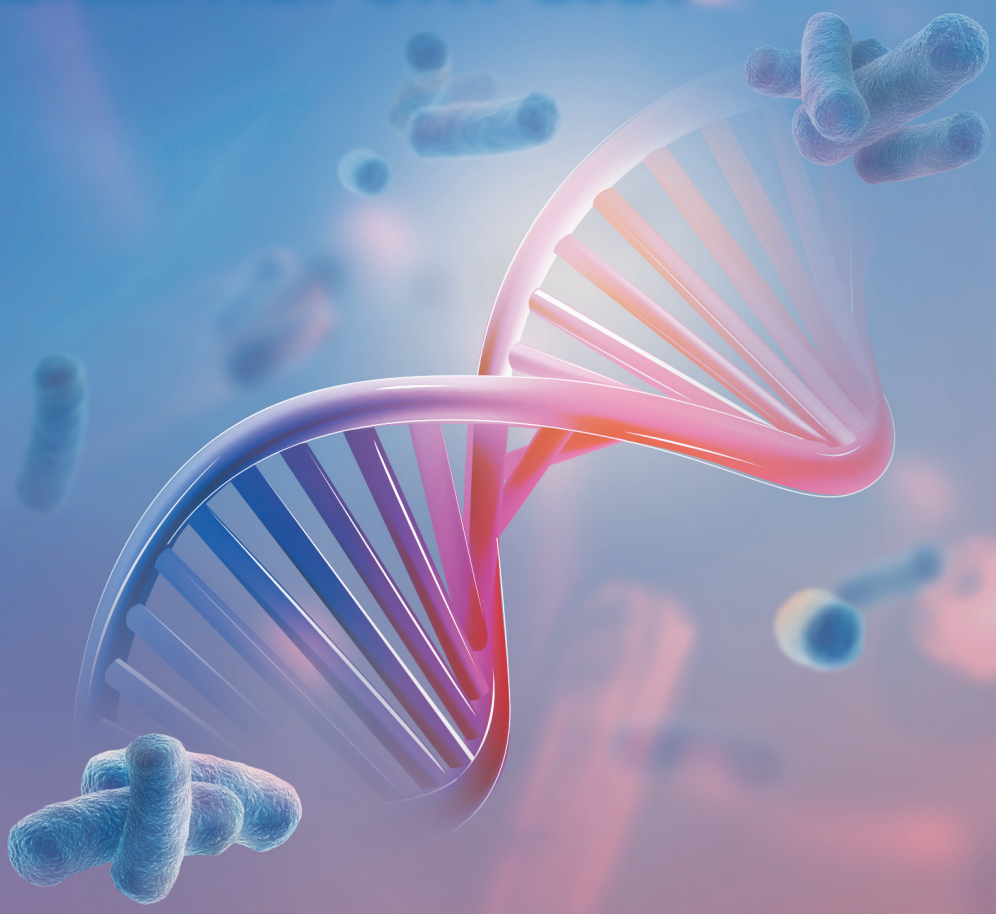
华昊中天
Biostar

北京華昊中天生物醫藥股份有限公司
Beijing Biostar Pharmaceuticals Co., Ltd.

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

Stock Code: 2563

INTERIM REPORT 2026



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Corporate Information

BOARD

Executive Directors

Dr. Tang Li *(Chairperson, Executive Director, Chief Scientific Officer and Chief Marketing Officer)*
Dr. Qiu Rongguo
Mr. Zhang Cheng
Dr. Guan Jin

Non-executive Directors

Mr. Tang Jin
Ms. Dai Xuefen

Independent Non-executive Directors

Dr. Zhu Xiaodong *(appointed on June 26, 2026)*
Mr. Shiu Shu Ming
Dr. Ye Chengang

AUDIT COMMITTEE

Mr. Shiu Shu Ming *(Chairperson)*
Dr. Zhu Xiaodong *(appointed on June 26, 2026)*
Mr. Tang Jin

NOMINATION COMMITTEE

Dr. Zhu Xiaodong *(Chairperson) (appointed on June 26, 2026)*
Mr. Shiu Shu Ming
Mr. Chan Yik Pun

REMUNERATION AND APPRAISAL COMMITTEE

Dr. Ye Chengang *(Chairperson)*
Dr. Zhu Xiaodong *(appointed on June 26, 2026)*
Dr. Qiu Rongguo

STRATEGY COMMITTEE

Dr. Tang Li *(Chairperson)*
Dr. Qiu Rongguo
Dr. Guan Jin

COMPANY SECRETARIES

Mr. Liu Kailin
Mr. Chan Yik Pun

AUTHORISED REPRESENTATIVES

Dr. Tang Li
Mr. Chan Yik Pun

AUDITOR

WUYIGE Certified Public Accountants LLP
Room 2206, 22/F, No. 1 Zhichun Road
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LEGAL ADVISER

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Suites 3304–3309, 33/F Jardine House
One Connaught Place, Central
Hong Kong

PRINCIPAL BANKERS

In Hong Kong:
China Construction Bank (Asia) Corporation Limited

In Chinese Mainland:
Bank of China Limited (Beijing East Highland Sub-branch)
China Construction Bank Corporation (Chengdu Gaoxin West branch)

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Beijing
PRC

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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Beijing
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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STOCK CODE

2563

COMPANY'S WEBSITE

www.biostar-pharm.com

LISTING DATE

October 31, 2024

Financial Highlights

	For the six months ended June 30,		
	2026	2025	**Period-over**
	RMB'000	RMB'000	**period change**
	(Unaudited)	(Unaudited)	
Revenue	**36,635**	14,787	147.8%
Gross profit	**34,080**	13,747	147.9%
Net loss	**–26,596**	–54,041	–50.8%
Net loss attributable to shareholders of the parent	**–26,596**	–54,041	–50.8%
Loss per share	**–0.07**	–0.15	–52.8%
R&D expenses	**19,056**	41,343	–53.9%

	June 30,	December 31,	**Period-over**
	2026	2025	**period change**
	RMB'000	RMB'000	
	(Unaudited)	(Audited)	
Monetary funds	**470,408**	456,767	3.0%

Notes: Certain amounts and percentage figures included in this report have been subject to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table or chart between the total shown and the sum of the amounts listed are due to rounding.

BUSINESS REVIEW

As of the date of this report, the Company continued to make significant progress in various areas, including advancement of R&D pipeline, strategic marketing cooperation, publication of academic results, and intellectual property layout, and reached major milestones and made achievements as follows:

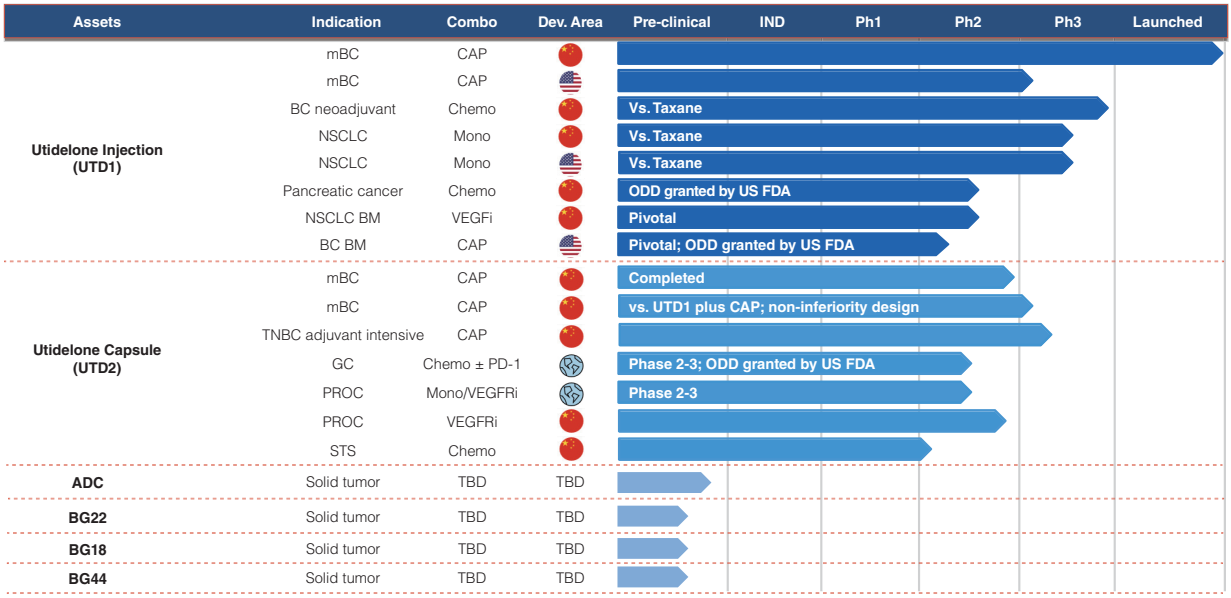
1. Advancement of R&D pipeline

We are a synthetic biology-driven biopharmaceutical company committed to developing innovative drugs in oncology. We have successfully developed three core technology platforms which focus on the R&D of microbial metabolite new drugs. As of the end of the current Reporting Period, we had one commercialized product and 19 R&D pipeline projects. Our core product, Utidelone Injection, received approval from the National Medical Products Administration (NMPA) in 2021 in combination with capecitabine for the treatment of relapsed or metastatic breast cancer patients who have received at least one anthracycline- or taxane-containing chemotherapy regimen. This ended a nearly two-decade absence of independently-developed domestic Class 1 innovative chemotherapy drugs in China. As of the end of the current Reporting Period, Utidelone Injection was the only approved chemotherapy drug developed using synthetic biology technology, and it was also the sole microtubule inhibitor oncology drug with a new molecular structure that has been approved worldwide since 2010.

Given the properties and advantages of Utidelone, such as the ability to cross the blood-brain barrier, broad anti-cancer spectrum, high oral bioavailability, low hematological toxicity and the ability to overcome multidrug resistance mechanisms, during the current Reporting Period, we vigorously made arrangements for the expansion of new indications of Utidelone, the clinical development of its oral formulation and other aspects both domestically and internationally. For Utidelone Injection, enrollment in the Phase III clinical study for neoadjuvant treatment of breast cancer is nearing completion, while patient enrollment in two pivotal registration clinical trials for brain metastases in breast cancer and lung cancer is progressing well in the United States and China, respectively. With respect to Utidelone Capsules, we have successfully completed the Phase I clinical studies in both China and the United States, as well as the Phase II clinical study in China evaluating Utidelone Capsules in combination with capecitabine for the treatment of advanced breast cancer. The results demonstrate that, compared with Utidelone Injection, the capsule formulation achieves comparable or even superior efficacy benefits in terms of PFS (progression-free survival), ORR (objective response rate), and other key endpoints. On the safety profile, it significantly reduces the incidence and severity of peripheral neurotoxicity which is a characteristic adverse effect of microtubule inhibitors and certain other chemotherapeutic agents, lowering the rate of Grade 3 peripheral neuropathy from 25.1% to 2%, with no cases of Grade 4 peripheral neuropathy observed. Meanwhile, it fully preserves Utidelone's established advantage of low hematological toxicity. Utidelone Capsule represents an innovative, domestically developed modified new drug in China and marks the world's first solid oral formulation of a microtubule-stabilizing agent. We are of the view that Utidelone Capsule represents an enhancement in cancer treatments, as it provides more convenience and better compliance from patients, eases the financial burden on patients, and could facilitate combination with other oral anti-cancer drugs to create opportunities for novel treatment regimens. Therefore, the Company is vigorously advancing the subsequent Phase II/III clinical pipeline for Utidelone Capsule as follows: patient enrolment for the Phase III clinical study for TNBC adjuvant intensive treatment is progressing smoothly; the Phase II/III international multi-centre clinical study on first-line therapy for gastric cancer and the Phase II clinical study for platinum-resistant ovarian cancer have both completed their respective first stages and are poised to advance to the next stage; and the Phase II clinical study on first-line therapy for soft tissue sarcoma has also received ethics approval and is set to commence shortly.

Meanwhile, the Company is actively building a next-generation antibody-drug conjugate (ADC) technology platform with fully independent intellectual property rights. This platform focuses on systematic innovation around two core elements: a differentiated payload system and linkers. Unlike prevailing ADC products that widely adopted payloads such as auristatin derivatives (MMAE or MMAF) or Topo I inhibitors, this platform innovatively employs the Company's proprietary synthetic biology-derived product Utidelone and other epothilone derivatives as the core toxin molecules, which can be selectively combined with Topo I inhibitors to develop dual-payload or multi-payload ADC drugs. Utidelone and other epothilone derivative payloads belong to the class of epothilone-based microtubule-stabilizing agents. They exhibit potent anti-tumor activity and excellent cell membrane permeability, the potential to overcome P-gp efflux pump-mediated multidrug resistance in tumor cells, as well as a well-defined mechanism of action and a favorable safety profile, conferring significant differentiated competitive advantages in the ADC field. Preclinical studies are currently progressing vigorously, with the goal of selecting the PCC (preclinical candidate) and advancing it to the IND-enabling stage in the second half of 2026.

As of the end of the Reporting Period, the latest R&D pipeline chart of the Company is as follows (note: the pipeline chart excludes certain completed studies or investigator-initiated trials (IITs)):



CAP = capecitabine; ODD = orphan drug designation; TBD = to be determined

Utidelone Injection

- ***Phase III Clinical Trial of Utidelone Injection in Combination with Chemotherapy for the Neoadjuvant Treatment of HER2-Negative Breast Cancer***

  Led by Professor Shao Zhimin of Fudan University Shanghai Cancer Center, this study is an open-label, multi-centre, randomised, controlled Phase III clinical trial with a superiority design, featuring a head-to-head comparison of taxane-based regimens (Utidelone Injection plus doxorubicin/cyclophosphamide versus docetaxel plus doxorubicin/cyclophosphamide). The combination of anthracyclines and taxanes is the current standard neoadjuvant treatment for patients with HER2-negative breast cancer, although its existing efficacy and safety remain limited. Given the approval of Utidelone Injection for the treatment of advanced breast cancer, we believe that its application in the treatment of early-stage breast cancer could benefit a broader population of cancer patients while also increasing our market share. As of the end of the Reporting Period, we had completed the enrolment of nearly 90% of the target number of patients. The incidence of observed AE was low and such AE were easily manageable, demonstrating a favourable safety profile for Utidelone Injection in combination with AC. Efficacy data will be available once a sufficient number of evaluable cases has been reached and statistical analysis has been completed. Full patient enrolment is expected to be completed by the end of 2026, with the NDA submission planned for the first half of 2027.

- ***Pivotal Phase II Clinical Trial of Utidelone Injection in Combination with Bevacizumab for the Treatment of Brain Metastases in Non-Small Cell Lung Cancer***

  Approximately 10% to 20% of NSCLC patients present with brain metastases at initial diagnosis, and 25% to 40% of NSCLC patients develop brain metastases during the course of their disease. Following the occurrence of brain metastases in NSCLC, patients experience a significant decline in quality of life, with a natural mean survival time of only one to two months. Due to the lack of effective intracranial efficacy data, there is currently no unified treatment recommendation or standard treatment option for brain metastases in driver gene-negative NSCLC, highlighting an urgent need for the development of new treatment regimens. Utidelone possesses unique physicochemical properties and is insensitive to P-glycoprotein-mediated efflux, conferring upon it the ability to penetrate the blood-brain barrier (BBB). This study is a pivotal Phase II registrational clinical trial adopting a two-stage design. Patient enrolment is currently progressing smoothly, with the first stage nearing completion. Excellent intracranial efficacy signals and a manageable safety profile have been observed. Specific data will be reported once a sufficient number of evaluable cases has been reached and statistical analysis has been completed.

- ***Pivotal Phase II Clinical Trial of Utidelone Injection in Combination with Capecitabine for the Treatment of HER2-Negative Breast Cancer Brain Metastases in the United States***

  Approximately 20% to 50% of patients with advanced breast cancer develop brain metastases. Due to the presence of the BBB, it is difficult for many breast cancer therapeutics to achieve effective intracranial concentrations, resulting in a generally poor prognosis for BCBM patients. This is particularly true for patients with HER2-negative BCBM, who have an even poorer prognosis with a median progression-free survival of only two to six months. However, there remains a lack of definitive and effective pharmacological treatment options for HER2-negative BCBM, and no drug has been approved globally for this indication, representing a clear and urgent unmet clinical need. Previous clinical studies of Utidelone for breast cancer brain metastases have demonstrated excellent clinical efficacy and safety, and it has been granted Orphan Drug Designation by the U.S. FDA for the treatment of breast cancer brain metastases. This study is a pivotal Phase II registrational clinical trial with a two-stage design, jointly conducted by over 10 leading research centres across the United States, including the MD Anderson Cancer Center, the Johns Hopkins Sidney Kimmel Comprehensive Cancer Center, City of Hope-Duarte, the Robert H. Lurie Comprehensive Cancer Center of Northwestern University, the University of Colorado Hospital, Augusta University, and the University of California, Los Angeles. As of the date of this report, patient enrolment is progressing smoothly. This marks the first administration of Utidelone Injection in a U.S. patient population, representing a significant milestone in the Company's internationalisation strategy.

