友芝友生物製藥

WUHAN YZY BIOPHARMA CO., LTD.
武漢友芝友生物製藥股份有限公司

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

(Stock Code: 2496)

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

The board (the "**Board**") of directors (the "**Directors**") of Wuhan YZY Biopharma Co., Ltd. (武漢友芝友生物製藥股份有限公司) (the "**Company**", together with its subsidiaries, the "**Group**") is pleased to announce the unaudited consolidated interim results of the Group for the six months ended June 30, 2026 (the "**Reporting Period**"), together with the comparative figures for the six months ended June 30, 2025 (the "**Corresponding Period**").

In this announcement, "we", "us" and "our" refer to the Company and where the context otherwise requires, the Group. 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 SUMMARY

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Revenue	**33,143**	37,187
Cost of revenue	**(7,887)**	(29,518)
Gross profit	**25,256**	7,669
Other income	**2,886**	7,684
Other gains and losses	**(1,332)**	471
Research and development expenses	**(17,581)**	(60,186)
Administrative expenses	**(13,409)**	(12,088)
Finance costs	**(2,080)**	(2,384)
Loss before tax	**(6,260)**	(58,834)
Income tax expense	**–**	–
Loss for the period	**(6,260)**	(58,834)

	As of June 30, 2026	As of December 31, 2025
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Non-current assets	**46,433**	43,107
Current assets	**130,605**	131,900
Non-current liabilities	**–**	27,500
Current liabilities	**235,595**	200,536
Net liabilities	**(58,557)**	(53,029)

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

WUHAN YZY BIOPHARMA CO., LTD. was established in 2010 and is a biotechnology company dedicated to the development of bispecific antibody (BsAb) therapies. The Company focuses on therapeutic areas with significant market potential, including oncology and its complications, age-related ophthalmologic diseases and autoimmune diseases, and has proactively established proprietary innovative technology platforms, including YBODY®, Check-BODY and Nano-YBODY®. Leveraging its strong research and development capabilities, the Company has established a pipeline of multiple drug candidates, including its core product M701, of which four are currently at the clinical development stage and two are at the preclinical research stage.

With respect to its core product, M701, a bispecific antibody targeting EpCAM/CD3 independently developed by the Company, has made significant clinical progress. To date, the new drug application (NDA) for M701 for the treatment of malignant ascites has been accepted by the China National Medical Products Administration, while the investigational new drug (IND) application for M701 for the treatment of malignant pleural effusion has been approved by the U.S. Food and Drug Administration (FDA). In addition, data from two important clinical studies of M701 were selected for presentation at the 2026 Annual Meeting of the American Society of Clinical Oncology (ASCO), further validating the clinical value and international potential of the product.

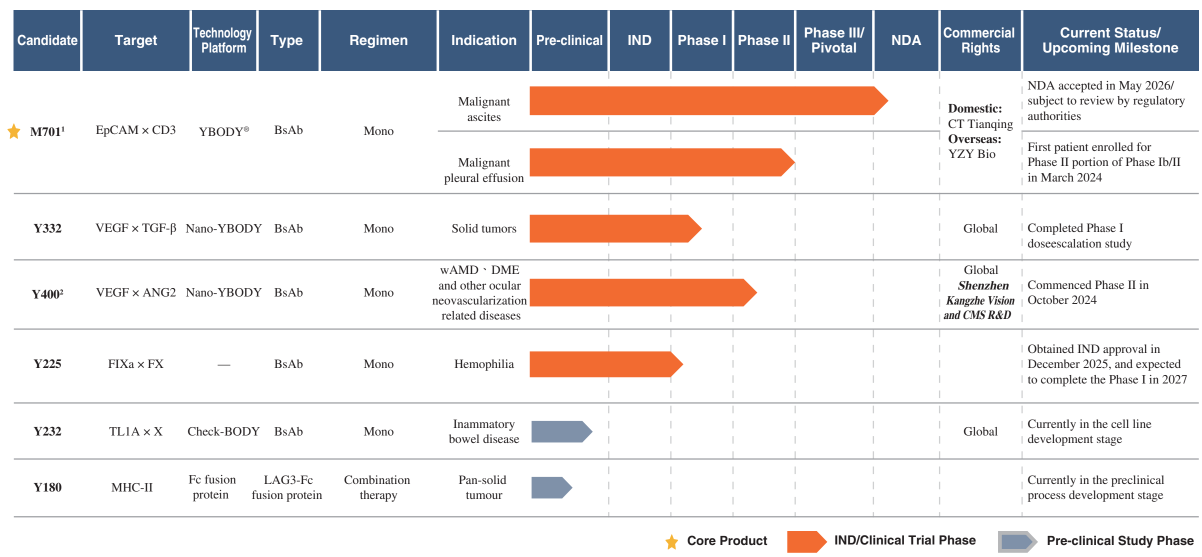
The Company continues to deepen its external technology collaborations. By entering into licensing cooperation agreements with leading companies in the industry, the Company has steadily advanced its research and development services and milestone recognition, effectively optimising its research and development expenditure structure. The Company will continue to uphold its mission of "discover and develop innovative drugs to improve the health and well-being of patients", accelerate the commercialisation of its core pipeline and strive to provide high-quality innovative treatment solutions to patients worldwide.

For details of any of the foregoing, please refer to other sections of this announcement, the Prospectus and the previous announcements published by the Company on the Stock Exchange and on the Company's website, where applicable.

PRODUCT PIPELINE

As of the date of this announcement, we have established a pipeline of multiple drug candidates, including our core product M701, of which four candidates (including M701, Y332, Y400 and Y225) are at the clinical development stage and two candidates (Y232 and Y180) are at the preclinical research stage. We have one core product, M701, which is a recombinant BsAb targeting EpCAM, a surface antigen on human cancer cells, and CD3, a surface antigen on human T cells. We are developing M701 primarily for the treatment of MA and MPE, which are severe complications of cancer characterised by the accumulation of fluid in the abdominal or thoracic cavity of cancer patients.

The following chart summarizes our main product pipelines as of the date of this announcement:



Notes:

(1) We have granted the domestic rights of M701 to CT Tianqing, and the Company retains all overseas rights. With respect to domestic rights, we are entitled to receive an upfront payment, milestone payments upon the occurrence of certain pre-agreed milestone events, and tiered royalties based on net sales.

