for the six months ended 30 June 2025.

Other Income and Gains

Other income and gains consist of government grants, bank interest income and others. Government grants mainly represent subsidies received from local government authorities to support the Group's R&D activities and operation. For the six months ended 30 June 2026, the Group's other income and gains increased to RMB7.4 million, as compared to RMB2.6 million for the six months ended 30 June 2025, representing an increase of approximately RMB4.8 million. The increase was mainly attributable to an increase in government grants recognised during the Period and an increase in interest income during the Period.

Administrative Expenses

Our administrative expenses decreased from RMB23.2 million for the six months ended 30 June 2025 to RMB15.5 million for the six months ended 30 June 2026. Such decrease was mainly attributable to the implementation of more streamlined and effective management measures during the Reporting Period to improve operational efficiency.

Selling and Distribution Expenses

For the six months ended 30 June 2026, the Group's selling and distribution expenses amounted to RMB107.1 million, as compared to RMB159.8 million for the six months ended 30 June 2025, representing a decrease of RMB52.7 million, or 33.0%. The decrease in selling and distribution expenses was mainly in line with the decrease of sales revenue of products during the same period.

Research and Development Expenses

For the six months ended 30 June 2026, the Group's recognised R&D expenses amounted to approximately RMB92.0 million, representing an increase of approximately RMB33.4 million as compared with the six months ended 30 June 2025. The increase was mainly attributable to higher research and development expenditure incurred in connection with the acceleration of the Group's innovation strategy.

Finance Costs

For the six months ended 30 June 2026, the Group's finance costs amounted to RMB21.7 million, as compared to RMB19.5 million for the six months ended 30 June 2025, representing an increase of approximately RMB2.2 million, or 11.3%.

Income Tax Expense

For the six months ended 30 June 2026, the Group recorded income tax expense of nil.

(Loss)/Profit for the Period

As a result of the above, our loss for the period amounted to RMB83.0 million for the six months ended 30 June 2026, as compared to the profit of RMB20.5 million for the six months ended 30 June 2025.

Liquidity, Financial and Capital Resources

The Group's primary sources of liquidity consist of cash and cash equivalents, which the Group has historically generated through the sales of products and the proceeds from the issue of shares. The Company expects that the Group's cash needs in the near future will primarily relate to progressing the development of its drug candidates towards receiving regulatory approval and commencing commercialization, as well as expanding its drug candidate portfolio. In 2026, we actively explored financing channels and managed to maintain our cash position at a stable level for the Group's sustainable development.

As of 30 June 2026, we had cash and cash equivalents of RMB1,105.5 million, representing a decrease of RMB24.9 million, or 2.2%, compared to RMB1,130.4 million as at 31 December 2025. As of 30 June 2026, the Group had net current assets of approximately RMB817.7 million, as compared to approximately RMB1,148.7 million as at 31 December 2025. The current ratio of the Group decreased to approximately 1.74 as at 30 June 2026 from approximately 2.33 as at 31 December 2025. The decrease in net current assets was mainly attributable to the increase in the current portion of interest-bearing bank and other borrowings during the six months ended 30 June 2026.

As of 30 June 2026, the Group had an aggregate interest-bearing bank and other borrowings of approximately RMB843.5 million, representing an increase of RMB60.3 million as compared to approximately RMB783.2 million as at 31 December 2025.

Amongst the loans and borrowings, approximately RMB735.7 million are repayable within one year, and approximately RMB107.8 million are repayable after one year. As of 30 June 2026, the Group's borrowings were primarily denominated in RMB, and the cash and cash equivalents were primarily denominated in RMB and U.S. dollars.

Gearing Ratio

As of 30 June 2026, the gearing ratio of the Group, which is calculated by dividing total borrowings by total equity, increased to 31.7% from 28.6% as at 31 December 2025. The increase was primarily due to the increase in interest-bearing bank and other borrowings during the six months ended 30 June 2026.

Capital Commitments

At the end of the Period, the Group had capital commitments for the acquisition of property, plant and equipment with amounts of RMB147.6 million (31 December 2025: RMB150.9 million). They primarily relate to expenditures expected to be incurred for the purchase of machinery and renovation of our existing laboratories and buildings.

Significant Investments, Acquisitions and Disposals

As at 30 June 2026, there were no significant investments held by the Group or future plans for significant investments or capital assets.