- ***Phase II clinical study of Utidelone Injection in Combination with Gemcitabine as First-line Treatment for Unresectable Advanced Pancreatic Cancer***

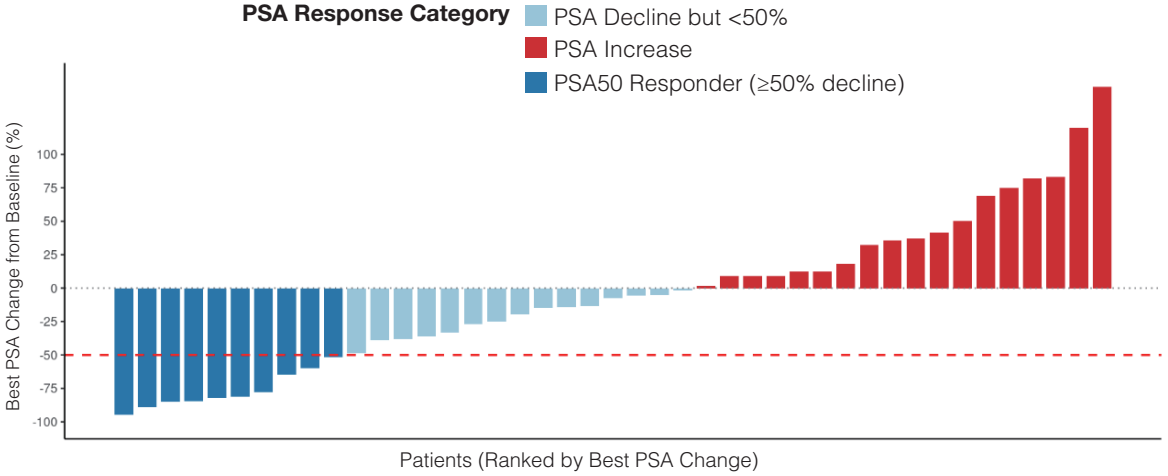
  Pancreatic cancer is a highly malignant tumor, and the combination regimen with gemcitabine remains its primary clinical treatment approach. However, pancreatic cancer cells are prone to developing resistance to gemcitabine, resulting in suboptimal treatment outcomes. Utidelone has shown significant inhibition of pancreatic cancer cell proliferation and colony formation ability, demonstrating strong antitumor activity in pancreatic cancer models. When used in combination with gemcitabine, Utidelone significantly reduces the IC50 value of gemcitabine, and the combined antitumor activity is superior to the traditional combination of paclitaxel and gemcitabine. Utidelone has also been granted Orphan Drug Designation by the FDA for the treatment of pancreatic cancer. As at the date of this report, subject enrolment is progressing smoothly. Specific data will be available once a sufficient number of evaluable cases has been reached and statistical analysis has been completed.

- ***Phase III Clinical Trial of Utidelone Injection Monotherapy for Advanced NSCLC in China***

  This study is an open-label, multi-centre, randomised, controlled Phase III clinical study with a head-to-head superiority design comparing Utidelone monotherapy with docetaxel monotherapy, a taxane agent. As of the date of this report, nearly 300 patients have been enrolled in the study. The data indicates that Utidelone demonstrates a significant, nearly twofold advantage over docetaxel in both ORR and PFS (OS has not been reached in either arm). In terms of safety, the incidence of Grade 3 or higher haematological toxicity is significantly lower in the Utidelone arm compared to the docetaxel arm. Specific study data will be disclosed at the 2026 European Society for Medical Oncology (ESMO) Annual Congress. However, given that patient enrolment for this trial has progressed more slowly than anticipated, the Company has strategically adjusted its pipeline priorities. Enrolment for this study is currently suspended, and the study will be either restarted or terminated at a later stage depending on prevailing circumstances.

- ***Phase II Clinical Trial of Utidelone Injection Monotherapy for Metastatic Castration-Resistant Prostate Cancer in China (Completed)***

  This study enrolled male patients with metastatic castration-resistant prostate cancer who had failed or were ineligible for docetaxel therapy and had received at least one prior androgen receptor pathway inhibitor (ARPI) or abiraterone. As of the date of this report, a total of 43 patients had been enrolled. The PSA50 response rate was 23.3% and the PSA30 response rate was 32.6%. The rPFS reached 6.7 months and OS reached 11.4 months. Among the 23 patients evaluable for tumour response, the ORR was 17.4% and the DCR was 56.5%. Regarding safety, the majority of TEAEs were Grade 1 or 2 and were generally controllable and manageable. No treatment-related deaths occurred. The results of this study were presented as a poster at the 2026 ASCO Annual Meeting.



Red dashed line indicates 50% decline threshold. PSA50 responders: n=10; PSA decline <50%: n=15; PSA increase: n=18.

- ***Phase II Clinical Trial of Utidelone Injection in Combination with Anti-HER2 Targeted Therapy for HER2-Positive Advanced Breast Cancer in China (Completed)***

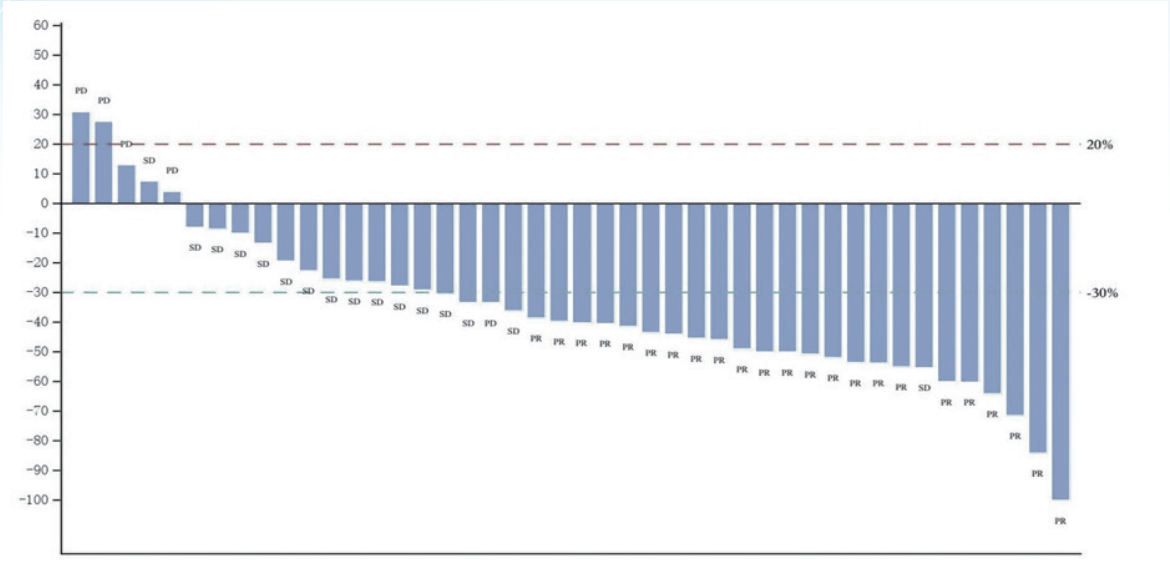
  This study enrolled a total of 85 patients with HER2-positive metastatic breast cancer to explore the triplet regimen of Utidelone, inetetamab and pyrotinib. As of the date of this report, among the 85 patients evaluable for efficacy, 6 achieved a complete response (CR), 64 achieved a partial response (PR), and 7 had stable disease (SD). The ORR reached 82.4% and the DCR reached 95.3%. The median PFS was 13.1 months, the median number of treatment cycles was 11, and the median OS had not yet been reached. The OS rates at 12, 26, and 35 months were 94.6%, 85.2% and 78.5%, respectively, demonstrating an excellent long-term survival trend. In terms of safety, most TRAEs were Grade 1 or 2 and could be effectively managed through supportive care and dose adjustments. Only 6 patients discontinued treatment due to TRAEs, and no treatment-related deaths occurred, confirming the acceptable safety profile of this triplet regimen. Based on a real-world clinical practice setting, this study focused on the first- and second-line treatment populations for HER2-positive metastatic breast cancer and explored a novel combination regimen, aiming to simultaneously address the two major clinical challenges of treatment resistance and poor tolerability. The results of this study were presented as a poster at the 2026 ASCO Annual Meeting.

Utidelone Capsule

- ***Phase II Clinical Trial of Utidelone Capsule in Combination with Capecitabine for the Treatment of Advanced Breast Cancer in China (Completed)***

  The study is a continuation of the phase I clinical study of Utidelone Capsule in China, evaluating the efficacy, safety and pharmacokinetic profile of Utidelone Capsule combined with capecitabine for patients with advanced metastatic breast cancer. Led by Academician Xu Binghe from the Cancer Hospital of the Chinese Academy of Medical Sciences, this study enrolled a total of 50 patients, all of whom (100%) had received prior taxane or anthracycline therapy; 86% had visceral metastases, 84% had ≥2 metastatic sites, and 42% had received ≥3 prior lines of antitumor therapy. 96% were HER2-negative breast cancer, with 72% HR-positive/HER2-negative subtype and 24% triple-negative breast cancer. 42 patients (84%) had received prior endocrine therapy, and 35 (70%) had received prior CDK4/6 inhibitor therapy. Among the 44 evaluable patients, 27 achieved PR, of whom 23 had confirmed PR, yielding a confirmed ORR of 52.3% and a DCR of 88.6%. The median PFS was 8.25 months, the median DoR was 7.62 months, and the median treatment cycles were 9 (range: 1-21). These results indicate that Utidelone Capsule plus capecitabine demonstrates efficacy comparable to or better than Utidelone Injection plus capecitabine (ORR of 39.6%, median PFS of 7.7 months, Lancet Oncol of 2017; 18: 371-83) for the treatment of advanced breast cancer. In terms of safety, compared with Utidelone Injection plus capecitabine, the Utidelone Capsule plus capecitabine regimen substantially reduced the incidence and severity of peripheral neuropathy, with grade 3 events decreasing from 25.1% to 2%, while grade 3 hematologic toxicity remained low at 12%. The incidence of adverse events leading to treatment discontinuation was also markedly lower, decreasing from 29.6% to 4%. The study results were presented as a poster at the 2026 ASCO Annual Meeting.

Best percentage change from baseline in target lesions (n=44)



- ***Phase III Clinical Study of Utidelone Capsules in Combination with Capecitabine for HER2-Negative Advanced Breast Cancer***

  Based on the excellent Phase II clinical data outlined above, the Company has initiated this open-label, multi-centre, randomised, controlled Phase III clinical study with a non-inferiority design, comparing Utidelone Capsules plus capecitabine against Utidelone Injection plus capecitabine. The study continues to be led by Academician Xu Binghe of the Cancer Hospital, Chinese Academy of Medical Sciences, to evaluate the efficacy and safety in patients with HER2-negative advanced breast cancer who have previously received taxane- or anthracycline-based chemotherapy. The primary endpoint is PFS. The study plans to involve over 40 centres and enrol 308 subjects. As of the date of this report, ethics approval has been obtained from the lead site, and enrolment is imminent. The Company believes that, as the world's first oral solid microtubule stabiliser, Utidelone Capsules represent not only an upgrade in formulation but also a revolution in treatment philosophy and lifestyle. The dual oral regimen of Utidelone Capsules and capecitabine frees breast cancer patients from the constraints of daily intravenous infusions, enabling a higher quality of life while living with tumours. Its favourable convenience and tolerability support longer-term treatment to achieve better survival outcomes. At the same time, it makes outpatient treatment possible, optimises the allocation of medical resources, and alleviates the medical burden on society and individuals, demonstrating immense application potential and market space.

- ***Phase III Clinical Study of Utidelone Capsule in Combination with Capecitabine in Adjuvant Intensive Treatment for Early TNBC That Did Not Achieve Complete Pathological Remission after Neoadjuvant Treatment***

  Adjuvant chemotherapy options for TNBC patients are very limited. Utidelone Capsule can improve medication compliance and reduce patient's hospital stay, enhance convenience, support long-term treatment, and substantially lower clinical treatment costs for patients. Meanwhile, Utidelone's previous safety data supports its long-term administration, which is beneficial for long-term adjuvant intensive treatment. Led by Professor Shao Zhimin of Fudan University Shanghai Cancer Center, the study is planned to enroll 440 patients with early TNBC who had previously received neoadjuvant chemotherapy and had not achieved complete pathological remission after surgery, in order to evaluate the 3-year invasive disease free survival (IDFS) rate, OS rate and safety profile of Utidelone Capsule in combination with capecitabine compared to the capecitabine monotherapy for adjuvant treatment of early TNBC patients that had not achieved complete pathological remission after neoadjuvant treatment. Currently, the enrollment of the study is progressing vigorously. Specific data will be available once a sufficient number of evaluable cases has been reached and statistical analysis has been completed.

- ***International Multi-center Phase II/III Clinical Study of Utidelone Capsule in Combination with Fluoropyrimidine and Platinum for the First-Line Treatment of Locally Advanced or Metastatic Gastric or Gastroesophageal Junction Adenocarcinoma***

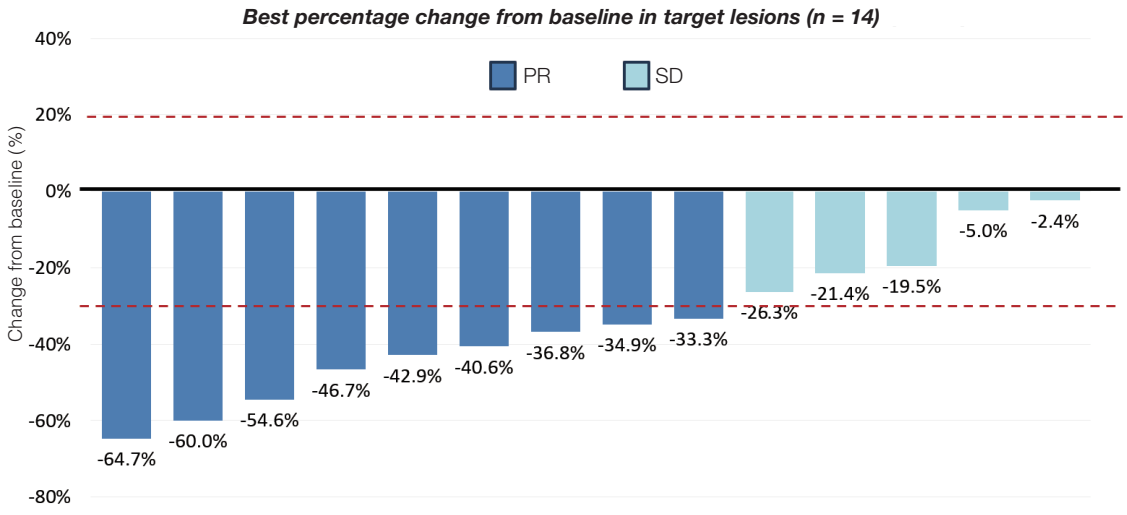
  This study is led by Academician Xu Ruihua of Sun Yat-sen University Cancer Center. The Phase II portion plans to enrol 78 subjects, with the primary objective of evaluating the safety, optimal dosage, efficacy, and pharmacokinetic profile of Utidelone Capsules in combination with fluoropyrimidines and platinum agents, with or without a PD-1 inhibitor, as first-line treatment for locally advanced or metastatic gastric or gastroesophageal junction adenocarcinoma. The Phase III portion plans to enrol 700 subjects and is planned to be conducted in China, the United States, Asia, Europe, and other countries and regions. The primary endpoint is overall survival (OS), and secondary endpoints include PFS, ORR and safety. The clinical IND has been approved by the FDA and the CDE, and Phase II enrolment is currently progressing actively. In China, the safety lead-in phase of Phase II has been completed, and the study is about to enter the expansion phase. Specific data will be reported once a sufficient number of evaluable cases has been reached and statistical analysis has been completed.

- ***Phase II/III Clinical Study of Utidelone Capsules as Monotherapy or in Combination with Angiogenesis Inhibitors in Patients with Platinum-Resistant Advanced Epithelial Ovarian, Fallopian Tube, or Primary Peritoneal Cancer***

  This study is led by Professor Wu Xiaohua of Fudan University Shanghai Cancer Center. The Phase II portion plans to enrol 78 subjects, with the primary objective of evaluating the safety, efficacy, and pharmacokinetic profile of Utidelone Capsules as monotherapy under different dosing regimens (BID or QD) or in combination with angiogenesis inhibitors (fruquintinib or lenvatinib) in the target patient population. The clinical IND has been approved by the CDE and the FDA, and Phase II enrolment is currently progressing smoothly. In China, the evaluation of the monotherapy cohort has been completed, and the study is about to enter the combination cohort phase. Specific data will be reported once a sufficient number of evaluable cases has been reached and statistical analysis has been completed.

- ***Phase II Clinical Study of Utidelone Capsule in Combination with Fruquintinib Capsules for the Treatment of Platinum-Resistant Recurrent Ovarian Cancer***

  This study is an investigator-initiated trial conducted by Fudan University Shanghai Cancer Center, with a planned enrolment of approximately 35 patients. As at the date of this report, patient enrolment for this study is nearing completion. Interim analysis data were presented as a poster at the 2026 ASCO Annual Meeting. A total of 14 patients completed the efficacy evaluation, of whom 9 achieved a PR and 5 achieved an SD, yielding an ORR of 64.3% and a DCR of 100%. The median PFS was 7 months, and the overall safety profile was favourable. Final data will be available upon completion of the statistical analysis for all patients.



- ***Phase II Clinical Study of Utidelone Capsules in Combination with Doxorubicin as First-Line Treatment for Advanced Soft Tissue Sarcoma***

  Currently, there are very limited treatment options for soft tissue sarcoma (STS) globally. Doxorubicin monotherapy or in combination with ifosfamide has been the standard first-line chemotherapy for advanced STS for many years; however, the limited number of treatment cycles results in a lack of maintenance therapy. Therefore, there is an urgent need to develop new first-line treatments for STS to provide new therapeutic options for further maintaining efficacy and improving safety. At ESMO 2025, the Company presented data from a Phase II clinical study of Utidelone Injection monotherapy in advanced or metastatic STS. A total of 27 patients were enrolled in the study, with an ORR of 7.4%, a DCR of 77.8%, a median PFS of 4.6 months, and a 12-month OS rate of up to 80%. In terms of safety, most TRAEs were Grade 1 or 2, controllable and reversible, with no treatment-related deaths. The results demonstrated that Utidelone exhibited favourable clinical efficacy and safety in patients with advanced or metastatic STS previously treated with anthracyclines and TKIs, and is expected to become a new treatment option for advanced STS. Based on these findings and considering that Utidelone Capsules offer better medication compliance which is more beneficial for maintenance therapy, the Company initiated this multi-centre Phase II clinical study of Utidelone Capsules in combination with doxorubicin as first-line treatment for advanced STS. The study plans to enrol approximately 50 subjects, with PFS as the primary endpoint. As at the date of this report, ethics approval from the lead site has been obtained, and enrolment is imminent.