(2) In compliance with the specific agreement between both parties concerning the rights related to the U.S., Europe and Japan, we have transferred all the rights and assets of Y400 to Shenzhen Kangzhe Vision and CMS R&D. We are entitled to receive an upfront payment, milestone payments upon the occurrence of certain pre-agreed milestone events, and tiered royalties based on net sales. We are negotiating new right arrangements with Kangzhe.

(3) All of our drug candidates are in-house developed.

BUSINESS REVIEW

As of the date of this announcement, the Company has made significant progress in the development of its pipeline products and business operations. The following sets out the progress the Company has made during the Reporting Period.

M701

M701, our Core Product, is a recombinant BsAb targeting cancer cells expressing human EpCAM and T cells expressing human CD3. M701 is primarily being developed for the treatment of MA and MPE, which are severe complications of cancer characterized by the accumulation of fluid in the abdominal or chest cavity of cancer patients.

In October 2024, we reached a licensing cooperation agreement with CT Tianqing, including granting CT Tianqing an exclusive, sublicensable license to develop, register, manufacture and commercialize M701 within the licensed territory and licensed field. For details, please refer to the announcement of the Company dated October 7, 2024.

In June 2026, the M701 sequence patent was granted in Japan.

In July 2026, the M701 formulation patent was granted in China.

- **MA:** We are currently conducting a Phase III clinical trial of M701 for the treatment of MA in China, which is designed to evaluate the efficacy of M701 monotherapy in combination with systemic treatment (including targeted therapy, immunotherapy or chemotherapy) for MA.

  In May 2026, the NMPA accepted the NDA of M701 for the treatment of MA.

  Phase III data show that M701 has demonstrated good safety and significant potential in controlling MA in patients. The primary results of the Phase III study have been selected for an oral presentation at the American Society of Clinical Oncology (ASCO) 2026 Annual Meeting.

- **MPE:** We are conducting a Phase Ib/II clinical trial of M701 for the treatment of MPE in China, with a total of 92 patients enrolled.

  Current data show that M701 has demonstrated good safety and significant potential in controlling MPE in NSCLC patients. The interim results of Phase II have been presented as a poster at the American Society of Clinical Oncology (ASCO) 2026 Annual Meeting.

As of the date of this announcement, following the acceptance of the NDA application of M701 for the treatment of MA, it is awaiting review. The submission of EOP2 for the treatment of MPE is awaiting feedback from CDE.

Y332

Y332, a recombinant anti-VEGF and anti-TGF-β BsAb, is being developed for the treatment of a variety of solid tumors. In preclinical studies, Y332 showed high affinity to both VEGF and TGF-β, favorable bioactivity and stability, and demonstrated certain anti-tumor effects. We commenced a Phase I clinical trial of Y332 for the treatment of metastatic or locally advanced solid tumors in October 2023 and completed such trial in February 2025. A total of 18 subjects were enrolled in the trial. Preliminary evaluation results demonstrate that Y332 has favourable overall safety profile. We are continuing to explore the feasibility of Y332 in combination with chemotherapy or ADCs for the treatment of specific tumour types.

Y400

As a testament to our R&D capability, in compliance with the specific agreement between both parties concerning the rights related to the U.S., Europe and Japan, we have transferred all the rights and assets of Y400 to Shenzhen Kangzhe Vision and CMS R&D. Y400 is a Class I Innovative Biological Product targeting ocular fundus neovascular diseases. It is a VEGFA/ANG2 tetravalent bispecific antibody designed with a proprietary nano-antibody structure. This innovative molecule can inhibit neovascularization while enhancing the stability of vascular through dual pathways (VEGFA and ANG2), offering the potential for enhanced efficacy and reduced dosing frequency compared to existing anti-VEGF therapies. As at the date of this announcement, Y400 has progressed to a multicenter Phase II clinical trial in China, evaluating the safety, tolerability, pharmacokinetics, and efficacy of intravitreal injections in patients with neovascular age-related macular degeneration (nAMD). The Phase I trial demonstrated favorable safety and efficacy profiles, and the first patient has been enrolled in the Phase II trial.

Y225

Y225 is a biosimilar of Emicizumab for the treatment of hemophilia. Y225 has completed registration and production and IND submission, and has obtained clinical approval. We submitted a patent application for the Y225 formulation to the China National Intellectual Property Administration, and such patent has been granted.

Currently, we are initiating a Phase I clinical trial and a process change study. We expect to complete the enrollment and administration of Phase I clinical trial, and initiate a production validation for process change by the end of 2026.

Y232

Y232 is an antibody for the treatment of inflammatory bowel disease targeting TL1A, which can inhibit the inflammatory signaling pathway to effectively alleviate the occurrence and development of inflammation. It is currently in negotiation with an external party for joint development of mAbs oral preparation.

Y180

Y180 is a soluble LAG-3-Fc fusion protein developed for anti-tumor immunotherapy. It specifically binds to HLA class II molecules on the surface of antigen-presenting cells (APC), thereby promoting APC activation, antigen presentation, and T-cell immune priming, which in turn enhances anti-tumor immune responses. Based on its APC immune-amplification mechanism, Y180 has the potential to be developed in combination with PD-1/PD-L1 inhibitors, radiotherapy/chemotherapy, ADC, and other therapies.

This project is currently in the stage of pre-clinical process development.

After a comprehensive assessment on clinical needs, market environment and competitive landscape of drug candidates, we have decided to temporarily terminate the clinical R&D of the drug candidate, Y101D, in the pipeline as a combination therapy for the treatment of pancreatic cancer. This aims to efficiently allocate our R&D resources and focus on the most promising drug candidates in pipeline.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that we may be able to ultimately develop and market M701, Y332, Y225, Y232 and Y180 successfully. There is no assurance that Y400 may be ultimately developed and marketed successfully. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

Manufacturing Facilities and Collaboration with CMOs/CDMOs

As of the date of this announcement, we maintained a pilot plant of approximately 1,400 square meters to support the pre-clinical studies for a majority of our drug candidates.

Besides manufacturing conducted at our own facilities, we currently also engage third-party CMOs/CDMOs for the sample production for pivotal clinical trials, process characterization and process validation of M701, as well as the production of application batches for the Y225 project, and those projects require larger production volumes. We are responsible for the development of manufacturing process of our drug candidates, and CMOs/CDMOs are responsible for the manufacturing.

Commercialization

We plan to promote the marketization of our Core Products through commercialization licensing and international cooperation. On the one hand, we proactively seek in-depth collaboration in the clinical stage with global partners who have rich resources and experience to jointly advance the development of product pipeline and lay a solid foundation for the future market landscape of our products. On the other hand, we will accelerate the commercialization of our Core Products through flexible and diverse product licensing, injecting strong momentum into the Company's long-term development.

