



HANGZHOU JIUYUAN GENETIC BIOPHARMACEUTICAL CO., LTD.

杭州九源基因生物醫藥股份有限公司

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

(於中華人民共和國註冊成立的股份有限公司)

Stock code 股份代號 : 2566

2026

INTERIM REPORT

中期報告



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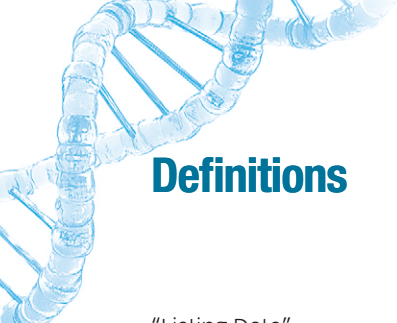
Definitions

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

"Articles of Association"	the articles of association of the Company, as amended, supplemented or otherwise modified from time to time
"Audit Committee"	the audit committee of the Board
"Board"	the board of directors of the Company
"Business Day(s)"	any day on which the Stock Exchange is open for the business of dealing in securities
"CG Code"	Corporate Governance Code set out in Appendix C1 to the Listing Rules
"Chairman" or "Chairman of the Board"	the chairman of the Board
"China" or the "PRC"	the People's Republic of China, but for the purpose of this interim report and for geographical reference only, unless the context otherwise requires, excludes Hong Kong, the Macau Special Administrative Region of the PRC 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"	Hangzhou Jiuyuan Genetic Biopharmaceutical Co., Ltd. (杭州九源基因生物醫藥股份有限公司) (formerly known as Hangzhou Jiuyuan Gene Engineering Co., Ltd. (杭州九源基因工程股份有限公司)), a limited liability company established under the laws of the PRC on December 31, 1993 and converted into a joint stock company with limited liability on December 5, 2023
"Corresponding Period"	for the six months ended June 30, 2025
"CQFE"	Corporacion Quimico-farmaceutica Esteve, Sociedad Anónima, a corporation organized under the laws of the Kingdom of Spain on June 6, 1986
"Director(s)"	the director(s) of our Company

Definitions

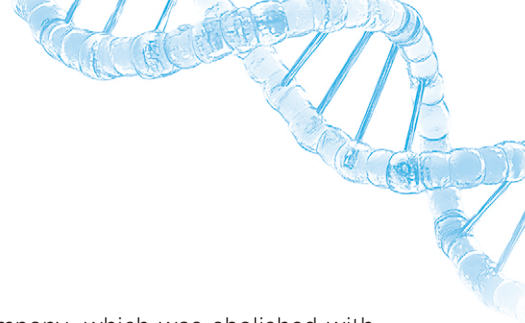
"Domestic Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are subscribed for and paid up in Renminbi by domestic investors and are not listed or traded on any stock exchange
"Global Offering"	the offer of Shares for subscription as described in the Prospectus
"Group," "our Group," "we," "us," or "our"	the Company and its subsidiaries from time to time
"H Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are traded in Hong Kong dollars and listed on the Stock Exchange
"Hangzhou Huasheng"	Hangzhou Huasheng Pharmaceutical Group Co., Ltd. (杭州華昇醫藥集團有限公司, formerly known successively as 杭州華東醫藥集團控股有限公司, 杭州華東醫藥集團投資有限公司 and 杭州博華投資有限公司), a limited liability company established under the laws of the PRC on March 25, 2002
"Hangzhou Investment"	Hangzhou Investment Holdings Co., Ltd. (杭州市金融投資集團有限公司, formerly known as 杭州市投資控股有限公司), a limited liability company established under the laws of the PRC on August 28, 1997
"Heda HK"	Heda Jinyuan (HK) Co., Limited (和達金源(香港)有限公司), a limited company incorporated under the laws of Hong Kong in July 2024
"H Share Registrar"	Computershare Hong Kong Investor Services Limited
"HK\$" or "HKD"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Huadong Medicine"	Huadong Medicine Co., Ltd. (華東醫藥股份有限公司), a limited liability company established under the laws of the PRC on March 31, 1993, the A shares of which are listed on the Shenzhen Stock Exchange (stock code: 000963.SZ)
"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
"Listing"	the listing of the H Shares on the Main Board of the Stock Exchange