- ***Antibody-Drug Conjugates with Utidelone as the Payload***

  The Company is building a next-generation antibody-drug conjugate (ADC) technology platform with fully independent intellectual property rights. This platform focuses on systematic innovation around two core elements: a differentiated payload system and linkers. Unlike prevailing ADC products that commonly use widely adopted payloads such as MMAE or Topo I inhibitors, this platform innovatively employs the Company's proprietary Utidelone and other epothilone derivatives as the core toxin molecules, which can be selectively combined with Topo I inhibitors to develop dual-payload or multi-payload ADC drugs. Utidelone and other epothilone derivative payloads belong to the class of epothilone-based microtubule-stabilizing agents. They exhibit potent antitumor activity, excellent cell membrane permeability, potential to overcome P-gp-mediated multidrug resistance in tumor cells, a well-defined mechanism of action, and a favorable safety profile, conferring significant differentiated competitive advantages in the ADC field.

  Regarding linker selection, the Company has conducted systematic optimization and structural design of the linker moiety. Through site-specific conjugation and structure-based engineering, a higher and more controlled drug-to-antibody ratio (DAR) has been achieved while maintaining excellent in vivo stability. It also enables targeted modulation of the release kinetics of different payloads. A higher DAR is expected to significantly improve the payload delivery efficiency per antibody molecule, thereby enhancing cytotoxic potency against tumor cells while expanding the therapeutic window through optimized pharmacokinetic profiles. This platform is designed to address key clinical challenges associated with traditional ADCs including insufficient efficacy, the emergence of resistance and safety constraints, providing a more promising therapeutic alternative for patients with solid tumors and refractory malignancies.

  Preclinical studies are currently advancing vigorously, with the goal of determining PCC and reaching the IND-enabling stage in the second half of 2026.

2. Strategic marketing cooperation

During the Reporting Period, the cooperation with Qingdao Baheal Medical INC.* (青島百洋醫藥股份有限公司) in terms of marketing service for Utidelone Injection was further strengthened. We believe that by seizing this opportunity to partner with companies possessing strong commercial capabilities, we can integrate resources more efficiently and further expand the market potential of our core products. This will enable us to maximise the scientific and commercial value of our technology platform, accelerate the development and commercialisation of our broader pipeline, and lay a solid foundation for the Company's sustained growth and value creation.

3. Intellectual property

During the Reporting Period, we were successively granted PCT patents in South Korea relating to oral formulations of Utidelone and in the United States relating to genetically engineered strains for the production of Utidelone. The Utidelone compound has a complex molecular structure, making it difficult to achieve efficient, industrial-scale production through total chemical synthesis or semi-synthesis. Furthermore, there are significant differences between chemically synthesized products and those produced via microbial fermentation using genetically engineered strains in terms of quality standards, pharmaceutical properties, production costs, and clinical safety. The genetically engineered strain protected by this patent was developed by the Company leveraging its proprietary synthetic biology technology platform, which has enabled the industrial-scale production of Utidelone through fermentation processes utilizing this strain. As this genetically engineered strain is a prerequisite and core material for the production of Utidelone, the grant of this patent will significantly raise the barriers to generic replication globally, making it virtually impossible to develop generic versions of Utidelone prior to the patent's expiration in 2041. In addition, we are strategically pursuing new patent applications, including those relating to antibody-drug conjugates incorporating Utidelone or its derivatives.

4. Development Strategies and Business Prospects

We will further strengthen R&D efforts surrounding our product pipeline, and enhance the commercial value of products through in-house R&D as well as external collaboration:

- **Clinical trial of Utidelone Injection:**
  We will actively advance the clinical progress in respect of multiple indications, such as breast cancer neoadjuvant, breast cancer and lung cancer brain metastases, and pancreatic cancer. All three studies are Phase III or pivotal registration clinical trials with the potential to support the direct approval of new indications domestically and overseas, which will significantly contribute to the continued expansion of the future market prospects of Utidelone Injection.

- **Clinical trials of Utidelone Capsule:**
  As the oral formulation of Utidelone, Utidelone Capsule provides patients with better convenience and adherence, and alleviates patients' economic burden. Based on the excellent data from the completed clinical studies of Utidelone Capsule in China and the U.S., we have exerted much effort in the subsequent phase II/III clinical pipeline of Utidelone Capsule, for which multiple large-scale studies including the phase III clinical study for TNBC adjuvant intensive treatment, the phase II/III international multi-center clinical study for advanced gastric cancer, the phase II/III international multi-center clinical study for advanced platinum-resistant ovarian cancer and the phase II study for first line STS, are vigorously undergoing the enrollment.

— **R&D of ADC products:**

Given the significant potential of Utidelone and its derivatives to serve as high-quality payloads for ADC drugs, coupled with the positive exploratory results we have already achieved in our ADC projects, we will fully commit to advancing the R&D of ADC programs utilizing Utidelone and its derivatives as the core payloads, and strive to advance them into the clinical stage as soon as possible.

Currently, the ADC sector is at the forefront of global drug development. Market expectations for the commercial potential of this field continue to rise, with industry data projecting that the market size will reach tens of billions of dollars in the coming years. In recent years, licensing collaborations and strategic transactions (BD deals) in this space have been exceptionally active. Numerous multinational pharmaceutical giants (MNCs) and leading biopharmaceutical companies have accelerated their presence in the ADC landscape through in-licensing, partnerships, and strategic investments, fully demonstrating the industry's strong enthusiasm and confidence for ADC technologies and the development of novel payloads.

In this context, the Company will proactively seize industry opportunities, leveraging Utidelone's unique mechanism of action and differentiated advantages as a cornerstone to accelerate the construction and clinical translation of our ADC product pipeline. This initiative will not only further enrich our product portfolio but also continue to enhance the diversity and overall competitiveness of our pipeline, laying a solid foundation for the Company's long-term sustainable development.

— **Business Development:**

We place a high priority on actively seeking reliable global partners through out-licensing, the formation of new companies (NewCos), or co-development to accelerate the globalization of assets including Utidelone Injection, Utidelone Capsules, and ADCs, and these initiatives are progressing steadily. Concurrently, we are actively seeking early clinical-stage assets with novel targets or technologies that are synergistic with the Company's R&D pipeline and technology platform. We aim to enrich our R&D pipeline through in-licensing and leverage our established domestic and overseas regulatory and clinical capabilities to accelerate the development of these new assets.

— **Optimizing Manufacturing Quality and Capacity to Meet Global Demand:**

We are committed to consolidating our manufacturing advantages and will continue to invest in advanced manufacturing equipment and optimal production environments to better support our R&D and manufacturing requirements, while achieving economies of scale to reduce manufacturing costs. As our overseas clinical trials and commercialization efforts advance, we will upgrade our manufacturing facilities in accordance with cGMP (Current Good Manufacturing Practice) standards to ensure a reliable global supply of our products in the future.

— **Extending brand recognition and market reach:**

We will further strengthen the in-depth cooperation with our partner Baheal Medical, consolidate both parties' resources in a more efficient way, and formulate a comprehensive, professional and differentiated academic promotion plan and commercialization development strategy to cover medical institutions in key provinces and cities nationwide, with a view to rapidly enhancing the market recognition and penetration of Utidelone Injection.

— **Speeding up technological innovation and commercialization by attracting, cultivating and retaining top-tier talents:**

We place a high priority on selecting and retaining talents. To fully sustain our growth, we will continue to recruit top professionals in R&D, clinical development and commercialization in the industry. We are committed to providing our employees with comprehensive career development and learning opportunities, guidance from veterans, clear career development paths, competitive remuneration, and a collaborative and supportive working environment to achieve a corporate culture that attracts and retains like-minded, top-tier talents.

FINANCIAL REVIEW

Revenue

During the Reporting Period, the revenue of the Group was RMB36.6 million, representing an increase of 147.8% from RMB14.8 million for the six months ended June 30, 2025. Such change was mainly due to the increase in sales volume of our product Utidelone Injection, driven by the continued expansion of its market coverage.

Operating Costs

During the Reporting Period, the operating cost of the Group was RMB2.6 million, representing an increase of 145.7% from RMB1 million for the six months ended June 30, 2025. Such change was mainly due to the growth in sales revenue of our product Utidelone Injection, with the cost of sales increasing in tandem with business volume.

Gross Profit and Gross Margin

As a result of the foregoing factors, the gross profit of the Group increased by 147.9% from RMB13.7 million for the six months ended June 30, 2025 to RMB34.1 million for the six months ended June 30, 2026, mainly due to the increase in gross profit driven by the expanded sales scale of our core product Utidelone Injection. The gross profit margin of the Group remained stable at 93% for the six months ended June 30, 2026, consistent with the 93% recorded for the six months ended June 30, 2025.

Taxes and Surcharges

Our taxes and surcharges increased by 17.0% from RMB0.5 million for the six months ended June 30, 2025 to RMB0.6 million for the six months ended June 30, 2026, primarily attributable to the increase in relevant taxes and surcharges driven by the growth in our sales revenue.

Sales Expenses

Our sales expenses decreased by 18.6% from RMB19.5 million for the six months ended June 30, 2025 to RMB15.9 million for the six months ended June 30, 2026, mainly due to the decrease in sales expenses as a result of our strict control of selling expenses.

Administrative Expenses

Our administrative expenses increased by 28.2% from RMB14.2 million for the six months ended June 30, 2025 to RMB18.2 million for the six months ended June 30, 2026, mainly due to the increase in services fees paid to intermediaries.

R&D Expenses

Our R&D expenses decreased by 53.9% from RMB41.3 million for the six months ended June 30, 2025 to RMB19.1 million for the six months ended June 30, 2026, mainly due to the decrease in clinical expenditure and technical services expenditure as major clinical programs entered the later stages of patient enrolment.

Non-operating Income

Our non-operating income decreased by 95% from RMB1.7 million for the six months ended June 30, 2025 to RMB0.1 million for the six months ended June 30, 2026, mainly due to a decrease in deposits for marketing and promotion business.

Income Tax Expenses

For the six months ended June 30, 2025 and June 30, 2026, we recognized that no income tax expense was incurred.

Net Loss

Due to the above reasons, our loss decreased by RMB27.4 million from RMB54 million for the six months ended June 30, 2025 to RMB26.6 million for the six months ended June 30, 2026.

Key Financial Ratios

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

	As at June 30, 2026 (Unaudited)	As at December 31, 2025 (Audited)
Current ratio (times)	**8.8**	8.3
Quick ratio (times)	**8.0**	7.7
Gearing ratio (%)	**13.6%**	14.0%

Notes:

1. Current ratio equals current assets divided by current liabilities as of the same date.
2. Quick ratio equals current assets less inventories and divided by current liabilities as of the same date.
3. Gearing ratio is calculated by dividing total liabilities by total assets as of the same date.

NET CURRENT ASSETS

Our net current assets decreased by 4.2% from RMB508.6 million as of December 31, 2025 to RMB487 million as of June 30, 2026. This was attributable to the funding of our research and development projects, the expansion of our marketing and sales activities and the support of our day-to-day management and operations.

As of June 30, 2026, our current assets amounted to RMB549.7 million, including monetary funds of RMB470.4 million, accounts receivable of RMB20.8 million, prepayments of RMB3.7 million, other receivables of RMB0.3 million, inventories of RMB48.0 million and other current assets of RMB6.4 million. As of June 30, 2026, our current liabilities amounted to RMB62.7 million, including trade payables of RMB52.4 million, payroll payable of RMB2.5 million, taxes and fees payable of RMB0.4 million, other payables of RMB6.5 million and non-current liabilities due within one year of RMB0.8 million.

CAPITAL MANAGEMENT

The primary objectives of the Group's capital management are to maintain the Group's stability and growth, safeguard its normal operations and maximise shareholder value. The Group regularly reviews and manages its capital structure and makes timely adjustments in light of changes in operating and market conditions.

LIQUIDITY AND FINANCIAL RESOURCES

As of June 30, 2026, our monetary funds (mainly denominated in U.S. dollars and RMB) and other non-current financial assets amounted to an aggregate of RMB505.4 million, representing an increase of 2.8% from RMB491.8 million as at December 31, 2025. This increase was primarily attributable to the recovery of operating receivables during the Reporting Period.

SIGNIFICANT INVESTMENTS HELD

As of June 30, 2026, the Group did not make or hold any significant investments (including any investments in investee companies amounting to 5% or more of the total assets of the Company as at June 30, 2026).

CONTINGENT LIABILITIES

As at June 30, 2026, we did not have any contingent liabilities.

CHARGE ON ASSETS

As at June 30, 2026, the Group had no charge on assets.

FOREIGN EXCHANGE EXPOSURE

We are exposed to currency risk primarily through bank deposits and intra-group receivables denominated in foreign currencies. The currency giving rise to such risk is primarily the U.S. dollars. During the Reporting Period, our business was not materially affected by fluctuations in exchange rates.

EMPLOYEES AND REMUNERATION POLICY

Currently, our employees are mainly from the mainland China and Hong Kong. As of June 30, 2026, the Group had a total of 127 employees. Total remuneration costs incurred by the Group amounted to RMB22.09 million for the six months ended June 30, 2026, compared with RMB31.76 million for the six months ended June 30, 2025.

The Group has a comprehensive remuneration system to ensure that employees receive fair and reasonable salaries and rewards. We strictly abide by relevant national and regional laws and regulations and pay “five insurances and one fund” according to law, including pension insurance, medical insurance, unemployment compensation, work injury insurance, maternity insurance and housing provident fund, so as to ensure employees enjoy social insurance benefits. For outstanding employees, all rewards are filed with the human resources department and serve as an important basis for personal salary increases and promotions. In addition to salary and social protection insurance, we also provide paid annual leave, maternity leave, nursing leave, sick leave, personal leave and other holiday benefits to improve the life quality of employees and enhance their sense of belonging.

In recognition of the contributions of our employees and to motivate them to further boost the development of the Company, employee incentive schemes were approved and adopted in November 2020, January 2021 and January 2022 respectively. For further details, please refer to the paragraph headed "APPENDIX VII — STATUTORY AND GENERAL INFORMATION — D. PRE-IPO EMPLOYEE INCENTIVE SCHEMES" in the Prospectus.

MATERIAL ACQUISITIONS AND DISPOSALS

During the Reporting Period, the Group did not make any significant investments, material acquisitions or disposals of subsidiaries, associates and joint ventures.

DISCLOSURE OF INTERESTS

A. Directors', Supervisors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or its Associated Corporations

As at June 30, 2026, the interests and short positions of our Directors, Supervisors and the chief executive in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or (ii) were required to be entered in the register referred to therein pursuant to Section 352 of the SFO, or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in the Listing Rules were as follows:

Name of Director/Supervisor/ Chief Executive	Personal Interest	Spousal Interest	Corporate Interest	Number of Shares Held or Interested	Approximate percentage of shareholding in the total issued shares of the Company (%)
Tang Li (Chairperson of the Board, executive Director, chief scientific officer and chief marketing officer)	3,592,932	205,585	99,336,297	103,134,814	28.29
Qiu Rongguo (Vice-chairperson, executive Director, and chief executive officer)	0	102,929,229	205,585	103,134,814	28.29

Long Positions in Shares of Associated Corporations of the Company

Save as disclosed above, as of June 30, 2026, none of the Directors, Supervisors or chief executives of the Company had interests or short positions in the Shares, underlying Shares and debentures of the Company or its associated corporations which were required to be recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

B. Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares of the Company

As of June 30, 2026, after making reasonable enquiries, as far as the Company and Directors are aware, the following parties have interests or short positions in the Shares or underlying Shares which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, and which were required to be recorded in the register required to be kept by the Company under Section 336 of the SFO:

So far as the Directors are aware, immediately following the completion of the Global Offering and the conversion of the Unlisted Shares into H Shares, the following parties will have interests and/or short positions in the Shares or underlying Shares which are required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, directly or indirectly, be interested in 5% or more of the nominal value of any class of share capital carrying the rights to vote in all circumstances at the general meetings of the Company:

Name of Shareholder	Capacity/Nature of interest	Number of the Shares	Approximate percentage of the total issued shares of the Company[1] (%)
Dr. Tang Li[2][3][5]	Beneficial owner; interest of spouse; interest in controlled corporations	103,134,814	28.29
Dr. Qiu Rongguo[2][3][5]	Interest of spouse; interest in controlled corporation	103,134,814	28.29
Kevin Zhang[5]	Interest in controlled corporation	40,505,885	11.11
Hannah Qiu[5]	Interest in controlled corporation	40,505,885	11.11
Baygen QT Inc.[5]	Beneficial owner	40,505,885	11.11
Shanghai Xinsheng	Beneficial owner	34,798,296	9.54
SDIC VC	Beneficial owner	29,426,685	8.07
Shanghai Haidai	Beneficial owner	24,475,926	6.71
Efung Investment	Interest in controlled corporation	21,827,261	5.99
Zhuhai Jingrong[3]	Beneficial owner	20,392,815	5.59
Zhuhai Huajin[4]	Beneficial owner	19,220,863	5.27

Notes:

(1) The calculation is based on the total number of 364,588,000 H Shares in issue upon Listing.