FUTURE DEVELOPMENT

Looking forward to the second half of 2026, the promotion of domestic registration and overseas collaborative development of our core pipelines and the acceleration of our R&D progress for our drug candidates are our top priorities. We will continue to rapidly advance the clinical development of our drug candidates and introduce new drugs to clinical pipeline. In particular, we will: (i) actively promote domestic registration of M701 for the treatment of MA, promote overseas cooperative development of M701, and continue to promote Phase II clinical trials of M701 for the treatment of MPE; (ii) complete clinical enrolment and dosing for the Phase I clinical trial of Y225 in the PRC; (iii) further develop our pre-clinical drug candidates, with an aim to advance additional new drug candidates into clinical development.

FINANCIAL REVIEW

Revenue

During the Reporting Period, our revenue comprised of (i) license fee income and (ii) R&D service income.

License fee income

The license fee income is mainly due to a licensing and collaboration agreement entered into by and between the Company and CT Tianqing. During the six months ended June 30, 2026, the Group recognised revenue of RMB24.2 million in relation to the grant of a right to use the license for the achievement of development milestone.

R&D service income

R&D service income is mainly based on the licensing and collaboration agreement entered into by and between the Company and CT Tianqing, for which the Company provides entrusted R&D services. During the six months ended June 30, 2026, the Company recognized R&D service income of RMB8.9 million on a progressive basis based on the relative proportion of effort or input to satisfy the performance obligation and the total input expected to be required to satisfy the performance obligation.

The following table sets forth a breakdown of our revenue for the periods indicated:

	Six months ended June 30,			
	2026		2025	
	RMB'000	*%*	*RMB'000*	*%*
License fee income	**24,227**	**73.1**	4,717	12.7
R&D service income	**8,916**	**26.9**	32,470	87.3
Total	**33,143**	**100.0**	37,187	100.0

Other Income

During the Reporting Period, our other income comprised of: (i) government grants and (ii) bank interest income.

Government grants included grants received from various PRC government authorities mainly including various incentives for the Group's R&D activities which had certain conditions imposed by the respective PRC government authorities. The relevant conditions have been fully met upon recognition. Bank interest income included interest from bank deposits.

The following table sets forth a breakdown of our other income for the periods indicated:

	Six months ended June 30,			
	2026		2025	
	RMB'000	***%***	*RMB'000*	*%*
Government grants	**2,631**	**91.2**	7,171	93.3
Bank interest income	**255**	**8.8**	502	6.5
Others	**–**	**–**	11	0.2
Total	**2,886**	**100.0**	7,684	100.0

Our other income decreased by RMB4.8 million from RMB7.7 million for the Corresponding Period to RMB2.9 million for the Reporting Period, primarily due to a decrease in government grants of RMB4.6 million, as the "life health industrial development fund" we received from local government during the Reporting Period was RMB5.0 million lower than the Corresponding Period.

Other Gains and Losses

During the Reporting Period, our other gains and losses mainly consisted of (i) loss on disposal of property and equipment; (ii) foreign exchange (losses) gains; and (iii) others.

The following table sets forth a breakdown of our other gains and losses for periods indicated:

	Six months ended June 30,			
	2026		2025	
	RMB'000	***%***	*RMB'000*	*%*
Loss on disposal of property and equipment	**(89)**	**6.7**	(15)	(3.2)
Foreign exchange (losses) gains	**(1,040)**	**78.1**	486	103.2
Others	**(203)**	**15.2**	–	–
Total	**(1,332)**	**100.0**	471	100.0

Loss on disposal of property and equipment represented our loss from disposing of certain assets.

We recorded other losses of RMB1.3 million for the Reporting Period, compared with other gains of RMB0.5 million for the Corresponding Period, mainly due to the increase in foreign exchange loss of RMB1.5 million in the first half of 2026 as compared with the Corresponding Period, resulting from exchange fluctuations of HK dollar.

R&D Expenses

During the Reporting Period, our R&D expenses comprised of (i) technical service fees, (ii) raw materials costs, (iii) employee benefit expenses, (iv) depreciation and amortization expenses and (v) others. Technical service fees are mainly related to our engagement with third party service providers including CROs, SMOs, CMOs/CDMOs, clinical trial sites and principal investigators, as well as other expenses incurred in connection with our pre-clinical studies and clinical trials. Raw materials costs mainly included expenses for procuring materials and consumables used to support our preclinical studies and clinical trials. Employee benefit expenses consisted of wages and salaries, bonuses and other employee benefits for R&D employees. Depreciation and amortization expenses mainly represented the depreciation and amortization of our right-of-use assets, property and equipment for R&D purposes. Others mainly included general expenses including utilities, traveling and transportation expenses and other miscellaneous expenses incurred for R&D purposes.

The following table sets forth breakdowns by activities of our R&D expenses in absolute amount and as percentages of our total R&D expenses for the periods indicated:

	Six months ended June 30,			
	2026		2025	
	RMB'000	***%***	*RMB'000*	*%*
Technical service fees	**6,708**	**38.1**	42,844	71.2
Raw material costs	**1,194**	**6.8**	5,032	8.4
Employee benefit expenses	**5,645**	**32.1**	7,877	13.1
Depreciation and amortization expenses	**1,334**	**7.6**	1,968	3.3
Others	**2,700**	**15.4**	2,465	4.0
Total	**17,581**	**100.0**	60,186	100.0

Our R&D expenses were RMB17.6 million for the Reporting Period, representing a decrease of RMB42.6 million as compared to RMB60.2 million for the Corresponding Period, mainly due to the combined effect of (i) a decrease of RMB36.1 million in technical service fees as compared to that of the Corresponding Period, (ii) a decrease of RMB3.8 million in raw material costs as compared to that of the Corresponding Period, (iii) a decrease of RMB2.2 million in employee benefit expenses as compared to that of the Corresponding Period, and (iv) a decrease of RMB0.6 million in depreciation and amortization expenses as compared to that of the Corresponding Period.

Administrative Expenses

During the Reporting Period, our administrative expenses comprised of (i) employee benefits expenses; (ii) professional parties' fees; (iii) depreciation and amortization expenses; (iv) business development fees; (v) freight and miscellaneous fees and (vi) others. Employee benefits expenses consisted of wages and salaries, bonuses and other employee benefits for administrative employees. Professional parties' fees represented our engagement of professional parties during our ordinary course of business. Depreciation and amortization expenses represented the depreciation and amortization of our right-of-use assets, property and equipment for administrative purposes. Business development expenses represented administrative fees incurred as a result of our business development activities. Freight and miscellaneous fees comprised of transportation expenses. Others mainly included short-term leases expenses, utility fees, traveling expenses, office consumables, and other miscellaneous expenses.