The Company did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures for the six months ended 30 June 2026.

Contingent Liabilities

The Group did not have any contingent liabilities as at 30 June 2026.

Charges on Group Assets

As at 30 June 2026, certain of the Group's property, plant and equipment and right-of-use assets with an aggregate amount of RMB200.4 million were pledged to secure its bank and other borrowings.

Hedging Activities

As at 30 June 2026, the Group did not use any financial instruments for hedging purposes and did not enter into any hedging transactions in respect of foreign currency risk or interest rate risk.

Employees and Remuneration Policy

As at 30 June 2026, the Group employed a total of 690 employees, as compared to a total of 714 employees as at 30 June 2025. For the six months ended 30 June 2026, the staff costs, (including Directors' emoluments but excluding any contributions to pension scheme), were approximately RMB56.5 million as compared to RMB61.6 million for the six months ended 30 June 2025. The objective of the Group's remuneration policy is to motivate and retain talented employees to achieve the Group's long term corporate goals and objectives. The Group's employee remuneration policy is determined by taking into account factors such as remuneration in respect of the overall remuneration standard in the industry and employee's performance. The management reviews the Group's employee remuneration policy and arrangements on a regular basis. Moreover, the social insurance contributions are made by the Group for its PRC employees in accordance with the relevant PRC regulations.

SIGNIFICANT INVESTMENTS AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group did not hold any significant investment with a value greater than 5% of its total assets as at 30 June 2026. The Group does not have plans for material investments or capital assets.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

After 30 June 2026 and up to the date of this announcement, to the best of the Directors' knowledge, there was no event occurred that has significantly affected the Group.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association of the Company, or the laws of the PRC, which would oblige the Company to offer new shares of the Company on a pro-rata basis to its existing shareholders.

INTERIM DIVIDEND

No interim dividend was declared by the Company for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") as its own code of corporate governance.

During the six months ended 30 June 2026, the Company has complied with all the applicable code provisions set out in the CG Code, except for the following deviation:

Code provision C.2.1 of the CG Code

Under C.2.1 of the CG Code, the chairman and the chief executive officer should be separate and should not be performed by the same individual.

Under the current organisation structure of the Company, Ms. Jiang Hua is the chairlady and chief executive officer. With extensive experience in the pharmaceutical industry, the Board considers that Ms. Jiang Hua should continue to assume the roles of chairman and chief executive officer during the six months ended 30 June 2026 as this arrangement will improve the efficiency of our decision-making and execution process given her knowledge of the Group's affairs. The Company has put in place an appropriate check-and-balance mechanism through the Board and its independent non-executive Directors.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms meeting the required standards as set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules (the "**Model Code**"). Specific enquiry has been made to all the Directors and Supervisors and all the Directors and Supervisors have confirmed that they have complied with the Model Code throughout the six months ended 30 June 2026.

The Company has also adopted its own code of conduct regarding employees' securities transactions on terms meeting the required standard as set out in the Model Code. This ensures compliance by relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of their dealings in the Company's securities.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Save as disclosed in other part of this announcement, there was no purchase, sale or redemption of any listed securities (including treasury shares) of the Company by the Company or any of its subsidiaries for the six months ended 30 June 2026. As at 30 June 2026, the Company did not hold any treasury shares.

AUDIT COMMITTEE

The Audit Committee of the Company has reviewed together with the management the accounting principles and policies adopted by the Group, the unaudited interim condensed consolidated financial statements and interim results announcement of the Group for the six months ended 30 June 2026 and recommended its adoption by the Board.

In addition, the independent auditor of the Company, Ernst & Young, has reviewed the unaudited interim results for the six months ended 30 June 2026 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF THE INTERIM RESULTS AND 2026 INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.boan-bio.com), and the 2026 interim report containing all the information required by the Listing Rules will be published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
Shandong Boan Biotechnology Co., Ltd.
Jiang Hua
Chairlady, Chief Executive Officer and Executive Director

Yantai, The People's Republic of China, 27 August 2026

As at the date of this announcement, the executive directors of the Company are Ms. Jiang Hua and Mr. Wang Shenghan; the non-executive directors of the Company are Mr. Liu Yuanchong, Ms. Li Li and Mr. Li Shixu; and the independent non-executive directors of the Company are Professor Shi Luwen, Mr. Dai Jixiong and Dr. Yu Jialin.