(2) Dr. Tang Li is the spouse of Dr. Qiu Rongguo. Accordingly, Dr. Tang Li is deemed to be interested in any Shares held by Dr. Qiu Rongguo and Dr. Qiu Rongguo is deemed to be interested in any Shares held by Dr. Tang Li for the purpose of the SFO.

(3) As of the date of this interim report, Dr. Tang Li is the general partner of and Dr. Qiu Rongguo is a limited partner of Zhuhai Jingrong, which owns 5.59% of the total issued Shares. As of the date of this interim report, Zhuhai Jingrong is owned as to 51% by Dr. Tang Li and 49% by Dr. Qiu Rongguo. Accordingly, Dr. Tang Li is deemed to be interested in such Shares held by Zhuhai Jingrong for the purpose of the SFO. As the general partner of Zhuhai Jingrong, Dr. Tang Li is deemed to have de facto control in Zhuhai Jingrong and hence is a controller of Zhuhai Jingrong. As of the date of this interim report , Beijing Baygen owns 0.12% of the total issued Shares, and is owned as to 51% by Dr. Tang Li and 49% by Dr. Qiu Rongguo. Accordingly, Dr. Tang Li and Dr. Qiu Rongguo are deemed to be interested in such Shares for the purpose of the SFO.

(4) As of the date of this interim report, Dr. Tang Li is the general partner of Zhuhai Huajin, being one of our employee incentive platforms, which owns 5.27% of the total issued Shares. Accordingly, Dr. Tang Li is deemed to be interested in such Shares held by Zhuhai Huajin for the purpose of the SFO. As the general partner of Zhuhai Huajin, Dr. Tang Li is deemed to have de facto control in Zhuhai Huajin and hence is a controller of Zhuhai Huajin.

(5) As of the date of this interim report, Baygen QT Inc. is owned as to 43.5%, 43.5%, 6.5% and 6.5% by Kevin Zhang, Hannah Qiu, Dr. Tang Li and Dr. Qiu Rongguo respectively. Kevin Zhang and Hannah Qiu are Dr. Tang Li's son and daughter. Based on an irrevocable proxy dated August 21, 2021 made among Dr. Tang Li, Dr. Qiu Rongguo, Kevin Zhang and Hannah Qiu, Kevin Zhang and Hannah Qiu had granted an irrevocable proxy vesting all voting power in the issued and outstanding shares of Baygen QT Inc. to Tang Li. Accordingly, Baygen QT Inc. is a corporation controlled by Dr. Tang Li, and Dr. Tang Li is deemed to be interested in such Shares for the purpose of the SFO. For further details on the control and power over Baygen QT Inc., please refer to the paragraph headed "History, Development and Corporate Structure — Corporate Structure — Corporate Structure Immediately before Completion of the Global Offering" in the Prospectus.

EMPLOYEE STOCK PLATFORMS

In order to recognise the contribution of the Company's employees and to motivate them to further promote the development of the Company, the Company has established three employee stock platforms, namely Zhuhai Huajin, Zhuhai Huaxin and Zhuhai Huarong, in accordance with the laws of the PRC.

The Company's shares were listed on October 31, 2024 on the Stock Exchange. Prior to the Listing, all the Shares held by the three employee stock platforms have been granted to the relevant persons.

The following is a summary of the principal terms of the employee incentive schemes adopted by the Company on November 18, 2020 , January 1, 2021 and January 10, 2022, respectively (each, the "**Zhuhai Huajin Employee Incentive Scheme**", the "**Zhuhai Huaxin Employee Incentive Scheme**" and the "**Zhuhai Huarong Employee Incentive Scheme**", collectively, the "**Employee Incentive Schemes**"). For details of our Employee Incentive Schemes, please refer to "History, Development and Corporate Structure — Employee Incentive Platforms" in the Prospectus.

The terms of the Employee Incentive Schemes are not subject to the provisions of Chapter 17 of the Listing Rules as no shares will be granted under the Employee Incentive Schemes after the Listing. All awards under the Employee Incentive Schemes have been fully granted.

Purpose

The Employee Incentive Schemes aim to further stimulate the enthusiasm of the management members and personnel of the Company, enhance the Company's overall competitiveness, and ensure the achievement of the business objectives of the future development strategy of the Company. Employees shall exercise their rights in accordance with and subject to the terms of the relevant Employee Incentive agreements.

Administration

The Board of the Company is responsible for considering and approving the Employee Incentive Schemes, and has authorized, Dr. Tang Li, the chairperson of the Board, who is authorized to delegate such authority to the general manager, to formulate, revise and terminate the Employee Incentive Schemes.

The Supervisory Committee is the supervisory body of the Employee Incentive Schemes, responsible for verifying the list of grantees and supervising whether the implementation of the Employee Incentive Schemes complies with relevant laws and regulations and the Articles of Association.

Award

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 as a limited partner.

Voting Rights

All grantees under the Employee Incentive Schemes are informed and acknowledge that Dr. Tang Li, the general managing partner of Zhuhai Huajin, Zhuhai Huaxin and Zhuhai Huarong, is entitled, pursuant to the terms of the partnership agreements, to represent Zhuhai Huajin, Zhuhai Huaxin and Zhuhai Huarong at the Company's shareholders' meetings and to independently exercise voting rights, respectively.

Alternation, Termination and Repurchase

When the grantee's position changes but he or she remains an employee of the Company or is formally appointed by the Company to serve in a relevant subsidiary, the granted restricted stock units will remain unchanged.

In the event of any of the following circumstances occurring to the grantee, unless the Company decides otherwise, the granted restricted stock units will be repurchased by the general managing partner of each employee incentive platform or another designated entity meeting the incentive conditions, effective from the date of occurrence:

- violation of national laws and regulations, the Articles of Association, or internal management rules, or acts of negligence or malpractice as stipulated in the employment contract, or actions seriously damaging the Company's interests or reputation, or causing direct or indirect economic losses to the Company;
- evidence provided by the Company proving that the grantee has engaged in bribery, corruption, embezzlement, theft, disclosure of business and technical secrets, or other illegal and disciplinary acts during their tenure, thus damaging the Company's interests and reputation;
- being criminally prosecuted for criminal acts; or
- other actions deemed by the Company to damage its interests.

Within 3 years after signing the equity incentive agreement, in case of any of the following circumstances occurring to the grantee, unless the Company decides otherwise, the unlocked or unvested restricted stock units will be repurchased by the general managing partner of each employee incentive platform or another designated entity meeting the incentive conditions:

- becoming a person prohibited by law from holding Company incentive shares or stock options;
- downgrading in terms of job position or dismissal due to unsatisfactory annual performance evaluations;
- leaving the Company within 3 years of the grant of incentive shares or before vesting, including but not limited to termination of labor or employment contracts, voluntary resignation, dismissal due to absenteeism, or non-renewal of contracts after their expiration;
- falling under circumstances specified in the PRC Company Law where the person cannot serve as a Director, Supervisor, or members of the senior management of the Company; or
- other circumstances determined by the Company.

If the grantee loses the ability to work, retires, or dies, the restricted stock units shall be disposed of in accordance with the specific provisions of the Employee Incentive Schemes. Other unspecified circumstances shall be determined by the Company and each employee incentive platform.

DETAILS OF THE GRANTED AWARDS

As of June 30, 2026, details of the granted awards of the Employee Incentive Schemes are as follows:

Name or category of grantee	Date of grant	Vesting schedule defined in contract term[3]	Exercise period	Exercise price per Share (RMB)	Outstanding as at Jan 1, 2026	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as at June 30, 2026	Weighted average closing price of Shares immediately before the date of exercise during the Reporting Period (HK$)
Zhuhai Huajin[4]										
Directors										
Tang Li	November 18, 2020	12 months from date of grant	N/A	0.1	Nil	Nil	Nil	Nil	Nil	N/A
Tang Jin[2]	November 18, 2020	100% with the achievement of certain performance conditions	N/A	0.2	816,619	Nil	Nil	Nil	816,619	N/A
Zhang Cheng[2]	November 18, 2020	100% with the achievement of certain performance conditions	N/A	0.2	816,619	Nil	Nil	Nil	816,619	N/A
Guan Jin[2]	April 1, 2022	100% with the achievement of certain performance conditions	N/A	5.0	250,036	Nil	Nil	Nil	250,036	N/A
Other grantees in category										
Employee participants[1][2]	April 1, 2022	100% with the achievement of certain performance conditions	N/A	0.2	2,649,886	Nil	Nil	Nil	2,649,886	N/A
Zhuhai Huaxin[5]										
Directors										
Tang Li	January 1, 2021	12 months from date of grant	N/A	0.1	Nil	Nil	Nil	Nil	Nil	N/A
Guan Jin	August 1, 2023	100% with the achievement of certain performance conditions	N/A	5.0	150,022	Nil	Nil	Nil	150,022	N/A
Other grantees in category										
Employee participants[1]	April 28, 2022	100% with the achievement of certain performance conditions	N/A	1.87	1,925,189	Nil	Nil	Nil	1,925,189	N/A
Zhuhai Huarong[6]										
Directors										
Dai Xuefen[2]	December 30, 2020	100% with the achievement of certain performance conditions	N/A	0.2	150,022	Nil	Nil	Nil	150,022	N/A
Other grantees in category										
Employee participants[1][2]	December 30, 2020	100% with the achievement of certain performance conditions	N/A	4.5	2,305,431	Nil	Nil	Nil	2,305,431	N/A

Notes:

(1) Employee participants as defined under the Listing Rules and excluding Directors as disclosed above.

(2) As of January 1, 2026, the unlocking period has begun; however, the unlocking has not yet been requested, and/or the unlocking conditions have not been met.

(3) There is no vesting period of granted awards under the Employee Incentive Schemes unless otherwise determined by the Directors and stated in the offer for the granted awards to a grantee.

(4) There is no expiry date under the Zhuhai Huajin Employee Incentive Scheme.

(5) There is no expiry date under the Zhuhai Huaxin Employee Incentive Scheme.

(6) There is no expiry date under the Zhuhai Huarong Employee Incentive Scheme.

USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

The Company issued 14,588,000 H Shares with a nominal value of RMB1.00 each at HK$16 per Share, which were listed on the Main Board of the Stock Exchange on the Listing Date. We received net proceeds (after deduction of underwriting commissions and related costs and expenses) from the Global Offering of approximately HK$195.89 million. There has been no change or delay in the proposed use and expected timetable of the net proceeds disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus. The following table sets forth the proposed use and the actual use of the net proceeds as at June 30, 2026:

Proposed use	Percentage of total net proceeds	Allocation of net proceeds (HK$ million)	Utilized amount as of June 30, 2026 (HK$ million)	Unutilized amount as of June 30, 2026 (HK$ million)	Expected timeframe for utilizing the remaining unutilized net proceeds
(i) To fund our Core Product, Utidelone Injection	44.9%	87.95	13.98	73.97	
For funding the phase III clinical trial of Utidelone Injection for breast cancer neoadjuvant in China	9.8%	19.20	4.96	14.24	By the end of 2027
For funding the phase III clinical trials of Utidelone Injection for advanced NSCLC in China	11.8%	23.12	1.45	21.67	By the end of 2027
For funding the phase II (pivotal) clinical trial of Utidelone Injection for lung cancer brain metastasis in China	4.6%	9.01	1.16	7.85	By the end of 2027
For funding the phase II-III international multicenter clinical trial of Utidelone Injection for advanced NSCLC	5.3%	10.38	0.00	10.38	By the end of 2028
For funding the phase III international multi-center clinical trial of Utidelone Injection for advanced breast cancer	3.5%	6.86	0.15	6.71	By the end of 2028
For funding the phase II (pivotal) study of Utidelone Injection for breast cancer brain metastasis in the United States	9.9%	19.39	6.26	13.13	By the end of 2027

Proposed use	Percentage of total net proceeds	Allocation of net proceeds (HK$ million)	Utilized amount as of June 30, 2026 (HK$ million)	Unutilized amount as of June 30, 2026 (HK$ million)	Expected timeframe for utilizing the remaining unutilized net proceeds
(ii) To fund the ongoing and planned clinical trials and pre-clinical studies of products besides our Core Product and the investigator-initiated trials for our Core Product	38.9%	76.20	5.25	70.95	
For funding the phase II-III MRCT of Utidelone Capsule for advanced gastric and esophageal cancers	35.8%	70.13	1.27	68.86	By the end of 2028
For funding Utidelone Capsule for solid tumor and advanced breast cancer pivotal study in China	1.2%	2.35	2.35	0	Fully utilized
For funding the ongoing and planned pre-clinical studies, such as Utidelone nano-injection, Utidelone ADC, BG22, BG18 and BG44, and investigator-initiated trials for our Core Product	1.9%	3.72	1.63	2.09	By the end of 2026
(iii) To strengthen our domestic commercialization capabilities and construct our global marketing network	3.0%	5.88	5.88	0	Fully utilized
(iv) To expand our production capacity	3.2%	6.27	0.59	5.68	By the end of 2027
(v) For working capital and for general corporate purposes	10.0%	19.59	3.61	15.98	By the end of 2027
Total	100.0%	195.89	29.31	166.58	

CHANGES IN INFORMATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Mr. Meng Songdong resigned as an Independent Non-executive Director on April 28, 2026. At the annual general meeting of the Company held on June 26, 2026, the resolution regarding the "Consideration and Appointment of Dr. Zhu Xiaodong as an Independent Non-executive Director" was considered and approved, and Dr. Zhu Xiaodong was elected as an Independent Non-executive Director.

Save as disclosed, there has been no other change in the information of the Directors since January 1, 2026 and up to the date of this report which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

CORPORATE GOVERNANCE PRACTICES

The Board is committed to maintaining high corporate governance standards to safeguard the interests of shareholders and to enhance corporate value and accountability.

The Company has adopted the principles and code provisions of the Corporate Governance Code contained in Appendix C1 to the Listing Rules as the basis of the Company's corporate governance practices.

The Directors believe that throughout the Reporting Period, the Company has complied with all applicable code provisions set out in the Corporate Governance Code.

The Board will continue to review and monitor the Company's practices with the aim of maintaining a high standard of corporate governance.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct governing dealings in the securities of the Company by Directors and senior management (who, by virtue of their offices or employment, may be in possession of inside information relating to the securities of the Company), on terms no less exacting than the required standard set out in the Model Code contained in Appendix C3 to the Listing Rules.

Specific enquiry has been made to all the Directors and senior management and they have confirmed that they have complied with the Model Code throughout the six months ended June 30, 2026.

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

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

For the purpose of this report, the Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

INTERIM DIVIDEND

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

As of June 30, 2026, there was no arrangement under which a shareholder has waived or agreed to waive any dividend.

AUDIT COMMITTEE

The Company has established an Audit Committee and defined its terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The Audit Committee comprises Mr. Shiu Shu Ming, an independent non-executive Director, Dr. Zhu Xiaodong, an independent non-executive Director and Mr. Tang Jin, a non-executive Director. Mr. Shiu Shu Ming, an independent non-executive Director, is the chairperson of the Audit Committee and is appropriately qualified as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The Audit Committee has held relevant discussions with the Company's management, and reviewed the unaudited interim financial statements of the Group for the Reporting Period. The Audit Committee considered that the interim results of the Group for the Reporting Period are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

Reference is made to the announcement entitled "COMPLETION OF SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE" of the Company dated July 16, 2026. Completion of subscription of new shares under general mandate: as the conditions set out in the Subscription Agreement were fulfilled, the closing of the subscription of new shares took place on July 16, 2026 in accordance with the terms and conditions of the new share Subscription Agreement. The Company allotted and issued a total of 25,000,000 Subscription Shares to the Subscriber at the Subscription Price of HK$4.00 per Subscription Share on the Closing Date.

Save as disclosed in this report, the Group is not aware of any material subsequent events that have occurred after the Reporting Period.