Definitions

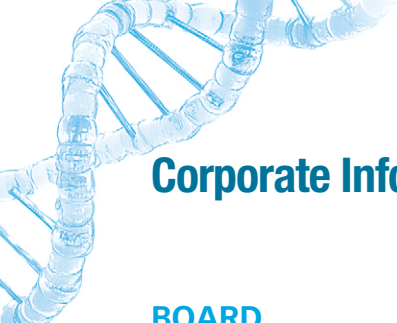
"Listing Date"	November 28, 2024, on which the H Shares were listed and dealings in the H Shares first commenced on the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Nanbeiju"	Hangzhou Nanbeiju Enterprise Management Partnership (杭州南北聚企業管理合夥企業), a limited liability partnership established under the laws of the PRC on July 21, 2023, one of the employee shareholding platforms of the Company
"Nanjing King-Friend"	Nanjing King-Friend Biochemical Pharmaceutical Co., Ltd. (南京健友生化製藥股份有限公司)
"Nomination Committee"	the nomination committee of our Board
"Prospectus"	the prospectus of the Company dated November 20, 2024
"R&D"	research and development
"Remuneration and Appraisal Committee"	the remuneration and appraisal committee of our Board
"Reporting Period"	for the six months ended June 30, 2026
"RMB" or "Renminbi"	the lawful currency of the PRC
"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)"	shareholder(s) of the Company
"Stock Exchange" or "Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"Supervisor(s)"	member(s) of the Supervisory Committee prior to its abolishment on June 15, 2026

Definitions



"Supervisory Committee"	the supervisory committee of the Company, which was abolished with effect from June 15, 2026
"treasury Shares"	the meaning as defined under the Listing Rules
"T2DM"	type 2 diabetes mellitus, a metabolic disorder marked by insulin resistance and relative insulin deficiency, often associated with obesity and lifestyle factors
"U.S." or "United States"	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
"Unlisted Foreign Share(s)"	ordinary share(s) issued by the Company with a nominal value of RMB1.00 each which is/are subscribed for and paid for in currency other than RMB by foreign investors and not listed on any stock exchange
"Unlisted Shares"	Domestic Shares and Unlisted Foreign Shares
"US\$"	United States dollar, the lawful currency of the United States
"Zhejiang Wangxin"	Zhejiang Wangxin Technology Venture Capital Co., Ltd. (浙江網新科技創投有限公司), a limited liability company established under the laws of the PRC on June 3, 2010, which is a wholly-owned subsidiary of Insigma Technology Co., Ltd. (浙大網新科技股份有限公司)
"Zhongmei Huadong"	Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd. (杭州中美華東製藥有限公司), a limited liability company established under the laws of the PRC on December 31, 1992, which is a wholly-owned subsidiary of Huadong Medicine
"%"	per cent

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



Corporate Information

BOARD

Executive Directors

Mr. Fu Hang (傅航)
(Chairman of the Board and general manager)
Mr. Zhou Wei (周偉)

Non-executive Directors

Mr. Wu Shihang (吳詩航)
Mr. Albert Esteve Cruella
Mr. Fei Junjie (費俊傑)
Ms. Yan Weiting (嚴瑋婷)

Independent Non-executive Directors

Mr. Zhou Zhihui (周智慧)
Ms. Ho Mei Yi (何美儀)
Dr. Zhou Demin (周德敏)
Dr. Huang Wenli (黃文禮)

Employee Representative Director

Mr. Xu Feihu (徐飛虎)

SUPERVISORS

Mr. Ye Jiancai (葉建才)
Mr. Xu Feihu (徐飛虎)
Ms. Zhao Fei (趙飛)
(each ceased to serve as a Supervisor with effect from June 15, 2026)

REGISTERED OFFICE, HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

No. 23, Eighth Street
Baiyang Street, Qiantang District
Hangzhou, Zhejiang Province
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG REGISTERED UNDER PART 16 OF THE COMPANIES ORDINANCE

46/F, Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

H SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

COMPLIANCE ADVISER

Maxa Capital Limited
Unit 2602, 26/F, Golden Centre
188 Des Voeux Road Central, Sheung Wan
Hong Kong

JOINT COMPANY SECRETARIES

Ms. Huang Xiu (黃秀)
Ms. Ho Wing Nga (何詠雅)
(fellow of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute)

AUTHORIZED REPRESENTATIVES

Mr. Fu Hang (傅航)
Ms. Ho Wing Nga (何詠雅)

AUDIT COMMITTEE

Mr. Zhou Zhihui (周智慧) *(Chairman)*
Ms. Ho Mei Yi (何美儀)
Dr. Zhou Demin (周德敏)

NOMINATION COMMITTEE

Ms. Ho Mei Yi (何美儀) *(Chairwoman)*
Mr. Fu Hang (傅航)
Dr. Zhou Demin (周德敏)

Corporate Information

REMUNERATION AND APPRAISAL COMMITTEE

Dr. Zhou Demin (周德敏) (*Chairman*)