The following table sets forth breakdowns of our administrative expenses in absolute amount and as percentages of our total administrative expenses for the periods indicated:

	Six months ended June 30,			
	2026		2025	
	RMB'000	*%*	*RMB'000*	*%*
Employee benefits expenses	**8,496**	**63.4**	4,854	40.2
Professional parties' fees	**2,642**	**19.7**	2,968	24.6
Depreciation and amortization expenses	**481**	**3.6**	403	3.3
Business development fees	**173**	**1.3**	365	3.0
Freight and miscellaneous fees	**32**	**0.2**	491	4.1
Others	**1,585**	**11.8**	3,007	24.8
Total	**13,409**	**100.0**	12,088	100.0

Our administrative expenses were RMB13.4 million for the Reporting Period, which remained relatively stable as compared to RMB12.1 million for the Corresponding Period. The increase in employee benefits expenses was primarily attributable to the increase in social insurance contribution bases in accordance with local compliance requirements, together with one-off severance payments arising from personnel optimization during the Reporting Period.

Finance Costs

Our finance costs primarily represented our interest expenses on bank and other borrowings. Our finance costs were RMB2.1 million for the Reporting Period, representing a decrease of RMB0.3 million as compared to RMB2.4 million for the Corresponding Period, mainly due to a decrease in bank borrowings.

Income Tax Expense

For the Corresponding Period and the Reporting Period, we incurred no income tax expenses.

Loss and Total Comprehensive Expenses

As a result of the foregoing, our losses and total comprehensive expenses were RMB6.3 million for the Reporting Period, representing a decrease of RMB52.5 million as compared to RMB58.8 million for the Corresponding Period. This was mainly attributable to (i) a decrease of RMB21.6 million in cost of revenue compared with that of the Corresponding Period during the Reporting Period; and (ii) a decrease of RMB42.6 million in R&D expenses during the Reporting Period compared with that of the Corresponding Period. The decrease of these two expenses resulted in a decrease in losses and total comprehensive expenses during the Reporting Period compared with that of the Corresponding Period.

Liquidity and Capital Resources

Our primary sources of liquidity comprised cash and cash equivalents, which we have historically generated primarily through capital contributions from our shareholders, private equity financing and bank loans. We expect that our cash needs in the near future will primarily relate to progressing the development of our drug candidates towards receiving regulatory approval and commencing commercialization, as well as expanding our drug candidate portfolio.

As of June 30, 2026, our cash and cash equivalents decreased to RMB76.0 million from RMB100.1 million as of December 31, 2025. The decrease was primarily attributable to the loss from continuing operations during the Reporting Period.

As of June 30, 2026, we had current assets of RMB130.6 million, including cash and cash equivalents of RMB76.0 million, trade and other receivables and prepayments of RMB49.6 million, value-added tax recoverable of RMB2.6 million and inventories of RMB2.4 million. As of June 30, 2026, we had current liabilities of RMB235.6 million, including bank borrowings of RMB138.6 million, trade and other payables of RMB33.4 million, advance from transfer agreement of RMB39.5 million, contract liabilities of RMB19.8 million, deferred income of RMB0.2 million and other current liabilities of RMB4.0 million.

For the Reporting Period, our net cash used in operating activities was RMB26.6 million (the Corresponding Period: our net cash from operating activities was RMB12.2 million), which was primarily attributable to our loss before tax of RMB6.3 million, adjusted for non-cash and non-operating items. Positive adjustments primarily included (i) depreciation of property and equipment of RMB1.7 million, (ii) equity-settled share-based payment expenses of RMB0.7 million, (iii) finance costs of RMB2.1 million, and (iv) net exchange losses of RMB1.0 million. Negative adjustments mainly included (i) an increase of RMB24.1 million in trade and other receivables and prepayments, (ii) a decrease of RMB0.9 million in inventories, and (iii) a decrease of RMB7.3 million in trade and other payables and contract liabilities.

For the Reporting Period, our net cash used in investing activities was RMB5.2 million (the Corresponding Period: our net cash from investing activities of RMB0.3 million). Such cash outflow was mainly due to cash outflows of RMB5.4 million for the purchase of property and equipment, which was partially offset by cash inflows of RMB0.2 million from bank interest income.

For the Reporting Period, our net cash from financing activities was RMB8.8 million (the Corresponding Period: our net cash from financing activities was RMB26.9 million). Such cash inflow was due to the new bank borrowing raised of RMB85.0 million, which was partially offset by cash outflow mainly in relation to the repayment of bank borrowings of RMB73.9 million and interest payments on borrowings of RMB2.1 million.

Capital Structure

The capital structure of the Group consists of bank borrowings, lease liabilities, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves. The Group's debts and monetary assets are denominated in Renminbi and/or Hong Kong dollars.

As of June 30, 2026, the carrying amounts of the bank borrowings were mainly repayable within one year.

Indebtedness

As of June 30, 2026, we had bank borrowings of RMB138.6 million, consisting of secured bank loans of RMB80.6 million and unsecured bank loans of RMB58.0 million. Our bank borrowings increased from RMB127.5 million as of December 31, 2025 to RMB138.6 million as of June 30, 2026, in relation to additional loans we obtained from banks as our working capital. As of June 30, 2026, we had unutilized banking facilities of RMB191.4 million.

As of June 30, 2026, we had lease liabilities of RMB0.025 million, as compared to RMB0.3 million as of December 31, 2025.

Gearing Ratio

Gearing ratio represents liability divided by equity as of the same dates and multiplied by 100%. Liability is defined as short-term loan and lease liabilities. As of June 30, 2026, the Group had negative total equity, therefore, the gearing ratio is not applicable.

Significant Investments Held

We did not make or hold any significant investments during the Reporting Period.

Material Acquisitions and/or Disposals of Subsidiaries, Associates and Joint Ventures

We did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

Future Plans for Material Investments or Capital Asset

As of the date of this announcement, we do not have any concrete future plans for material capital expenditure, investments or capital assets. We will make further announcement(s) in accordance with the Listing Rules, where applicable, if any investments and acquisition opportunities materialize.