On behalf of the Board
Beijing Biostar Pharmaceuticals Co., Ltd.
Dr. Tang Li
Chairperson of the Board, executive Director, chief scientific officer and chief marketing officer

Beijing, the PRC, August 26, 2026

Consolidated Balance Sheets

(Unless otherwise stated, amounts are in RMB)

Items	Notes	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Assets			
Monetary funds	V	**470,408,098.65**	456,766,910.79
Financial assets held for trading			
Derivative financial assets			
Bills receivable			
Accounts receivable	VI	**20,840,313.58**	7,156,522.30
Receivables financing			
Prepayments	VII	**3,721,355.55**	3,576,777.59
Other receivables	VIII	**302,102.07**	58,865,263.75
Among which: Interest receivable			
Dividend receivable			
Inventories	IX	**48,025,303.10**	45,493,637.08
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets	X	**6,409,574.31**	6,172,947.85
Total Current Assets		**549,706,747.26**	578,032,059.36
Non-current Assets:			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments			
Other equity instrument investments			
Other non-current financial assets	XI	**35,000,000.00**	35,000,000.00
Investment properties			
Fixed assets	XII	**68,315,739.79**	72,303,071.28
Construction in progress	XIII	**73,334,255.55**	73,441,693.56
Biological assets for production			
Oil and gas assets			
Right-of-use assets	XIV	**1,571,614.13**	2,144,837.87
Intangible assets	XV	**12,198,883.03**	12,447,713.05
Development expenditures			
Goodwill			
Long-term deferred expenses			
Deferred income tax assets			
Other non-current assets	XVI	**862,177.30**	899,381.30
Total Non-current Assets		**191,282,669.80**	196,236,697.06
Total Assets		**740,989,417.06**	774,268,756.42

Consolidated Balance Sheets (Continued)

(Unless otherwise stated, amounts are in RMB)

Items	Notes	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Liabilities and Shareholders' Equity			
Current Liabilities:			
Short-term borrowings			
Financial liabilities held for trading			
Derivative financial liabilities			
Bills payable			
Accounts payable	XVII	**52,431,120.17**	53,822,602.40
Advances from customers			
Contract liabilities	XVIII		4,798,978.29
Employee remuneration payable	XIX	**2,483,919.00**	2,880,532.56
Taxes payable	XX	**444,669.77**	159,351.30
Other payables	XXI	**6,539,864.75**	6,700,119.66
Among which: Interest payable			
Dividend payable			
Liabilities held for sale			
Non-current liabilities due within one year	XXII	**790,298.46**	1,047,592.85
Other current liabilities			
Total Current Liabilities		**62,689,872.15**	69,409,177.06
Non-current Liabilities:			
Long-term borrowings			
Bonds payable			
Among which: Preference shares			
Perpetual bonds			
Lease liabilities	XXIII	**605,653.60**	927,401.40
Long-term payables			
Long-term employee remuneration payable			
Provisions			
Deferred income	XXIV	**89,005.17**	118,032.81
Deferred income tax liabilities			
Other non-current liabilities	XXV	**37,735,849.06**	37,735,849.06
Total Non-current Liabilities		**38,430,507.83**	38,781,283.27
Total Liabilities		**101,120,379.98**	108,190,460.33

Consolidated Balance Sheets (Continued)

(Unless otherwise stated, amounts are in RMB)

Items	Notes	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Shareholders' Equity:			
Share capital	XXVI	**364,588,000.00**	364,588,000.00
Other equity instruments			
Among which: Preference shares			
Perpetual bonds			
Capital reserve	XXVII	**1,308,080,127.66**	1,307,118,183.19
Less: Treasury shares			
Other comprehensive income	XXVIII	**–2,650,083.55**	–2,074,444.18
Special reserve			
Surplus reserve			
Retained earnings	XXIX	**–1,030,149,007.03**	–1,003,553,442.92
Total Equity Attributable to Owners of the Parent		**639,869,037.08**	666,078,296.09
Non-controlling interests			
Total Shareholders' Equity		**639,869,037.08**	666,078,296.09
Total Liabilities and Shareholders' Equity		**740,989,417.06**	774,268,756.42

Consolidated Statement of Profit or Loss

(Unless otherwise stated, amounts are in RMB)

Items	Notes	For the six months ended June 30, 2026 (Unaudited)	2025 (Unaudited)
I. Operating Revenue	XXX	**36,635,252.15**	14,786,574.09
Less: Cost of sales	XXX	**2,555,741.83**	1,040,125.79
Taxes and surcharges		**641,397.17**	548,238.53
Selling expenses	XXXI	**15,901,203.37**	19,537,065.72
Administrative expenses	XXXII	**18,243,980.33**	14,234,273.73
Research and development expenses	XXXIII	**19,056,061.21**	41,343,013.04
Finance costs	XXXIV	**6,809,758.81**	–5,510,915.80
Among which: Interest expenses		**20,618.37**	16,038.42
Interest income		**7,453,874.52**	8,077,961.30
Add: Other income		**101,529.61**	406,629.82
Investment income (losses are presented with "–")		**14,992.07**	74,640.86
Among which: Investment income from associates and joint ventures			
Gains on derecognition of financial assets measured at amortised cost			
Net gains on hedge of open position (losses are presented with "–")			
Gains on changes in fair value (losses are presented with "–")			–44,644.69
Impairment losses on credit assets (losses are presented with "–")	XXXV	**–208,790.58**	233,857.77
Impairment losses on assets (losses are presented with "–")			
Gains on disposal of assets (losses are presented with "–")			
II. Operating Profit (loss is presented with "–")		**–26,665,159.47**	–55,734,743.16
Add: Non-operating income	XXXVI	**87,576.64**	1,737,499.39
Less: Non-operating expenses	XXXVII	**17,981.28**	44,950.29
III. Total Profit (total loss is presented with "–")		**–26,595,564.11**	–54,042,194.06
Less: Income tax expense			
IV. Net Profit (net loss is presented with "–")		**–26,595,564.11**	–54,042,194.06
(I) Classified by continuity of operations:			
1. Net profit from continuing operations (net loss is presented with "–")		**–26,595,564.11**	–54,042,194.06
2. Net profit from discontinued operations (net loss is presented with "–")			
(II) Classified by ownership:			
1. Net profit attributable to owners of the parent (net loss is presented with "–")		**–26,595,564.11**	–54,042,194.06
2. Profit or loss attributable to non-controlling interests (net loss is presented with "–")			

Items	Notes	For the six months ended June 30, 2026 (Unaudited)	2025 (Unaudited)
V. Other Comprehensive Income, Net of Tax		**–575,639.37**	–259,555.20
(I) Other Comprehensive Income Attributable to Owners of the Parent, Net of Tax		**–575,639.37**	–259,555.20
1. Other comprehensive income that will not be reclassified to profit or loss			
(1) Re-measurement of defined benefit plans			
(2) Other comprehensive income not reclassified to profit or loss under equity method			
(3) Changes in fair value of other equity instrument investments			
(4) Changes in fair value of the Company's own credit risk			
2. Other comprehensive income that will be reclassified to profit or loss		**–575,639.37**	–259,555.20
(1) Other comprehensive income reclassified to profit or loss under equity method			
(2) Changes in fair value of other debt investments			
(3) Amounts reclassified to other comprehensive income on reclassification of financial assets			
(4) Impairment provision for other debt investments			
(5) Cash flow hedge reserve (effective portion of cash flow hedge gains or losses)			
(6) Foreign currency translation differences for foreign financial statements		**–575,639.37**	–259,555.20
(7) Others			
(II) Other Comprehensive Income Attributable to Non-controlling Interests, Net of Tax			
VI. Total Comprehensive Income		**–27,171,203.48**	–54,301,749.26
(I) Total Comprehensive Income Attributable to Owners of the Parent		**–27,171,203.48**	–54,301,749.26
(II) Total Comprehensive Income Attributable to Non-controlling Interests			
VII. Earnings Per Share			
(I) Basic Earnings Per Share	XXXIX	**–0.07**	–0.15
(II) Diluted Earnings Per Share		**–0.07**	–0.15

Note: Finance costs for the current period comprise interest expenses, interest income, exchange gains and losses, and bank charges; this differs from the basis of presentation in the prior period, in which exchange gains and losses were presented separately.

Consolidated Statement of Cash Flows

(Unless otherwise stated, amounts are in RMB)

Items	Notes	For the six months ended June 30, 2026 (Unaudited)	2025 (Unaudited)
I. Cash flows from operating activities:			
Cash received from sales of goods and rendering of services		**18,901,239.94**	22,708,834.68
Tax refunds received			
Other cash received relating to operating activities		**60,020,484.42**	1,246,490.23
Sub-total of cash inflows from operating activities		**78,921,724.36**	23,955,324.91
Cash paid for goods and services		**19,713,269.91**	40,488,517.89
Cash paid to and on behalf of employees		**22,199,477.84**	27,615,926.24
Payments of all types of taxes		**1,284,685.01**	5,015,409.01
Other cash paid relating to operating activities		**12,972,880.37**	50,044,245.78
Sub-total of cash outflows from operating activities		**56,170,313.13**	123,164,098.92
Net cash flows from operating activities		**22,751,411.23**	–99,208,774.01
II. Cash flows from investing activities:			
Cash received from disposal of investments		**636,276,880.49**	347,746,051.59
Cash received from returns on investments		**2,623,833.50**	6,590,426.52
Net cash received from disposal of property, plant and equipment, intangible assets and other long-term assets			
Net cash received from disposal of subsidiaries and other business units			
Other cash received relating to investing activities			
Sub-total of cash inflows from investing activities		**638,900,713.99**	354,336,478.11
Cash paid on acquisition of property, plant and equipment, intangible assets and other long-term assets		**514,398.77**	2,599,369.17
Cash paid to acquire investments		**644,175,506.62**	250,098,500.00
Net cash paid to acquire subsidiaries and other business units			
Other cash paid relating to investing activities			
Sub-total of cash outflows from investing activities		**644,689,905.39**	252,697,869.17
Net cash flows from investing activities		**–5,789,191.40**	101,638,608.94
III. Cash flows from financing activities:			
Cash received from capital contributions			
Including: cash received from non-controlling interests' capital contributions to subsidiaries			
Cash received from borrowings			
Other cash received relating to financing activities			
Sub-total of cash inflows from financing activities			
Cash paid for repayments of borrowings			
Cash paid for distribution of dividends or profits and for interest expenses			
Including: dividends and profits paid to non-controlling interests by subsidiaries			
Other cash paid relating to financing activities			
Sub-total of cash outflows from financing activities			
Net cash flows from financing activities			

Items	Notes	For the six months ended June 30, 2026 (Unaudited)	2025 (Unaudited)
IV. Effect of foreign exchange rate changes on cash and cash equivalents		**–1,257,815.20**	–3,593,921.74
V. Net increase in cash and cash equivalents		**15,704,404.63**	–1,164,086.81
Add: Cash and cash equivalents at the beginning of the period		**431,225,740.05**	458,452,423.64
VI. Cash and cash equivalents at the end of the period	XXXVII	**446,930,144.68**	457,288,336.83

Consolidated Statement of Changes in Owners' Equity

(Unless otherwise stated, amounts are in RMB)

Items	Equity attributable to shareholders of the parent January to June 2026 (Unaudited)												
		Other equity instruments											
	Share capital	Preferred shares	Perpetual bonds	Others	Capital surplus	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Retained earnings	Sub-total	Non-controlling interests	Total shareholders' equity
I. Balance as at the end of the previous year	364,588,000.00				1,307,118,183.19		-2,074,444.18				-1,003,553,442.92	666,078,296.09		666,078,296.09
Add: Changes in accounting policies														
Correction of accounting														
Business combination under common control														
Others														
II. Balance as at the beginning of the year	364,588,000.00				1,307,118,183.19		-2,074,444.18				-1,003,553,442.92	666,078,296.09		666,078,296.09
III. Increases/decreases in the current period ("-" for decreases)							-575,639.37				-26,595,564.11	-27,171,203.48		-27,171,203.48
(I) Total comprehensive income														
(II) Shareholders' contribution and capital reduction					961,944.47							961,944.47		961,944.47
1. Ordinary shares contributed by shareholders														
2. Capital contributed by holders of other equity instruments														
3. Amounts of share-based payments recognized in owners' equity					961,944.47							961,944.47		961,944.47
4. Others														
(III) Distribution of profits														
1. Withdrawal of surplus reserves														
2. Withdrawal of general risk provision														
3. Distributions to owners (or Shareholders)														
4. Others														
(IV) Internal carry-forward of Shareholders' equity														
1. Conversion of capital reserves into capital (or share capital)														
2. Conversion of surplus reserves into capital (or share capital)														
3. Surplus reserves loss compensation														
4. Carry-forward of changes in the defined benefit plan for retained earnings														
5. Carry-forward of other comprehensive income for retained earnings														
6. Others														
(V) Special reserves														
1. Withdrawal for the current period														
2. Utilization for the current period														
(VI) Others														
IV. Balance as at the end of the current period	364,588,000.00				1,308,080,127.66		-2,650,083.55				-1,030,149,007.03	639,869,037.08		639,869,037.08

Consolidated Statement of Changes in Owners' Equity (Continued)

(Unless otherwise stated, amounts are in RMB)

Items	Equity attributable to owners of the parent company January to June 2025 (Unaudited)												
		Other equity instruments											
	Share capital	Preferred shares	Perpetual bonds	Others	Capital surplus	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Retained earnings	Sub-total	Non-controlling interests	Total Shareholders' equity
I. Balance as at the end of the previous year	364,588,000.00				1,298,264,271.78		13,714.48				-872,118,334.36	790,747,651.90		790,747,651.90
Add: Changes in accounting policies														
Correction of accounting														
Business combination under common control														
Others														
II. Balance as at the beginning of the year	364,588,000.00				1,298,264,271.78		13,714.48				-872,118,334.36	790,747,651.90		790,747,651.90
III. Increases/decreases in the current period ("-" for decreases)														
(I) Total comprehensive income							-259,555.20				-54,042,194.06	-54,301,749.26		-54,301,749.26
(II) Shareholders' contribution and capital decrease					10,117,874.99							10,117,874.99		10,117,874.99
1. Ordinary shares contributed by Shareholders														
2. Capital contributed by holders of other equity instruments														
3. Amounts of share-based payments recognized in owners' equity					10,117,874.99							10,117,874.99		10,117,874.99
4. Others														
(III) Distribution of profits														
1. Withdrawal of surplus reserves														
2. Withdrawal of general risk provision														
3. Distributions to owners (or Shareholders)														
4. Others														
(IV) Internal carry-forward of Shareholders' equity														
1. Conversion of capital reserves into capital (or share capital)														
2. Conversion of surplus reserves into capital (or share capital)														
3. Surplus reserves loss compensation														
4. Carry-forward of changes in the defined benefit plan for retained earnings														
5. Carry-forward of other comprehensive income for retained earnings														
6. Others														
(V) Special reserves														
1. Withdrawal for the current period														
2. Utilization for the current period														
(VI) Others														
IV. Balance as at the end of the current period	364,588,000.00				1,308,382,146.77		-245,840.72				-926,160,528.42	746,563,777.63		746,563,777.63

Notes to the Interim Condensed Consolidated Financial Information

(Unless otherwise stated, amounts are in RMB)

I. GENERAL INFORMATION OF THE COMPANY

(I) Place of Registration and Head Office Address

Beijing Biostar Pharmaceuticals Co., Ltd. (hereinafter referred to as the "Company", and collectively referred to as the "Group" when including its subsidiaries) is a joint stock company registered in Beijing, the People's Republic of China, established on July 11, 2002. The Company was listed on The Stock Exchange of Hong Kong Limited (Hong Kong Stock Exchange) in October 2024. It currently holds a business license issued by the Market Supervision Administration of Beijing Economic-Technological Development Area with the Unified Social Credit Code 9111010874157874XP. The registered capital of the Company is RMB364.588 million. The legal representative is Tang Li. Both the place of registration and the head office address of the Company are Room 1202B, 12/F, Building 3, No. 22 Ronghua Middle Road, Beijing Economic-Technological Development Area, Beijing.

(II) Principal Business Activities Actually Engaged in by the Company

The Group is mainly engaged in the R&D, production and sales of innovative drugs. The Group's products and pipeline mainly include Utidelone Injection, Utidelone Capsules, Utidelone Nano-formulation, Utidelone Antibody-Drug Conjugate (ADC), BG22, BG18 and BG44. The Group's products are mainly used for the treatment of recurrent or metastatic breast cancer, neoadjuvant therapy for human epidermal growth factor receptor 2 (HER2)-negative breast cancer, advanced non-small cell lung cancer (NSCLC), solid tumors, brain metastases of breast cancer, brain metastases of lung cancer and other brain tumor indications. The Group mainly operates in the domestic market.

(III) Scope of Consolidated Financial Statements

The subsidiaries included in the consolidation scope for the reporting period are as follows:

No.	Name of Subsidiary	Level
1	Chengdu Biostar Pharmaceuticals Co., Ltd. (i)	2
2	Biostar Pharma, Inc.	2
3	SynBio Pharma (Hong Kong) Limited	2

Note:

(i) The entity is a limited liability company established under the laws of the PRC. The official name of the entity is in Chinese, and its English translation is for reference only.

II. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

(I) Basis of preparation

Previously, the Group prepared its financial statements for the purpose of disclosures on the Hong Kong Stock Exchange in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"). Pursuant to the Consultation Conclusion on Acceptance of Mainland Accounting and Auditing Standards and Appointment of Mainland Auditors for PRC Incorporated Companies Listed in Hong Kong issued by the Hong Kong Stock Exchange in December 2010, commencing from the financial year of 2025, the Group has resolved to prepare its financial statements for disclosures on the Hong Kong Stock Exchange in accordance with the Accounting Standards for Business Enterprises and relevant regulations promulgated by the Ministry of Finance of the People's Republic of China (the "MOF").

The financial statements of the Group have been prepared on a going concern basis, in accordance with the Accounting Standards for Business Enterprises — Basic Standard and specific accounting standards and other relevant regulations promulgated by the MOF (hereinafter referred to as the "Accounting Standards for Business Enterprises"), based on actual transactions and events that have occurred, and applying the significant accounting policies and accounting estimates formulated by the Group. In addition, the Group has disclosed relevant financial information in compliance with the Companies Ordinance of Hong Kong and the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange.

The notes to this interim condensed consolidated financial information have not been audited.

(II) Going concern

In preparing the financial statements, the Group has comprehensively evaluated its ability to continue as a going concern for the 12 months from the balance sheet date. The Group is capable of continuing as a going concern for at least 12 months from the end of the reporting period, with no material events affecting its going concern ability. Accordingly, the preparation of the financial statements on a going concern basis is considered appropriate.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

(I) Statement of Compliance with Accounting Standards for Business Enterprises

The financial statements prepared by the Group comply with the requirements of the Accounting Standards for Business Enterprises, and present fairly and completely the financial position of the Group as at June 30, 2026, the operating results and cash flows for January to June 2026, and other relevant information.

(II) Accounting Period

The Group's accounting year is the calendar year, i.e., from 1 January to 31 December of each year. These interim financial statements cover the period from January 1, 2026 to June 30, 2026.

(III) Operating Cycle

The Group adopts twelve months in a year as its normal operating cycle, and uses the operating cycle as the criterion for classifying the liquidity of assets and liabilities.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(IV) Functional Currency

The Group adopts RMB as the functional currency.