Contingent Liabilities

As of June 30, 2026, we did not have any contingent liabilities. As of the date of this announcement, there have been no material changes or arrangements to our contingent liabilities.

Capital Commitments

As of June 30, 2026, we did not have any significant capital commitments.

Charges on Group Assets

As of June 30, 2026, certain of our bank borrowings were secured by our property and equipment, right-of-use assets and investment properties with carrying amount of RMB4.1 million, RMB0 million, and RMB0.4 million as of the same date.

Foreign Exchange Exposure

Certain financial liabilities of respective group entities are denominated in foreign currency, which are exposed to foreign currency risk. We did not have a foreign currency hedging policy against our exposure to currency risk during the Reporting Period. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Employee Remuneration and Relations

As of June 30, 2026, the Group had a total of 68 employees comprising 50 employees in R&D and 18 employees in general and administrative functions.

We are committed to making sure that working conditions throughout our business network are safe and that employees are treated with care and respect. We believe we offer our employees competitive compensation packages, reflecting our stakeholder-centric ethos which we believe leads to sustainable and durable growth. As required by PRC regulations, we participate in various government statutory employee benefit plans, including social insurances, namely pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, and housing funds. We are required under PRC law to make contributions to employee benefit plans at specified percentages of the salaries, bonuses and certain allowances of our employees, up to a maximum amount specified by the local government regulations from time to time. Our compensation package also comprises year-end bonuses, communication, transport and meal allowances, staff dormitory, paid leaves, and holiday benefits. In addition, we provide career development opportunities and promote an inventive, collaborative, and productive work environment, which we believe fosters strong and long-lasting self-motivation for our employees.

We offer employees a variety of professional development opportunities and encourage a performance-driven environment. We focus on creating a culture to encourage retention and engagement. Given our emphasis on our integrated in-house R&D capabilities, we attach great importance to internal talent growth. We continually pursue progression opportunities for our staff through various internal and external training and development programs, including pre-job training, on-the-job practice, cross-training, special skills training, and talent echelon development training.

In recognition of the contributions of our employees and to incentivize them to further promote our development, the Company had adopted the Wuhan Caizhi employee incentive scheme (the "**Wuhan Caizhi Employee Incentive Scheme**") and the Caizhi No. 2 employee incentive scheme (the "**Caizhi No. 2 Employee Incentive Scheme**") (collectively, the "**Employee Incentive Schemes**"). Additionally, the Company's 2024 H Share Option Plan is currently being implemented. For details of such employee incentive plan, please refer to the Company's circular dated May 29, 2024 and announcement dated May 27, 2025.

An award under the Employee Incentive Schemes (the "**Award(s)**") gives a participant in the Employee Incentive Schemes a right when granted the Award to obtain partnership interest in the employee incentive platforms (namely, Wuhan Caizhi, Caizhi No. 2, Huiyou Jucai and Huiyou Juzhi) as a limited partner. The Employee Incentive Schemes do not involve any grant of share options or awards after the Listing and therefore are not subject to the provisions of Chapter 17 of the Listing Rules. As of the date of this announcement, Wuhan Caizhi and Caizhi No. 2, in aggregate, directly hold 28,413,118 H Shares (representing approximately 14.66% of the total issued share capital of the Company as of the date of this announcement), while some of the participants indirectly held partnership interest in Wuhan Caizhi through holding partnership interest in Huiyou Jucai and/or Huiyou Juzhi. For details of the Employee Incentive Schemes, please refer to the section headed "Employee Incentive Schemes" in Appendix VI to the Prospectus.

Subsequent Events after the Reporting Period

As of the date of this announcement, there are no other significant events that might affect our Group since June 30, 2026.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted the principles and code provisions as set out in the CG Code contained in Appendix C1 to the Listing Rules.

During the Reporting Period, the Company has complied with the code provisions in the CG Code, except for code provision C.2.1 as explained below.

Pursuant to code provision C.2.1 of the CG Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. We do not have a separate chairman and chief executive officer and Dr. Zhou Pengfei currently performs these two roles. Dr. Zhou Pengfei is the founder of the Group, the chairman of the Board and the chief executive officer of the Company who has been participating in the Group's business and overall strategic planning since its establishment. The Board believes that vesting the roles of both the chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of the chairman of the Board and the chief executive officer of the Company at an appropriate time if necessary, taking into account the circumstances of the Group as a whole.

The Board is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of Shareholders and to enhance corporate value and accountability. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code and also devised its own code of conduct regarding Directors' dealings in the Company's securities (the "**Code of Conduct**") on terms no less exacting than the Model Code to regulate all dealings by Directors, Supervisors and relevant employees who, because of such office or employment, are likely to possess inside information in relation to the Company or its securities.

Specific enquiry has been made to all the Directors and Supervisors, and the Directors and Supervisors (including Dr. Shi Jian who retired as an employee representative Supervisor with effect from May 15, 2026) have confirmed that they have complied with the Code of Conduct during the Reporting Period. No incident of non-compliance of the Model Code by the relevant employees was noted by the Company during the Reporting Period.

CHANGES SINCE DECEMBER 31, 2025

There have been no other material changes in the Group's financial position or in the information disclosed under Management Discussion and Analysis in the Company's annual report for the year ended December 31, 2025.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. The primary duties of the Audit Committee are to review and supervise our financial reporting process and internal control system, and provide advice and comments to the Board. The Audit Committee comprises three members, Ms. Fu Lili, Dr. Zhou Hongfeng and Dr. Deng Yuezhen, with Ms. Fu Lili (being our independent non-executive Director with the appropriate professional qualifications) as chairwoman of the Audit Committee.

The Audit Committee has considered and reviewed the unaudited interim financial information for the Reporting Period and the accounting principles and practices adopted by the Group as set out in this announcement, and has discussed with management on issues in relation to internal control, risk management and financial reporting. The Audit Committee is of the opinion that the unaudited interim financial information of the Group for the Reporting Period is in compliance with the relevant accounting standards, laws and regulations.

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

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares).

As at the end of the Reporting Period, the Company did not hold any treasury shares.

INTERIM DIVIDENDS

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

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement is published on the Company's website at www.yzybio.com and the website of the Stock Exchange at www.hkexnews.hk. The interim report of the Company for the Reporting Period containing all the information required by the Listing Rules will be available on the above-mentioned websites of the Company and the Stock Exchange and will be dispatched to the requesting shareholders of the Company in due course.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended June 30, 2026

		Six months ended June 30,	
		2026	2025
	NOTES	***RMB'000***	*RMB'000*
		(unaudited)	(unaudited)
Revenue	*4*	**33,143**	37,187
Cost of revenue		**(7,887)**	(29,518)
Gross profit		**25,256**	7,669
Other income	*6*	**2,886**	7,684
Other gains and losses	*7*	**(1,332)**	471
Research and development expenses		**(17,581)**	(60,186)
Administrative expenses		**(13,409)**	(12,088)
Finance costs	*8*	**(2,080)**	(2,384)
Loss before tax	*9*	**(6,260)**	(58,834)
Income tax expense	*10*	**–**	–
Loss for the period		**(6,260)**	(58,834)
Loss per share			
— Basic and diluted (RMB)	*11*	**(0.03)**	(0.30)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At June 30, 2026

	NOTES	At June 30, 2026 RMB'000 (unaudited)	At December 31, 2025 RMB'000 (audited)
Non-current Assets			
Property and equipment		**35,201**	34,166
Right-of-use assets		**7,581**	7,870
Investment properties		**382**	404
Value added tax recoverable		**544**	544
Prepayment for acquisition of property and equipment		**2,725**	123
		46,433	43,107
Current Assets			
Inventories		**2,382**	3,285
Trade and other receivables and prepayments	*13*	**49,616**	25,553
Value added tax recoverable		**2,610**	2,997
Bank balances and cash		**75,997**	100,065
		130,605	131,900
Current Liabilities			
Trade and other payables	*14*	**33,415**	45,063
Bank borrowings	*15*	**138,620**	100,005
Contract liabilities	*16*	**19,800**	15,480
Lease liabilities		**25**	253
Deferred income		**240**	240
Advance from transfer agreement		**39,495**	39,495
Other current liabilities		**4,000**	–
		235,595	200,536
Net Current Liabilities		**(104,990)**	(68,636)
Total Assets Less Current Liabilities		**(58,557)**	(25,529)
Non-current Liabilities			
Bank borrowings		**–**	27,500
		–	27,500
Net Liabilities		**(58,557)**	(53,029)
Capital and Reserves			
Share capital		**193,849**	193,849
Reserves		**(252,406)**	(246,878)
Total Deficits		**(58,557)**	(53,029)

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2026

1. GENERAL INFORMATION

Wuhan YZY Biopharma Co., Ltd. (the "**Company**") was established in the People's Republic of China (the "**PRC**") on July 8, 2010, as a limited liability company. On January 13, 2022, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC, with its name changed from Wuhan YZY Biopharma Limited Company (武漢友芝友生物製藥有限公司) to Wuhan YZY Biopharma Co., Ltd. (武漢友芝友生物製藥股份有限公司). The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited on September 25, 2023 (the "**Listing**"). The respective address of the registered office and the principal place of business is No. 666 Gaoxin Avenue, Wuhan East Lake New Technology Development District, Wuhan, Hubei Province, PRC.

The principal activities of the Company and its subsidiaries (the "**Group**") are mainly committed to develop bispecific antibody (BsAb)-based targeted and immune-oncology therapies to address the significant unmet medical needs of patients with cancer and age-related ophthalmologic diseases.

The condensed consolidated financial statements for the six months ended June 30, 2026 are presented in Renminbi ("**RMB**"), which is also the functional currency of the Company and its subsidiaries.

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 ("**IAS 34**") *Interim Financial Reporting* issued by the International Accounting Standards Board (the "**IASB**") as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

The condensed consolidated financial statements of the Group for the six months ended June 30, 2026 have been prepared on the assumption that the Group will continue as a going concern, which assumes that the Group will be able to meet its obligations and continue its operations for the coming twelve months notwithstanding the fact that as at June 30, 2026, the Group has net current liabilities of RMB104,990,000, net liabilities of RMB58,557,000 and the Group's accumulated losses has increased to RMB601,379,000 after recognising RMB6,260,000 loss and total comprehensive expenses attributable to owners of the Company for the six months ended June 30, 2026. In view of these circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have the necessary liquid fund to finance its working capital and capital expenditure requirements for the next twelve months after June 30, 2026, which include, but not limited to, the following:

(a) The Group has been actively negotiating with banks for extension of banking facilities. At the date of the announcement, the Group has obtained aggregate banking facilities of RMB330,000,000 from reputable banks in the PRC, and as at June 30, 2026, the unutilised committed bank facilities are RMB191,380,000;

(b) The Group has entered into a transfer agreement on January 23, 2026 to dispose certain leasehold land and building of the Group and additional cash will be realised from the disposal;

(c) The Group has been actively advancing the research and development progress to receive development milestone payments from the licensing and collaboration agreement with Chia Tai Tianqing Pharmaceutical Group Co. Ltd. (正大天晴藥業集團股份有限公司) which was entered in October 2024 as disclosed in note 4; and

(d) The Group has planned or implemented various measures to control administrative costs and research and development costs, such as further reprioritisation of pipelines and containment of employee costs.

3. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis.

Other than additional/change in accounting policies resulting from application of amendments to IFRS Accounting Standards and application of certain accounting policies which became relevant to the Group in the current interim period, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended December 31, 2025.

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to a IFRS Accounting Standards issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on January 1, 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards — Volume 11

The application of the amendments to IFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. REVENUE

The Group derives its revenue from contracts with customers in relation to the transfer of goods and services over time and at a point in time, as follows:

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Types of goods or services		
Recognised at a point in time		
License fee income	**24,227**	4,717
Recognised over time		
R&D service income	**8,916**	32,470
	33,143	37,187

In October 2024, the Group entered into a licensing and collaboration agreement with Chia Tai Tianqing Pharmaceutical Group Co. Ltd. (正大天晴藥業集團股份有限公司) ("**CT Tianqing**"), pursuant to which the Group granted to CT Tianqing an exclusive, sublicensable license to develop, register, manufacture and commercialize the Licensed Product within the Licensed Territory and the Licensed Field.

The considerations for the licensing and collaboration agreement comprise fixed element (i.e. the first non-refundable upfront payment and payments to provision of research and development services) and variable elements (i.e. the second non-refundable upfront payment, development and sales milestone payments and sales-based royalties). The Group determined that the consideration relates to multiple distinct performance obligations which including the grant of a right to use the license to intellectual property rights (the "**License**"), provision of research and development services (the "**R&D services**") and option to additional license of intellectual property right.