(V) Significant Accounting Estimates and Judgments

Renminbi ("RMB") is the currency of the primary economic environment in which the Group and its domestic subsidiaries operate. The Group and its domestic subsidiaries adopt RMB as their functional currency. The Group's overseas subsidiaries determine their functional currencies as United States dollars ("US$") and Hong Kong dollars ("HKD") respectively according to the currency of the primary economic environment in which they operate. The currency used by the Group in preparing these financial statements is RMB.

(VI) Changes in Significant Accounting Policies and Accounting Estimates

1. Changes in significant accounting policies

None.

2. Changes in significant accounting estimates

None.

IV. TAXATION

(I) Principal Taxes and Tax Rates

Tax	Tax basis	Tax rate
Mainland China		
— Value-added tax	Sales revenue, taxable services	13% (3%), 6% Note 1
— Urban maintenance and construction tax	Actual paid circulating taxes	7%
— Education surcharge	Actual paid circulating taxes	3%
— Local education surcharge	Actual paid circulating taxes	2%
— Property Tax	Taxable value of property	1.2%
— Corporate Income Tax	Taxable income	15%
Hong Kong Profits Tax	Assessable profit	Note 2
United States Profits Tax	Taxable income	Note 3

Note 1: Chengdu Biostar Pharmaceutical Co., Ltd.*(成都華昊中天藥業有限公司), a subsidiary of the Group, has adopted the simplified tax collection method with effect from January 1, 2026, at a tax rate of 3% of sales revenue.

Note 2: On March 21, 2018, the Legislative Council of Hong Kong passed the Inland Revenue (Amendment) (No. 7) Bill 2017, introducing a two-tier profits tax rate system. The Bill was signed into law on March 28, 2018 and commenced operation the next day. Under the two-tier system, the first HK$2 million of assessable profits of a qualifying corporation is taxed at 8.25%, and profits in excess of HK$2 million are taxed at 16.5%. The Group's Hong Kong subsidiaries applied the two-tier profits tax rate system for the year. As there was no assessable profit for the year, no Hong Kong profits tax was provided for.

Note 3: The Group's U.S. subsidiary is incorporated in California, United States, and is subject to the tax rate prescribed by the local jurisdiction. The effective income tax rate for the year was 21%. As there was no taxable income for the year, no U.S. corporate income tax was provided for.

IV. TAXATION (Continued)

(II) Significant Tax Incentives and Approvals

Pursuant to the Enterprise Income Tax Law and relevant regulations, enterprises with High and New Technology Enterprise ("HNTE") qualification are entitled to a preferential Corporate Income Tax ("CIT") rate of 15%. The Company obtained the HNTE certificate on October 29, 2024, valid for a period of three years. The Company enjoyed the 15% preferential CIT rate for the six months ended June 30, 2025 and 2026.

Pursuant to the Announcement of the Ministry of Finance, the State Taxation Administration and the National Development and Reform Commission on Extending the Enterprise Income Tax Policy for the Western Development (Announcement No. 23 of 2020 issued by the Ministry of Finance), from January 1, 2021 to December 31, 2030, enterprise income tax is levied at a reduced rate of 15% on encouraged industrial enterprises located in the western region. An "encouraged industrial enterprise" refers to an enterprise whose main business is the industrial projects specified in the Catalogue of Encouraged Industries in the Western Region and whose main business income accounts for more than 60% of the total enterprise income. For the six months ended June 30, 2025 and 2026, the Group's subsidiaries in China applied the 15% CIT rate under the Western Development Tax Incentive.

V. MONETARY FUNDS

Items	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Cash on hand Bank deposits Other monetary funds	**470,408,098.65**	456,766,910.79
Total	**470,408,098.65**	456,766,910.79

Restricted monetary funds

Items	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Funds frozen under court orders	**23,477,953.97**	25,541,170.74
Total	**23,477,953.97**	25,541,170.74

Note: As at the end of the reporting period, save as the restricted usage disclosed above, there were no other monetary funds subject to any restriction on use or potential recovery risks due to being charged, pledged, or frozen.

VI. ACCOUNTS RECEIVABLE

1. Accounts Receivable by Ageing

Items	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Within 1 year (inclusive)	**21,218,025.86**	6,510,644.00
Of which: within 3 months (inclusive)	**20,039,602.61**	5,603,444.00
3 months – 1 year	**1,178,423.25**	907,200.00
1–2 years (inclusive)		814,800.00
Sub-total	**21,218,025.86**	7,325,444.00
Less: Provision for bad debts	**377,712.28**	168,921.70
Total	**20,840,313.58**	7,156,522.30

2. Accounts Receivable by Classification of Bad Debt Provision Methods

	June 30, 2026 (Unaudited)				
	Carrying Balance		Provision for Bad Debts		Carrying Value
Category	Amount	Proportion (%)	Amount	Provision Rate (%)	
Provision for bad debts made on group basis by credit risk characteristics	**21,218,025.86**	**100**	**377,712.28**	**1.78**	**20,840,313.58**
Of which: Ageing portfolio	**21,218,025.86**	**100**	**377,712.28**	**1.78**	**20,840,313.58**
Total	**21,218,025.86**	**100**	**377,712.28**	**1.78**	**20,840,313.58**

	December 31, 2025 (Audited)				
	Carrying Balance		Provision for Bad Debts		Carrying Value
Category	Amount	Proportion (%)	Amount	Provision Rate (%)	
Provision for bad debts made on group basis by credit risk characteristics	7,325,444.00	100	168,921.70	2.31	7,156,522.30
Of which: Ageing portfolio	7,325,444.00	100	168,921.70	2.31	7,156,522.30
Total	7,325,444.00	100	168,921.70	2.31	7,156,522.30

VI. ACCOUNTS RECEIVABLE (Continued)

2. Accounts Receivable by Classification of Bad Debt Provision Methods (Continued)

(1) Significant accounts receivable with provision for bad debts on an individual basis

None.

(2) Accounts receivable with provision for bad debts made on group basis by credit risk characteristics

Portfolio 1: Ageing portfolio

	June 30, 2026 (Unaudited)		
Items	**Carrying Balance**	**Provision for Bad Debts**	**Provision Rate (%)**
Within 1 year (inclusive)	**21,218,025.86**	**377,712.28**	**1.78**
Of which: within 3 months (inclusive)	**20,039,602.61**	**318,791.12**	**1.59**
3 months – 1 year	**1,178,423.25**	**58,921.16**	**5.00**
1–2 years (inclusive)			
Total	**21,218,025.86**	**377,712.28**	**1.78**

	December 31, 2025 (Audited)		
Items	Carrying Balance	Provision for Bad Debts	Provision Rate (%)
Within 1 year (inclusive)	6,510,644.00	128,181.70	1.97
Of which: within 3 months (inclusive)	5,603,444.00	82,821.70	1.48
3 months – 1 year	907,200.00	45,360.00	5.00
1–2 years (inclusive)	814,800.00	40,740.00	5.00
Total	7,325,444.00	168,921.70	2.31

VI. ACCOUNTS RECEIVABLE (Continued)

3. Provision made for bad debt

Type	December 31, 2025 (Audited)	Provision made	Collected or reversed	Write-off	Other changes	June 30, 2026 (Unaudited)
Ageing portfolio	168,921.70	279,108.84	70,318.26			377,712.28
Total	168,921.70	279,108.84	70,318.26			377,712.28

VII. PREPAYMENTS

1. Prepayments by ageing

Items	June 30, 2026 RMB (Unaudited) Amount	Proportion (%)	December 31, 2025 RMB (Audited) Amount	Proportion (%)
Within 1 year	**2,344,671.11**	**63.01**	2,374,096.08	66.38
1–2 years	**919,603.08**	**24.71**	761,781.96	21.30
2–3 years	**447,610.14**	**12.03**	431,428.33	12.06
Over 3 years	**9,471.22**	**0.25**	9,471.22	0.26
Total	**3,721,355.55**	**100.00**	3,576,777.59	100.00

VIII. OTHER RECEIVABLES

Items	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Interest receivable		
Dividend receivable		
Other receivables	**302,102.07**	58,865,263.75
Total	**302,102.07**	58,865,263.75

VIII. OTHER RECEIVABLES (Continued)

1. Interest Receivable

None.

2. Dividend Receivable

None.

3. Other Receivables

(1) Disclosure by ageing

Ageing	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Within 1 year (inclusive)	**304,164.72**	79,923,781.67
1–2 years	**1,259.04**	31,203.77
Sub-total	**305,423.76**	79,954,985.44
Less: Provision for bad debts	**3,321.69**	21,089,721.69
Total	**302,102.07**	58,865,263.75

(2) Disclosure by nature of payments

Items	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Social insurance and housing fund advanced on behalf	**189,341.83**	198,272.55
Patient compensation payable	**79,822.89**	215,717.00
Staff loans	**36,259.04**	8,948.12
Unredeemed investment proceeds upon maturity (note 1)		35,144,000.00
Current accounts (note 2)		35,144,000.00
Overdue prepayment for equipment procurement (note 3)		9,212,844.00
Utilities advanced		31,203.77
Sub-total	**305,423.76**	79,954,985.44
Less: Provision for bad debts	**3,321.69**	21,089,721.69
Total	**302,102.07**	58,865,263.75

VIII. OTHER RECEIVABLES (Continued)

3. Other Receivables (Continued)

(2) Disclosure by nature of payments (Continued)

Note 1: The Group's receivables from Entity 1 (an unlisted fund) amounted to US$5,000,000, representing investment in certain non-voting redeemable participating shares of Entity 1 made by Biostar Pharma, Inc., a wholly-owned subsidiary of the Group, in 2024. Pursuant to the subscription letter, the investment period was one year, during which it was presented as "financial assets held for trading". The fund investment was not redeemed upon maturity in November 2025, and was subsequently reclassified to "other receivables". In March 2026, Biostar Pharma, Inc. entered into a settlement agreement with Entity 1, pursuant to which it was agreed that upon the payment of US$2,000,000 by Entity 1, Biostar Pharma, Inc. shall waive its rights to demand the repayment of or to initiate any form of claims against the remaining balance of US$3,000,000. Accordingly, the Group has made a bad debt provision for US$3,000,000 (equivalent to approximately RMB21,086,400) in respect of the waived portion. Such other receivables, net of US$2,000,000 was settled in April 2026.

Note 2: The other receivables have been fully settled in March 2026.

Note 3: The other receivables have been fully settled in March 2026.

(3) Disclosure by classification of bad debt provisions

	June 30, 2026 (Unaudited)				
	Carrying balance		**Bad debt provision**		
Category	**Amount**	**Proportion (%)**	**Amount**	**Provision Rate (%)**	**Carrying value**
Provision for bad debts on an individual basis					
Provision for bad debts made on group basis by credit risk characteristics	**305,423.76**	**100.00**	**3,321.69**	**1.09**	**302,102.07**
Including: Portfolio 1: Ageing portfolio	**305,423.76**	**100.00**	**3,321.69**	**1.09**	**302,102.07**
Portfolio 2: Other portfolios					
Total	**305,423.76**	**100.00**	**3,321.69**	**1.09**	**302,102.07**

	December 31, 2025 (Audited)				
	Carrying balance		Bad debt provision		
Category	Amount	Proportion (%)	Amount	Provision Rate (%)	Carrying value
Provision for bad debts on an individual basis	79,500,844.00	99.43	21,086,400.00	26.52	58,414,444.00
Provision for bad debts made on group basis by credit risk characteristics	454,141.44	0.57	3,321.69	0.73	450,819.75
Including: Portfolio 1: Ageing portfolio	305,826.60	0.38	3,321.69	1.09	302,504.91
Portfolio 2: Other portfolios	148,314.84	0.19			148,314.84
Total	79,954,985.44	100.00	21,089,721.69	26.38	58,865,263.75

IX. INVENTORIES

1. Inventories by categories

	June 30, 2026 (Unaudited)			December 31, 2025 (Audited)		
Items	Book balance	Closing balance Provision for declines in the value/provision for impairment of contract fulfilment costs	Carrying amount	Book balance	Opening balance Provision for declines in the value/provision for impairment of contract fulfilment costs	Carrying amount
Raw material	**33,375,373.33**		**33,375,373.33**	30,878,911.45		30,878,911.45
Self-made semi-finished products and unfinished products	**7,048,708.77**		**7,048,708.77**	9,087,691.96		9,087,691.96
Stock inventory (finished products)	**2,954,954.79**		**2,954,954.79**	5,509,776.75		5,509,776.75
Others	**4,646,266.21**		**4,646,266.21**	17,256.92		17,256.92
Total	**48,025,303.10**		**48,025,303.10**	45,493,637.08		45,493,637.08

X. OTHER CURRENT ASSETS

Items	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Deductible input VAT	**6,269,257.44**	6,032,012.78
Input VAT pending for verification	**140,316.87**	140,935.07
Total	**6,409,574.31**	6,172,947.85

XI. OTHER NON-CURRENT FINANCIAL ASSETS

Items	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Hangzhou Gongchu Biotechnology Co., Ltd	**35,000,000.00**	35,000,000.00
Total	**35,000,000.00**	35,000,000.00

Note: On December 20, 2024, the Group acquired 4.7619% equity interest in Hangzhou Gongchu Biotechnology Co., Ltd, a private limited company incorporated in the PRC with no quoted market price, at a consideration of RMB35,000,000. Such company is principally engaged in the research and development, production and sales of innovative drugs.

XII. FIXED ASSETS

1. Fixed assets and disposal of fixed assets

Items	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Fixed assets	**68,315,739.79**	72,289,285.82
Disposal of fixed assets		13,785.46
Total	**68,315,739.79**	72,303,071.28

2. Details of fixed assets

Items	Buildings and structures	Appliance and tools	Transport facilities	Office equipment	Other equipment	Total
I. Original carrying amount						
(1) December 31, 2025 (audited)	81,605,435.88	27,871,448.66	1,347,989.38	1,739,491.62	18,809,664.29	131,374,029.83
(2) Increase in the current period	64,800.00	1,050,733.01		11,094.87		1,126,627.88
— Acquisition				4,551.00		4,551.00
— Transferred from construction in progress	64,800.00	1,028,966.42				1,093,766.42
— Transferred from others		21,766.59		6,543.87		28,310.46
(3) Decrease in the current period		13,075.05		69,782.18	28,310.46	111,167.69
— Disposal or retirement		13,075.05		69,782.18		82,857.23
— Decrease in others					28,310.46	28,310.46
(4) June 30, 2026 (unaudited)	81,670,235.88	28,909,106.62	1,347,989.38	1,680,804.31	18,781,353.83	132,389,490.02
II. Accumulated depreciation						
(1) December 31, 2025 (audited)	25,293,635.64	17,203,988.29	1,231,595.03	1,547,969.27	13,807,555.78	59,084,744.01
(2) Increase in the current period	1,959,567.30	2,248,018.03		34,030.19	891,635.10	5,133,250.62
— Provision	1,959,567.30	1,536,435.31		30,510.23	891,635.10	4,418,147.94
— Transferred from construction in progress		649,572.65				649,572.65
— Others		62,010.07		3,519.96		65,530.03
(3) Decrease in the current period		12,421.29		66,293.08	65,530.08	144,244.40
— Disposal or retirement		12,421.29		66,293.08		78,714.37
— Others					65,530.03	65,530.03
(4) June 30, 2026 (unaudited)	27,253,202.94	19,439,585.03	1,231,595.03	1,515,706.38	14,633,660.85	64,073,750.23
III. Provision for impairment						
(1) December 31, 2025 (audited)						
(2) Increase in the current period						
— Provision						
(3) Decrease in the current period						
— Disposal or retirement						
(4) June 30, 2026 (unaudited)						
IV. Carrying amount	54,417,032.94	9,469,521.59	116,394.35	165,097.93	4,147,692.98	68,315,739.79
(1) Carrying amount as at June 30, 2026 (unaudited)	54,417,032.94	9,469,521.59	116,394.35	165,097.93	4,147,692.98	68,315,739.79
(2) Carrying amount as at December 31, 2025 (audited)	56,311,800.24	10,667,460.37	116,394.35	191,522.35	5,002,108.51	72,289,285.82

XIII. CONSTRUCTION IN PROGRESS

Items	June 30, 2026 RMB (Unaudited)	December 31, 2025 RMB (Audited)
Construction in progress Construction materials	**73,334,255.55**	73,441,693.56
Total	**73,334,255.55**	73,441,693.56

(1) Basic situation of projects of construction in progress

Items	June 30, 2026 (Unaudited) Book balance	Impairment provision	Carrying amount
Phase II Project	**75,429,841.86**	**2,370,664.10**	**73,059,177.76**
Solid Formulation Project and Sundry works	**216,599.11**		**216,599.11**
Rainwater Harvesting Tank, Building 17	**58,478.68**		**58,478.68**
Equipment to be installed			
Total	**75,704,919.65**	**2,370,664.10**	**73,334,255.55**

Items	December 31, 2025 (Audited) Book balance	Impairment provision	Carrying amount
Phase II Project	75,322,886.10	2,370,664.10	72,952,222.00
Solid Formulation Project and Sundry works	216,599.11		216,599.11
Rainwater Harvesting Tank, Building 17	58,478.68		58,478.68
Equipment to be installed			
Total	75,812,357.66	2,370,664.10	73,441,693.56

XIII. CONSTRUCTION IN PROGRESS (Continued)

(2) Changes in significant projects of construction in progress

Name of project	Budget	December 31, 2025 (Audited)	Increase in the current period	Transferred to Fixed assets in the current period	Other decrease in the current period	June 30, 2026 (Unaudited)
Phase II Project		75,322,886.10	106,955.76			75,429,841.86
Total		75,322,886.10	106,955.76			75,429,841.86