License fee income

For the grant of a right to use the License, revenue is recognised at a point in time when the Group has granted the license to the customer and the customer obtains control on the usage of the license. During the six months ended June 30, 2026, the Group recognised a total revenue of RMB24,227,000 in relation to the grant of a right to use the license for the achievement of development milestone (six months ended June 30, 2025: RMB4,717,000), and the remaining fixed transaction price is allocated to the performance obligation of provision of R&D services and option to additional license of intellectual property right as stated below.

The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting period, the Group update the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period.

Notwithstanding the above criteria, the Group shall recognise revenue for a sales-based royalty promised in exchange for a license of IP only when (or as) the later of the following events occurs:

- the subsequent sale occurs; and
- the performance obligation to which some or all of the sales-based royalty has been allocated has been satisfied (or partially satisfied).

R&D services income

R&D services under contract with CT Tianqing is performance obligation which is capable of being distinct. Accordingly, the transaction price is allocated based on the relative stand-alone selling prices of the services.

Revenue is recognised over time as the Group does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date. For over time revenue recognition, the progress towards complete satisfaction of a performance obligation is measured based on the input method, which is to recognize revenue on the basis of the Group's efforts or inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation, that best depicts the Group's performance in transferring control of goods or services.

When another party is involved in providing R&D services to the customer, the Group determines whether the nature of its promise is a performance obligation to provide specified services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent). The Group has concluded that the Group acts as the principal for the provision of R&D services as it controls the specified services before they are transferred to the customer.

Contract liabilities represent the Group's obligation to R&D services to the customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Option to additional license of intellectual property right

The Group evaluated the non-refundable payments for option to additional license of intellectual property right to determine if the option represents a material right and is distinct from the other performance obligations identified in the arrangement. The Group determined that the option to additional license of intellectual property right is a material right and is distinct. The Group defers the non-refundable payments allocated to the option as a contract liability and will recognise revenue at a point in time, at the earlier of when the option is exercised or when it lapses unexercised.

5. SEGMENT INFORMATION

For the purpose of resource allocation and performance assessment, the Group's chief executive officer, being the chief operating decision maker ("**CODM**"), reviews the overall results and financial position of the Group as a whole and no further analysis of the single segment is presented.

Geographical information

The Group's operations and all of the Group's non-current assets are located in the PRC.

Information about the Group's revenue and non-current assets is presented based on the location of operations and the geographical location of the assets.

Revenue from external customer

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
PRC	**33,143**	37,187

Non-current assets

	At June 30, 2026	At December 31, 2025
	RMB'000	*RMB'000*
	(unaudited)	(audited)
PRC	**46,433**	43,107

Information about the major customers

Revenue from customers of the corresponding periods contributing over 10% of the total revenue of the Group are as follows:

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Customer A	**33,143**	37,187

6. OTHER INCOME

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Government grants *(note)*	**2,631**	7,171
Bank interest income	**255**	502
Others	**–**	11
	2,886	7,684

Note: The amounts represent government grants received from various PRC government authorities as incentives for the Group's research and development activities. Some subsidies had certain conditions imposed by the respective PRC government authorities. The relevant conditions have been fully met upon recognition.

7. OTHER GAINS AND LOSSES

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Loss on disposal of property and equipment	**(89)**	(15)
Foreign exchange (losses) gains	**(1,040)**	486
Others	**(203)**	–
	(1,332)	471

8. FINANCE COSTS

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Interest expenses on bank and other borrowings	**2,079**	2,377
Interest expenses on lease liabilities	**1**	7
	2,080	2,384

9. LOSS BEFORE TAX

Loss before tax for the period has been arrived at after charging the following items:

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Loss before tax for the period has been arrived at after charging:		
Directors' and supervisors' emoluments	**2,651**	1,936
Other staff costs:		
— salaries and other allowances	**8,930**	10,927
— discretionary bonuses *(note)*	**492**	1,882
— retirement benefit scheme contributions	**1,914**	1,656
— share-based payments	**734**	854
Total staff costs	**14,721**	17,255
Depreciation of property and equipment	**1,686**	2,063
Depreciation of right-of-use assets	**289**	286
Depreciation of investment properties	**22**	22
Total depreciation	**1,997**	2,371
Cost of inventories recognized as an expense	**1,194**	5,032

Note: Discretionary bonuses are determined based on the duties and performances of the relevant individuals and the operating result of the Group.

10. INCOME TAX EXPENSE

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Current PRC enterprise income tax	**–**	–

No provision for PRC income tax was made as the Company and its PRC subsidiaries incurred tax losses for both periods.

As at June 30, 2026, the Group has unrecognized tax losses of approximately RMB1,348,617,000 (December 31, 2025: RMB1,330,530,000). As at June 30, 2026, the Group has deductible temporary differences of approximately RMB26,158,000 (December 31, 2025: RMB28,181,000). No deferred tax asset has been recognized in respect of the tax losses or temporary differences due to the unpredictability of future profit streams.

11. LOSS PER SHARE

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Loss		
Loss for the period attributable to owners of the Company for the purpose of calculating basic and diluted loss per share (RMB'000)	**(6,260)**	(58,834)
Number of shares ('000)		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	**193,849**	193,849
Basic and diluted loss per share (RMB)	**(0.03)**	(0.30)

The computation of basic and diluted loss per share for the six months ended June 30, 2026 did not consider the Post-IPO Share Option Scheme since its inclusion would be anti-dilutive.

No adjustment has been made to the basic loss per share for the six months ended June 30, 2026 as there was no potential ordinary shares in issue for the six months ended June 30, 2026.

12. DIVIDENDS

No dividends were paid, declared or proposed during the interim period. The directors of the Company have determined that no dividend will be paid in respect of the interim period (six months ended June 30, 2025: Nil).

13. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	At June 30, 2026 *RMB'000* (unaudited)	At December 31, 2025 *RMB'000* (audited)
Prepayments for research and development services *(note)*	**9,604**	13,372
Trade receivables from licence and collaboration agreement	**39,612**	11,600
Advance to staff	**–**	400
Others	**400**	181
	49,616	25,553

Note: Prepayments mainly include upfront fee paid for research and development services for the clinical and non-clinical study of drugs.

The following is an ageing analysis of trade receivables net of allowance for credit losses presented based on the revenue recognition dates:

	At June 30, 2026 *RMB'000* (unaudited)	At December 31, 2025 *RMB'000* (audited)
0–90 days	**39,612**	11,600

14. TRADE AND OTHER PAYABLES

	At June 30, 2026 *RMB'000* (unaudited)	At December 31, 2025 *RMB'000* (audited)
Trade payables for research and development expenses	**662**	4,499
Accrued research and development expenses	**25,086**	30,937
Other payables to government *(note)*	**3,600**	3,600
Accrued staff costs and benefits	**2,833**	4,701
Accrued audit fee	**950**	900
Other tax payables	**248**	398
Others	**36**	28
	33,415	45,063

Note: This amount was asset related government subsidy and attached with conditions that the construction of the buildings should be completed and approved by the respective PRC government authority before December 31, 2016. The Group has not fulfilled the conditions attached to this subsidy at December 31, 2025 and June 30, 2026. Therefore, the amount was repayable to the respective PRC government authority on demand.

The credit period on purchases of goods/services of the Group is 0 to 90 days.

The following is an aging analysis of trade payables presented based on the invoice dates:

	At June 30, 2026 *RMB'000* (unaudited)	At December 31, 2025 *RMB'000* (audited)
0–30 days	**41**	2,757
31–90 days	**39**	548
91–180 days	**74**	112
181–365 days	**29**	361
Over 365 days	**479**	721
	662	4,499

Analysis of trade payables and other payables denominated in currencies other than the functional currency of relevant group entities is set out below:

	At June 30, 2026 *RMB'000* (unaudited)	At December 31, 2025 *RMB'000* (audited)
United States dollars ("**US$**")	**27**	28
Swiss Franc ("**CHF**")	**842**	885
	869	913

15. BANK BORROWINGS

During the current interim period, the Group obtained new bank loans amounting to RMB85,000,000 (six months ended June 30, 2025: RMB69,900,000). The loans of RMB105,620,000 (six months ended June 30, 2025: RMB100,005,000) carry interest at fixed market rates ranging from 3.0% to 3.5% (six months ended June 30, 2025: 2.5% to 3.4%) per annum and are repayable within two months to one years. The loans of RMB33,000,000 (six months ended June 30, 2025: Nil) carried a variable-rate interest rate of Loan Prime Rate ("**LPR**") plus a margin per annum, which are repayable within one year. The proceeds were used to finance the research and development activities.

New bank loans of RMB60,000,000 (six months ended June 30, 2025: RMB60,000,000) were unsecured, unguaranteed. New bank loans of RMB25,000,000 (six months ended June 30, 2025: RMB9,900,000) were secured, unguaranteed, such loan were secured with the Group's patent rights of drug candidate, property and equipment, right-of-use assets, and investment properties.

16. CONTRACT LIABILITIES

	At June 30, 2026 *RMB'000* (unaudited)	At December 31, 2025 *RMB'000* (audited)
Contract liabilities		
— from licence and collaboration agreement	**19,800**	15,480

The contract liabilities represent unrecognized received consideration (or an amount of consideration is due) in relation to the licence and collaboration agreement, where there are still implied obligations to be provided by the Company as stipulated in the agreement.

DEFINITIONS AND GLOSSARIES

In this announcement, unless the context otherwise requires, the following terms have the following meanings. These terms and their definitions may not correspond to any industry standard definition and may not be directly comparable to similarly titled terms adopted by other companies operating in the same industries as the Company.

"Audit Committee"	the audit committee of the Board
"Board"	the board of directors of the Company
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"China" or the "PRC"	the People's Republic of China, but for the purpose of this announcement and for geographical reference only, references herein to "China" and the "PRC" do not apply to Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Company," "our Company," or "the Company"	Wuhan YZY Biopharma Co., Ltd. (武漢友芝友生物製藥股份有限公司), a joint stock company established in the PRC with limited liability on January 13, 2022, or, where the context requires (as the case may be), its predecessor, Wuhan YZY Biopharma Limited Company (武漢友芝友生物製藥有限公司), a limited liability company established in the PRC on July 8, 2010
"Corresponding Period"	for the six months ended June 30, 2025
"Director(s)"	the director(s) of our Company
"Global Offering"	the offer of Shares for subscription as described in the prospectus of the Company dated September 13, 2023
"Group," "our Group," "we," "us," or "our"	our Company and its subsidiaries (or the Company and any one or more of its subsidiaries, as the content may require), or where the context so requires, in respect of the periods before the Company became the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of the Company at the relevant time
"H Share(s)"	ordinary share(s) in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars

"Huiyou Jucai"	Nanjing Huiyou Jucai Enterprise Management Partnership (Limited Partnership) (南京匯友聚才企業管理合夥企業(有限合夥)), a limited partnership established in the PRC on August 26, 2021 and one of our employee incentive platforms
"Huiyou Juzhi"	Nanjing Huiyou Juzhi Enterprise Management Partnership (Limited Partnership) (南京匯友聚智企業管理合夥企業(有限合夥)), a limited partnership established in the PRC on August 27, 2021 and one of our employee incentive platforms
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Listing"	the listing of the H Shares on the Main Board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Reporting Period"	for the six months ended June 30, 2026
"RMB" or "Renminbi"	the lawful currency of the PRC
"R&D"	research and development
"Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising the Unlisted Shares and H Shares
"Shareholder(s)"	shareholder(s) of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supervisor(s)"	member(s) of the supervisory committee of the Company
"treasury shares"	the meaning as defined under the Listing Rules

"Unlisted Shares"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are subscribed for and paid up in Renminbi and are unlisted Shares which are currently not listed or traded on any stock exchange
"Wuhan Caizhi"	Wuhan Caizhi Investment Management Partnership (Limited Partnership) (武漢才智投資管理合夥企業(有限合夥)), a limited partnership established in the PRC on September 21, 2015 and one of our employee incentive platforms
"%"	per cent

In this announcement, unless otherwise indicated, the terms "affiliate", "associate", "associated corporation", "connected person", "controlling shareholder", "subsidiary" and "substantial Shareholder" shall have the meanings given to such terms in the Listing Rules.

By order of the Board
Wuhan YZY Biopharma Co., Ltd.
Dr. Zhou Pengfei
Chairman of the Board,
Executive Director and Chief Executive Officer

Wuhan, PRC, August 28, 2026

As at the date of this announcement, the Board comprises Dr. Zhou Pengfei and Mr. Wen Zhicheng as executive Directors; Dr. Yuan Qian, Dr. Zhou Hongfeng, Mr. Pang Zhenhai, Dr. Hui Xiwu and Mr. Xie Shouwu as non-executive Directors; and Dr. Cheng Bin, Ms. Fu Lili, Dr. Deng Yuezhen and Dr. Chen Bin as independent non-executive Directors.