(3) Provision for impairment of projects of construction in progress

Name of project	December 31, 2025 (Audited)	Increase in the current period	Decrease in the current period	June 30, 2026 (Unaudited)	Reasons
Phase II Project	2,370,664.10			2,370,664.10	Abnormal suspension for over one year
Total	2,370,664.10			2,370,664.10	

XIV.RIGHT-OF-USE ASSETS

Items	Buildings and structures	Total
I. Original carrying amount		
(1) December 31, 2025 (audited)	5,324,911.03	5,324,911.03
(2) Increase in the current period		
— New leases		
(3) Decrease in the current period		
— Disposal		
(4) June 30, 2026 (unaudited)	5,324,911.03	5,324,911.03
II. Accumulated depreciation		
(1) December 31, 2025 (audited)	3,180,073.16	3,180,073.16
(2) Increase in the current period	573,223.74	573,223.74
— Provision	573,223.74	573,223.74
(3) Decrease in the current period		
— Disposal		
(4) June 30, 2026 (unaudited)	3,753,296.90	3,753,296.90
III. Provision for impairment		
IV. Carrying amount		
(1) Carrying amount as at June 30, 2026 (unaudited)	1,571,614.13	1,571,614.13
(2) Carrying amount as at December 31, 2025 (audited)	2,144,837.87	2,144,837.87

XV. INTANGIBLE ASSETS

Items	Land use rights	Patent licenses	Unpatented technologies	Trademarks	Total
I. Original carrying amount					
(1) December 31, 2025 (audited)	14,983,186.79	4,364,712.09	73,362.85	2,830.19	19,424,091.92
(2) Increase in the current period					
— Acquisition					
(3) Decrease in the current period					
— Disposal					
(4) June 30, 2026 (unaudited)	14,983,186.79	4,364,712.09	73,362.85	2,830.19	19,424,091.92
II. Accumulated depreciation					
(1) December 31, 2025 (audited)	3,077,354.84	3,854,394.75	44,629.28		6,976,378.87
(2) Increase in the current period	151,345.32	93,816.54	3,668.16		248,830.02
— Provision	151,345.32	93,816.54	3,668.16		248,830.02
(3) Decrease in the current period					
— Disposal					
(4) June 30, 2026 (unaudited)	3,228,700.16	3,948,211.29	48,297.44		7,225,208.89
III. Provision for impairment					
(1) December 31, 2025 (audited)					
(2) Increase in the current period					
— Provision					
(3) Decrease in the current period					
— Disposal					
(4) June 30, 2026 (unaudited)					
IV. Carrying amount	11,754,486.63	416,500.80	25,065.41	2,830.19	12,198,883.03
(1) Carrying amount as at June 30, 2026 (unaudited)	11,754,486.63	416,500.80	25,065.41	2,830.19	12,198,883.03
(2) Carrying amount as at December 31, 2025 (audited)	11,905,831.95	510,317.34	28,733.57	2,830.19	12,447,713.05

XVI. OTHER NON-CURRENT ASSETS

	June 30, 2026 (Unaudited)			December 31, 2025 (Audited)		
Items	**Book balance**	**Impairment provision**	**Carrying amount**	Book balance	Impairment provision	Carrying amount
Rental deposits	**662,177.30**		**662,177.30**	699,381.30		699,381.30
Gas deposits	**200,000.00**		**200,000.00**	200,000.00		200,000.00
Total	**862,177.30**		**862,177.30**	899,381.30		899,381.30

XVII. ACCOUNTS PAYABLE

1. Classification by Ageing

Items	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Within 1 year	**25,696,094.03**	33,551,421.68
Over 1 year	**26,735,026.14**	20,271,180.72
Total	**52,431,120.17**	53,822,602.40

2. Significant accounts payable aged over 1 year or overdue

Items	June 30, 2026 (Unaudited)	Reasons for not settled or not carried forward
Party 1	**8,188,506.03**	Settlement period not yet due
Party 2	**7,268,796.23**	Pending litigation
Total	**15,457,302.26**	

XVIII. CONTRACT LIABILITIES

Items	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Exclusive marketing rights		4,716,981.13
Sales of product		81,997.16
Total		4,798,978.29

XIX. EMPLOYEE REMUNERATION PAYABLE

Items	December 31, 2025 (Audited)	Increase in the current period	Decrease in the current period	June 30, 2026 (Unaudited)
Wage, bonus, allowance and subsidy	2,691,343.65	16,830,132.05	17,223,638.94	2,297,836.76
Employee welfare premium	–900.00	210,549.15	210,549.15	–900.00
Social insurance contributions and housing provident fund contributions	190,088.91	4,743,108.87	4,746,215.54	186,982.24
Labor union fund and employee education fund		1,498.00	1,498.00	
Termination benefits		493,345.19	493,345.19	
Total	2,880,532.56	22,278,633.26	22,675,246.82	2,483,919.00

XX. TAXES PAYABLE

Items	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
VAT	**296,567.67**	
Urban maintenance and construction tax	**20,759.74**	
Education surcharge	**8,897.03**	
Local education surcharge	**5,931.35**	
Individual income tax	**100,026.66**	128,968.29
Other taxes	**12,487.32**	30,383.01
Total	**444,669.77**	159,351.30

XXI. OTHER PAYABLES

Items	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Interest payable		
Dividend payable		
Other payables	**6,539,864.75**	6,700,119.66
Total	**6,539,864.75**	6,700,119.66

XXI. OTHER PAYABLES (Continued)

1. Interest payable

None.

2. Dividend payable

None.

3. Other payables

(1) Shown by nature of the payments

Items	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Deposits	**5,400,000.00**	5,630,000.00
Government grants payable	**1,000,000.00**	1,000,000.00
Staff advances	**139,864.75**	70,119.66
Total	**6,539,864.75**	6,700,119.66

XXII. NON-CURRENT LIABILITIES DUE WITHIN ONE YEAR

Items	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Lease liabilities due within one year	**790,298.46**	1,047,592.85
Total	**790,298.46**	1,047,592.85

XXIII. LEASE LIABILITIES

Items	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Lease payments	**1,423,419.06**	2,023,079.62
Less: Unrecognized financing fee	**27,467.00**	48,085.37
Less: Lease liabilities due within one year	**790,298.46**	1,047,592.85
Total	**605,653.60**	927,401.40

XXIV. DEFERRED INCOME

Items	December 31, 2025 (Audited)	Increase in the current period	Decrease in the current period	June 30, 2026 (Unaudited)	Reasons
Funding Project for Introducing Top-notch Innovation and Entrepreneurship Teams under the "Chengdu Rongpiao Plan"	118,032.81		29,027.64	89,005.17	Government grants
Total	118,032.81		29,027.64	89,005.17	

XXV.OTHER NON-CURRENT LIABILITIES

Items	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Contract liabilities due after more than one year (exclusive marketing rights)	**37,735,849.06**	37,735,849.06
Total	**37,735,849.06**	37,735,849.06

XXVI. SHARE CAPITAL

Items	December 31, 2025 (Audited)	Issue of new shares	"Change for the period (+, –)" Bonus shares reserves transferred to shares	Others	Sub-total	June 30, 2026 (Unaudited)
Total shares	364,588,000.00					364,588,000.00
Total	364,588,000.00					364,588,000.00

XXVII. CAPITAL RESERVE

Items	December 31, 2025 (Audited)	Increase in the current period	Decrease in the current period	June 30, 2026 (Unaudited)
Capital premium (share capital premium)	864,233,385.35			864,233,385.35
Other capital reserve	442,884,797.84	961,944.47		443,846,742.31
Including: Share-based payments	442,864,028.91	961,944.47		443,825,973.38
Others	20,768.93			20,768.93
Total	1,307,118,183.19	961,944.47		1,308,080,127.66

XXVIII. OTHER COMPREHENSIVE INCOME

Items	December 31, 2025 (Audited)	Amount before income tax for the Period	Less: Reclassification adjustments for items previously recognized in OCI transferred to profit or loss for the current period	Less: Reclassification adjustments for items previously recognized in OCI and transferred to retained earnings for the current period	Less: Income tax expenses	Attributable to the parent company net of tax	Attributable to non-controlling interests, net of tax	June 30, 2026 (Unaudited)
Other comprehensive income that may be reclassified to profit or loss								
Exchange differences on translation of foreign currency financial statements	–2,074,444.18	–575,639.37				–575,639.37		–2,650,083.55
Total other comprehensive income	–2,074,444.18	–575,639.37				–575,639.37		–2,650,083.55

XXIX. RETAINED EARNINGS

Items	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Retained earnings at the end of last period before adjustment	**–1,003,553,442.92**	–872,118,334.36
Total amount of adjustment for retained earnings at the beginning of the period ("+" for plus; "–" for less)		
Retained earnings at the beginning of the period after adjustment	**–1,003,553,442.92**	–872,118,334.36
Add: Net profit attributable to the owners of the parent company for the Period	**–26,595,564.11**	–131,435,108.56
Capital reserve loss compensation		
Less: Withdrawal of statutory surplus reserves		
Appropriation to discretionary surplus reserve		
Dividend payable on ordinary shares		
Ordinary share dividends converted into share capital		
Retained earnings at the end of the period	**–1,030,149,007.03**	–1,003,553,442.92

XXX.OPERATING REVENUE AND COST OF SALES

1. Operating revenue and cost of sales

	For the six months ended June 30,			
	2026 (Unaudited)		2025 (Unaudited)	
Items	Revenue	Cost	Revenue	Cost
Main business	**36,635,252.15**	**2,555,741.83**	14,786,574.09	1,040,125.79
Other business				
Total	**36,635,252.15**	**2,555,741.83**	14,786,574.09	1,040,125.79

XXX.OPERATING REVENUE AND COST OF SALES (Continued)

2. Disaggregation of Operating Revenue and Cost of Sales

	For the six months ended June 30, (Unaudited)			
	2026		2025	
Revenue Classification	**Revenue**	**Cost**	Revenue	Cost
By operating region	**36,635,252.15**	**2,555,741.83**	14,786,574.09	1,040,125.79
Of which: Chinese Mainland	**36,635,252.15**	**2,555,741.83**	14,786,574.09	1,040,125.79
Other regions				
By business category	**36,635,252.15**	**2,555,741.83**	14,786,574.09	1,040,125.79
Of which: Goods sales	**31,918,271.02**	**2,555,741.83**	10,069,592.96	1,040,125.79
Exclusive marketing rights	**4,716,981.13**		4,716,981.13	
By contract type	**36,635,252.15**	**2,555,741.83**	14,786,574.09	1,040,125.79
Of which: Goods sales contracts	**31,918,271.02**	**2,555,741.83**	10,069,592.96	1,040,125.79
Service contracts	**4,716,981.13**		4,716,981.13	
By timing of transfer of goods	**36,635,252.15**	**2,555,741.83**	14,786,574.09	1,040,125.79
Of which: Performance over time	**31,918,271.02**	**2,555,741.83**	10,069,592.96	1,040,125.79
Performance at a point in time	**4,716,981.13**		4,716,981.13	
Total	**36,635,252.15**	**2,555,741.83**	14,786,574.09	1,040,125.79

XXXI. SELLING EXPENSES

	For the six months ended June 30,	
	2026	2025
Items	**(Unaudited)**	(Unaudited)
Marketing promotion expenses	**13,855,729.93**	10,501,379.44
Employee compensation	**1,663,874.72**	5,864,215.11
Share-based compensation	**117,700.36**	2,816,422.13
Travel expenses	**109,011.17**	181,432.64
Business entertainment expenses	**99,599.81**	129,727.35
Transportation expenses	**19,146.53**	14,647.30
Others	**14,740.00**	–9,955.39
Communication expenses	**10,569.90**	8,149.35
Office expenses	**9,062.39**	18,885.59
Depreciation expenses	**1,768.56**	12,162.20
Total	**15,901,203.37**	19,537,065.72

XXXII. ADMINISTRATIVE EXPENSES

Items	For the six months ended June 30, 2026 (Unaudited)	2025 (Unaudited)
Service fees to intermediaries	**8,672,753.80**	1,510,445.71
Employee compensation	**6,962,008.73**	7,307,475.61
Depreciation expenses	**1,023,384.57**	883,026.00
Office expenses	**603,548.80**	262,770.01
Travel and transportation expenses	**514,963.66**	431,890.85
Directors' emoluments	**225,000.00**	112,500.00
Share-based compensation	**112,416.42**	2,031,646.95
Property management fees	**86,653.81**	86,653.81
Water, electricity and gas expenses	**67,246.05**	64,466.88
Legal costs	**64,396.00**	—
Others	**55,512.85**	853,035.37
Business entertainment expenses	**36,116.17**	33,617.24
Amortisation of intangible assets	**17,842.50**	17,842.50
Motor vehicle expenses	**5,553.07**	7,120.22
Repair and maintenance expenses	**5,140.00**	—
Communication expenses	**3,443.90**	900.00
IPO-related expenses	**–212,000.00**	630,882.58
Total	**18,243,980.33**	14,234,273.73

XXXIII. RESEARCH AND DEVELOPMENT EXPENSES

Items	For the six months ended June 30, 2026 (Unaudited)	2025 (Unaudited)
Staff costs	**11,291,134.60**	10,036,678.09
Clinical expenses	**2,980,605.73**	14,351,142.67
Depreciation and amortisation	**1,900,046.97**	1,168,709.86
Amortisation of share-based compensation	**663,384.57**	1,816,206.45
Amortisation of water, electricity and gas expenses	**577,877.10**	249,258.89
Travel and transportation expenses	**435,337.34**	507,732.81
Technical service fees	**406,762.30**	13,031,696.29
Materials consumed	**272,062.38**	–602,821.81
Others	**241,031.91**	396,062.56
Patent application and maintenance fees	**164,253.91**	137,465.80
Asset rental and property management fees	**118,000.00**	244,409.51
Office expenses	**5,564.40**	6,471.92
Total	**19,056,061.21**	41,343,013.04

XXXIV. FINANCE COSTS

Items	For the six months ended June 30, 2026 (Unaudited)	2025 (Unaudited)
Interest expenses	**20,618.37**	16,038.42
Less: Interest income	**7,453,874.52**	8,077,961.30
Exchange profit or losses	**14,221,197.98**	2,526,645.21
Bank charges	**21,816.98**	24,361.87
Other expenses		
Total	**6,809,758.81**	–5,510,915.80

Note: Finance costs for the current period comprise interest expenses, interest income, exchange gains and losses, and bank charges; this differs from the basis of presentation in the prior period, in which exchange gains and losses were presented separately.

XXXV. CREDIT IMPAIRMENT LOSSES

Items	For the six months ended June 30, 2026 (Unaudited)	2025 (Unaudited)
Losses on bad debts of accounts receivable	**–208,790.58**	233,857.77
Losses on bad debts of other receivables		
Total	**–208,790.58**	233,857.77

XXXVI. NON-OPERATING INCOME

Items	For the six months ended June 30, 2026 (Unaudited)	2025 (Unaudited)
Government grants irrelevant to ordinary activities of the Company	**47,576.64**	
Income from deposits for marketing and promotion business	**40,000.00**	1,724,520.00
Insurance claim payments		12,979.39
Total	**87,576.64**	1,737,499.39

XXXVII. NON-OPERATING EXPENSES

Items	For the six months ended June 30, 2026 (Unaudited)	2025 (Unaudited)
Losses from the damage and scrapping of non-current assets	**17,928.32**	
Others	**52.96**	44,950.29
Total	**17,981.28**	44,950.29

XXXVIII. INFORMATION ON CASH AND CASH EQUIVALENTS, CASH IN FIXED-TERM BANK DEPOSITS

Cash and cash equivalents comprise:

Items	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Monetary funds	**470,408,098.65**	456,766,910.79
Less: Restricted bank balance	**23,477,953.97**	25,541,170.74
Cash and cash equivalents	**446,930,144.68**	431,225,740.05
Including: Bank deposit	**42,321,804.80**	121,198,698.86
Fixed deposit	**404,608,339.88**	310,027,041.19

Monetary funds not classified as cash and cash equivalents

Items	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Funds frozen under court orders	**23,477,953.97**	25,541,170.74
Total	**23,477,953.97**	25,541,170.74

XXXIX. EARNINGS PER SHARE

1. Basic earnings per share

Basic earnings per share are calculated by dividing the consolidated net profit attributable to the ordinary shareholders of the parent company by the weighted average number of ordinary shares issued by the company and outstanding in the market:

Items	For the six months ended June 30, 2026 (Unaudited)	2025 (Unaudited)
Consolidated net profit attributable to ordinary shareholders of the parent company	**–26,595,564.11**	–54,042,194.06
The weighted average number of outstanding ordinary shares by the Company	**364,588,000.00**	364,588,000.00
Basic earnings per share	**–0.07**	–0.15
Where: Basic earnings per share from continuing operations	**–0.07**	–0.15
Basic earnings per share from discontinued operations		

2. Diluted earnings per share

As there were no potentially dilutive ordinary shares outstanding for the six months ended June 30, 2025 and 2026, the diluted earnings per share are the same as the basic earnings per share.

XL. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in the condensed interim consolidated financial statements, other material related party transactions entered into by the Group during the six months ended June 30, 2026 are as follows:

(a) Identity of related parties

During the year, transactions with the following parties are considered as related party transactions:

Name of related party	Relationship with the Group
Dr. Tang Li (唐莉)	Ultimate controlling shareholder and executive director
Dr. Qiu Rongguo (邱榮國)	Ultimate controlling shareholder and executive director
Zhang Cheng (張成)	Executive director
Zhuhai Huaxin Haoyuan Enterprise Management Partnership (Limited Partnership)* (珠海華欣昊緣商業管理合夥企業(有限合夥)) ("**Huaxin Haoyuan**")	Company controlled by the ultimate controlling shareholder
Beijing Baygen Technologies Ltd. ("**Beijing Baygen**")	Company controlled by ultimate controlling shareholder

XL. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(b) Key management personnel remuneration

Remuneration for key management personnel of the Group is as follows:

	June 30, 2026 RMB (Unaudited)	December 31, 2025 RMB (Audited)
Directors' fees, salaries, allowances and benefits in kind, performance-related bonus	**4,191,775.23**	8,423,939.26
Retirement scheme contributions	**145,586.88**	285,952.32
Share-based payment	**844,244.11**	4,419,940.59
Total	**5,181,606.22**	13,129,832.17

(c) Outstanding balances with related parties including receivables and payables

1. Receivable Items

		June 30, 2026 (Unaudited)		December 31, 2025 (Audited)	
Item Name	**Related Party**	**Book balance**	**Bad debt provision**	Book balance	Bad debt provision
Other receivables	Dr. Tang Li	**1,259.04**		1,259.04	
Total		**1,259.04**		1,259.04	

2. Payable Items

		June 30, 2026 (Unaudited)		December 31, 2025 (Audited)	
Item Name	**Related Party**	**Book balance**	**Bad debt provision**	Book balance	Bad debt provision
Other payables	Dr. Qiu Rongguo	**482.53**		249.10	
Total		**482.53**		249.10	

XLI. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Inputs used in fair value measurement are classified into three levels: Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities accessible at the measurement date; Level 2 inputs are observable inputs, either directly or indirectly, for the relevant assets or liabilities other than Level 1 inputs; Level 3 inputs are unobservable inputs for the relevant assets or liabilities. The level of the fair value measurement is determined by the lowest level of input that is significant to the fair value measurement in its entirety.

(I) Analysis of Assets and Liabilities Measured at Fair Value by Fair Value Hierarchy

Items	Level 1 Fair Value Measurement	Level 2 Fair Value Measurement	Level 3 Fair Value Measurement	Total
Recurring fair value measurement				
Financial assets held for trading			35,000,000.00	35,000,000.00
Financial assets classified as at fair value through profit or loss			35,000,000.00	35,000,000.00
Equity instruments investment			35,000,000.00	35,000,000.00

(II) Qualitative and Quantitative Information on Valuation Techniques and Significant Parameters Adopted for Recurring Level 2 Fair Value Measurement Items

Bank wealth management products and structured deposits held by the Group at the end of each reporting period are measured at Level 2 fair value. Among them, the fair value of wealth management products is determined with reference to the quotations published by the issuing banks; the fair value of structured deposits is determined based on the expected rate of return published by the banks or specified in the product prospectuses.

(III) Qualitative and Quantitative Information on Valuation Techniques and Significant Parameters Adopted for Recurring and Non-recurring Level 3 Fair Value Measurement Items

Items	Closing Fair Value	Valuation Techniques and Key Input Data	Significant Unobservable Input Data	Relationship Between Unobservable Input Data and Fair Value
Equity instruments investment				
— Unlisted equity investments	35,000,000.00	Historical cost approach	Not applicable	Not applicable
Equity instruments investment				
— Unlisted fund		Historical cost approach	Not applicable	Not applicable

XLI. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

(IV) Reconciliation Between Opening and Closing Carrying Amounts and Sensitivity Analysis of Unobservable Parameters for Recurring Level 3 Fair Value Measurement Items

The movements in the balance of Level 3 financial assets measured at fair value through profit or loss of the Group as at June 30, 2026 are as follows:

Items	Investment in unlisted equity	Unlisted fund
Opening balance	35,000,000.00	
Purchases during the Period		
Fair value changes		
Redemption at maturity		
Exchange gains or losses		
Other changes		
Closing balance	35,000,000.00	

(V) Reasons for Transfers and Policies on and Determination of Timing of Transfers for Recurring Fair Value Measurement Items Where Transfers Between Levels Occurred during the Period

None.

(VI) Changes in Valuation Techniques and Reasons Therefor Occurred during the Period

There were no changes in valuation techniques adopted by the Group during the year.

(VII) Fair Value Information of Financial Assets and Financial Liabilities Not Measured at Fair Value

The carrying amounts of financial assets and financial liabilities measured at amortised cost in the Group's financial statements approximate their fair values.

XLI. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

Revenue and Segment Reporting

(a) Revenue

The principal activities of the Group are R&D, manufacturing and sale of innovative drugs.

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	For the six months ended June 30,	
	2026	2025
	RMB	RMB
	(Unaudited)	(Unaudited)
Revenue from sales of goods:	**31,918,271.02**	10,069,592.96
Utidelone Injection	**31,918,271.02**	10,069,592.96
Revenue from exclusive promotion rights	**4,716,981.13**	4,716,981.13
	36,635,252.15	14,786,574.09

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

For the six months ended June 30, 2025 and June 30, 2026, there is no performance obligation remaining under the Group's existing contracts.

(b) Segment Reporting

(i) Segment information

The Group manages its operations on an integrated basis, consistent with the internal reporting to the Group's highest executive management (the chief operating decision maker or "**CODM**") for the purposes of resource allocation and performance assessment.

The Group determines its reportable segments based on the types of products provided.

The directors of the Company have determined that the Group has only one operating and reportable segment, being the research and development, manufacture and sales of innovative drugs.

As this is the Group's only operating segment, no segment information is required to be presented other than disclosures for the entity as a whole.

(ii) Geographic information

No geographical information is presented as the revenue and loss from operations of the Group are substantially derived from activities in the PRC and all of its non-current assets and capital expenditure are located/incurred in the PRC.

XLI. FAIR VALUES MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

Revenue and Segment Reporting (Continued)

(b) Segment Reporting (Continued)

(iii) Major Customer Information

Revenue from customers accounting for over 10% of the Group's total revenue for the respective periods is as follows:

	For the six months ended June 30,	
	2026	2025
	RMB	RMB
	(Unaudited)	(Unaudited)
Customer A	**24,074,677.20**	4,716,981.13
Customer B		1,777,380.54
Total	**24,074,677.20**	6,494,361.67

Definitions

In this report, unless the context requires otherwise, the following expressions shall have the following meanings.

"Audit Committee"	the audit committee of the Board
"Beijing Baygen"	Beijing Baygen Technologies Ltd.* (北京北進緣科技有限公司), a foreign-invested limited liability company incorporated under the laws of the PRC on September 29, 2011, a member of our Single Largest Group of Shareholders
"Board" or "Board of Directors"	the board of Directors of the Company
"CAGR"	compound annual growth rate
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"CDE"	Center for Drug Evaluation of the National Medical Products Administration
"Chengdu Biostar"	Chengdu Biostar Pharmaceuticals Co., Ltd.* (成都華昊中天藥業有限公司), a limited liability company established in the PRC on January 26, 2015, and a wholly-owned subsidiary of the Company
"China" or "PRC"	the People's Republic of China excluding, for the purpose of this report, Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company", "our Company" or "the Company"	Beijing Biostar Pharmaceuticals Co., Ltd. (北京華昊中天生物醫藥股份有限公司), a joint stock company established in the PRC on May 8, 2021, or, where the context requires (as the case may be), its predecessor, Beijing Biostar Biotechnology Co., Ltd.* (北京華昊中天生物技術有限公司), a limited liability company established in the PRC on July 11, 2002
"Core Product"	has the meaning ascribed to it in Chapter 18A of the Listing Rules, and for the purpose of this report, our core product refers to Utidelone Injection, with Utidelone being its active ingredient
"Corporate Governance Code"	the "Corporate Governance Code" set out in Appendix C1 (formerly known as Appendix 14) to the Listing Rules
"Director(s)" or "our Director(s)"	the director(s) of the Company
"FDA"	the Food and Drug Administration of the United States
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Group", "our", "our Group", "we" or "us"	the Company and all of its subsidiaries, or any one of them as the context may require
"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 and for which an application has been made for the granting of listing and permission to deal in on the Stock Exchange
"HK dollars" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong

"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Listing"	listing of the Shares on the Main Board of the Stock Exchange
"Listing Date"	October 31, 2024, the date on which the Shares of the Company were listed on the Main Board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Ministry of Finance" or "MOF"	the Ministry of Finance of the PRC (中華人民共和國財政部)
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 (formerly known as Appendix 10) to the Listing Rules
"NMPA"	the National Medical Products Administration of the PRC (國家藥品監督管理局) (formerly known as the China National Drug Administration and the China Food and Drug Administration)
"Nomination Committee"	the nomination committee of our Board
"PCT"	the Patent Cooperation Treaty
"PRC Company Law"	the Company Law of the PRC (《中華人民共和國公司法》), as amended and adopted by the Standing Committee of the Eighth National People's Congress on December 29, 1993 and effective on July 1, 1994, which was last amended on December 29, 2023 and became effective on July 1, 2024, as amended, supplemented or otherwise modified from time to time
"Prospectus"	the prospectus of the Company dated October 23, 2024
"Reporting Period"	the six months ended June 30, 2026
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Securities and Futures Ordinance" or "SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each
"Shareholder(s)"	holder(s) of the Share(s)
"State Council"	the State Council of the PRC (中華人民共和國國務院)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscriber"	Baheal Wellness Industry International Trading Limited
"Subscription"	the subscription for all of the Subscription Shares by the Subscriber on the terms and subject to the conditions set out in the respective Subscription Agreement
"Subscription Agreement"	the conditional subscription agreement entered into between the Company and the Subscriber dated 6 May 2026

"Subscription Price"	the price of HK$4.00 per Subscription Share
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"substantial Shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Supervisor(s)"	the members of the Supervisory Committee
"Supervisory Committee"	the supervisory committee of the Company
"Takeovers Code"	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time
"U.S. dollar" or "US$"	United States dollar, the lawful currency of the United States
"U.S." or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"Zhuhai Huajin"	Zhuhai Huajin Haoyuan Enterprise Management Partnership (Limited Partnership)* (珠海華錦昊緣企業管理合夥企業(有限合夥)), a limited partnership incorporated under the laws of the PRC on November 13, 2020, one of our employee incentive platforms and a member of our Single Largest Group of Shareholders
"Zhuhai Huarong"	Zhuhai Huarong Haoyuan Enterprise Management Partnership (Limited Partnership)* (珠海華蓉昊緣企業管理合夥企業(有限合夥)), a limited partnership incorporated under the laws of the PRC on March 9, 2022, one of our employee incentive platforms and a member of our Single Largest Group of Shareholders
"Zhuhai Huaxin"	Zhuhai Huaxin Haoyuan Business Management Partnership (Limited Partnership)* (珠海華欣昊緣商業管理合夥企業(有限合夥)), a limited partnership incorporated under the laws of the PRC on January 5, 2021, one of our employee incentive platforms and a member of our Single Largest Group of Shareholders
"Zhuhai Jingrong"	Zhuhai Jingrong Haoyuan Investment Partnership (Limited Partnership)* (珠海京蓉昊緣投資合夥企業(有限合夥)), a limited partnership incorporated under the laws of the PRC on September 27, 2020, a member of our Single Largest Group of Shareholders
"%"	per cent

For ease of reference, the names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities (including certain of our subsidiaries) have been included in this report in both the Chinese and English languages and in the event of any inconsistency, the Chinese version shall prevail.

Certain amounts and percentage figures included in this report have been subject to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table or chart between the total shown and the sum of the amounts listed are due to rounding.

Glossary of Technical Terms

This glossary contains definitions of certain technical terms used in this report in connection with us and our business. These may not correspond to standard industry definitions and may not be comparable to similar terms adopted by other companies.

"AC"	anthracycline and cyclophosphamide. Anthracycline is a class of chemotherapy drugs derived from streptomyces peucetius var. caesius. Cyclophosphamide is also a type of chemotherapy drug
"advanced breast cancer"	locally advanced and relapsed or metastatic breast cancers, encompassing stage IIIB and IIIC breast cancers that are initially inoperable without distant metastasis, as well as all stage IV breast cancers
"advanced gastric cancer"	all pathological stage IV gastric cancers, namely, metastatic gastric cancers
"advanced non-small cell lung cancer"	stage IIIB, stage IIIC, and all stage IV non-small cell lung cancers, which normally cannot be cured through local therapies
"ASCO"	American Society of Clinical Oncology
"bioavailability"	the extent and rate at which the active moiety (drug or metabolite) enterssystemic circulation, thereby accessing the site of action
"capsule"	a solid dosage form created by encapsulating drugs in hollow hard capsules or sealing them in elastic soft capsules
"cGMP"	current good manufacturing practice, containing minimum requirements for the methods, facilities, and controls used in manufacturing, processing, and packing of a drug product. The regulations make sure that a product is safe for use, and that it has the ingredients and strength it claims to have
"clinical trial"	a research study for validating or finding the therapeutic effects and side effects of test drugs in order to determine the therapeutic value and safety of such drugs
"CR"	complete response, the disappearance of all signs of cancer in response to treatment
"DCR"	Clinical Benefit Rate/Disease Control Rate, the percentage of patients whose disease shrinks or remains stable over a certain time period
"dosage form" or "formulations"	the physical form of a dose used as a drug or medication intended for administration or consumption
"epothilone"	a class of macrocyclic lactone compounds first reported by G. Höfle and colleagues at the German National Biotechnology Center in 1993. The mechanism of action is akin to taxane drugs like paclitaxel, as they can bind to microtubule proteins, preventing smooth mitosis in cancer cells and inducing apoptosis in these cells
"first-line" or "1L"	with respect to any disease, the first line treatment, which is the treatment regimen or regimens that are generally accepted by the medical establishment for initial treatment. It is also called primary treatment or therapy
"GC"	gastric cancer
"HER2-negative"	the IHC (Immunohistochemistry) test results for HER2 biomarker in tumor tissue samples show a result of IHC (-) or 1+

"HR"	hazard ratio, the ratio of the hazard rates corresponding to the conditions characterised by two distinct levels of a treatment variable of interest
"IC50"	concentration at half maximal inhibition, a measure of the potency of a substance in inhibiting a specific biological or biochemical function
"IND"	investigational new drug application
"injection"	sterile preparations for injection into the body, consisting of a solution, emulsion, or suspension of drugs in suitable solvents or dispersing media, and either ready for immediate use or in the form of powders or concentrated solutions to be reconstituted or diluted before administration
"innovative drug"	a medicine that contains an active substance or combination of active substances that has not been marketed in China and overseas
"in vivo"	Latin for "within the living", studies in vivo are those in which the effects of various biological or chemical substances are tested on whole, living organisms including animals, humans and plants, as opposed to a partial or dead organism, or those done in vitro
"in vitro"	Latin for "within the glass", studies using components of an organism that has been isolated from their usual biological surroundings
"medicine"	a drug used to diagnose, cure, treat, or prevent disease
"microbial small molecule"	a molecule from microorganisms with a low molecular weight (≤ 1,000 daltons)
"microtubule inhibitors"	a class of compounds that inhibit the function of cellular microtubules
"MRCT"	multi-regional clinical trial
"neoadjuvant"	a medical term typically used to describe the treatment given to patients before primary therapy. In the field of cancer treatment, neoadjuvant therapy/neoadjuvant treatment means a therapy administered before a main treatment to reduce the size of tumor to enhance the ease of tumor removal
"neoadjuvant chemotherapy"	systemic therapy administered prior to definitive surgical treatment
"NCCN"	the National Comprehensive Cancer Network
"NDA"	new drug application
"NSCLC"	non-small cell lung cancer , any lung cancer that is not small cell lung cancer (such as adenocarcinoma or squamous cell carcinoma)
"ODD"	orphan drug designation
"ORR"	objective response rate, the proportion of patients who have a partial or complete response to therapy
"OS"	overall survival, defined as the time from treatment to death, regardless of disease recurrence
"PD"	progressive disease, refers to a at least 20% increase in the size of a tumor or in the extent of cancer in the body in response to treatment, according to RECIST

Glossary of Technical Terms (Continued)

"PD-1"	programmed death-1, an immune checkpoint receptor expressed on T cells, B cells and macrophages, acting to turn off the T cell mediated immune response as part of the process that stops a healthy immune system from attacking other pathogenic cells in the body
"PFS"	progression-free survival, which is defined as the time from assignment in a clinical trial to disease progression or death from any cause
"P-glycoprotein"	the most well-known of the ABC transporters in which it plays a critical role in drug resistance in the treatment of cancers
"phase I clinical trial(s)"	a study in which a drug is introduced into healthy human subjects or patients with the target disease or condition and tested for safety, dosage tolerance, absorption, metabolism, distribution, excretion, and if possible, to gain an early indication of its effectiveness
"phase II clinical trial(s)"	a study in which a drug is administered to a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the product for specific targeted diseases, and to determine dosage tolerance and optimal dosage
"phase III clinical trial(s)"	a study in which a drug is administered to an expanded patient population generally at geographically dispersed clinical trial sites, in well-controlled clinical trials to generate enough data to statistically evaluate the efficacy and safety of the product for approval, to provide adequate information for the labeling of the product
"PR"	partial response, referring to an at least 30% but below 100% decrease in the size of a target tumor lesion or in the extent of cancer in the body in response to treatment, according to RECIST 1.1
"R&D"	research and development
"SD"	stable disease, in oncology, indicating a cancer that is neither decreasing at least 30% nor increasing at least 20% in the size of a target tumor lesion or in the extent of cancer in the body in response to treatment
"second-line" or "2L"	with respect to any disease, the therapy or therapies that are given when initial treatments (first-line therapy) do not work, or stop working
"T cell"	a lymphocyte of a type produced or processed by the thymus gland and actively participating in the immune response, which plays a central role in cell-mediated immunity. T cells can be distinguished from other lymphocytes, such as B cells and NK cells, by the presence of a T cell receptor on the cell surface
"TRAE"	treatment-related adverse event, undesirable events not present prior to medical treatment or an already present event that worsens in intensity or frequency following the treatment