Mr. Zhou Wei (周偉)

Mr. Zhou Zhihui (周智慧)

STOCK CODE

2566

PRINCIPAL BANKS

China Merchants Bank

Hangzhou Shenlan Sub-branch

1-2F, No. 332 Wangjiang East Road Shangcheng District

Hangzhou, Zhejiang Province

PRC

Bank of China

Hangzhou Qiantang New District Sub-branch

No. 17, No. 3 Street, Baiyang Street

Qiantang District

Hangzhou, Zhejiang Province

PRC

China CITIC Bank

Hangzhou Economic and

Technological Development Zone Sub-branch

No. 2, Science and Technology Park Road, Baiyang Street

Qiantang District

Hangzhou, Zhejiang Province

PRC

AUDITOR

Ernst & Young

Certified Public Accountants

Registered Public Interest Entity Auditor under the

Accounting and Financial Reporting Council Ordinance

27/F, One Taikoo Place

979 King's Road

Quarry Bay

Hong Kong

LEGAL ADVISERS TO THE COMPANY

As to Hong Kong law:

Cooley HK

35/F, Two Exchange Square

8 Connaught Place

Central

Hong Kong

As to PRC law:

Zhejiang T&C Law Firm

3, 6-12/F, One IFC River West, No.118 Sanxin Road

Hangzhou, Zhejiang

PRC

COMPANY'S WEBSITE

www.china-gene.com



Financial Summary

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Results of operations:		
Revenue	630,951	638,778
Gross profit	511,935	525,219
Profit for the period	91,269	90,174
Net profit attributable to shareholders of the parent	91,269	90,174
Profitability:		
Gross profit margin	81.1%	82.2%
Net profit margin attributable to shareholders of the parent	14.5%	14.1%
Earnings per share (RMB):		
Basic and diluted	0.38	0.37

Management Discussion and Analysis

BUSINESS REVIEW

Overview

For the six months ended June 30, 2026, the Company achieved total revenue of RMB631.0 million, representing a slight period-on-period decrease of 1.2%, and a net profit of RMB91.3 million, representing a period-on-period increase of 1.2%. Overall, the slight decline in the Company's revenue in the first half of the year was mainly attributable to a combination of factors: first, pursuant to the New Policy No. 10^{Note} issued by the Ministry of Finance and the State Taxation Administration, effective from January 2026, the tax treatment for general biological products was shifted from the 3% simplified tax method to the 13% general tax method, resulting in an increase in the Company's overall effective tax rate; second, driven by the deepening reforms of DRG/DIP payment methods, the "bundled payment" model of medical insurance has compelled hospitals to control costs, leading to a decline in average expense per visit at hospital level; third, the Company proactively strengthened the management of capital and accounts receivable to further reduce the scale of bills receivable and optimize the aging profile of accounts receivable, with certain orders being deprioritized in favor of collection quality, resulting in a moderate decline in revenue as the Company prioritized cash flow over revenue growth.

During the Reporting Period, leveraging the Company's high-quality product supply capabilities and cost advantages, the Company successfully completed the renewal of two products that have been included in centralized procurement, Jiouting® and Yinuoja®. In addition, the sales volume of Jixinfen® and Jilixin®, which were launched last year, maintained a relatively rapid growth pace during the Reporting Period.

In July 2026, the National Health Commission and relevant authorities jointly issued the National Essential Drug List (2026 Edition) (《國家基本藥物目錄(2026年版)》) (the "National Essential Drug List"), a core reference for the procurement and use of medicines by medical and health institutions at all levels. Multiple products of the Company have been included in the National Essential Drug List, including low molecular weight heparins (Yinuoja® and Jipailin®), human granulocyte colony-stimulating factor (Jilifen®), and the upcoming JY29-2 Semaglutide (Jiyoutai®), covering three major clinical areas of anticoagulation therapy, oncology supportive care, and chronic metabolic disease management. The inclusion in the National Essential Drug List will facilitate broader access of high-quality medicines to primary medical institutions, and lay a solid foundation for further improving drug accessibility and better satisfying patients' clinical medication needs. This also serves as a perfect embodiment of the Company's consistent philosophy of a clinical demand-oriented, product quality-based, and patient accessibility-focused approach.

Note: Announcement of the Ministry of Finance and the State Taxation Administration on Matters Concerning the Transition of VAT Preferential Policies Following the Implementation of the Value-Added Tax Law (Announcement of the Ministry of Finance and the State Taxation Administration [2026] No. 10) (《財政部稅務總局關於增值稅法施行後增值稅優惠政策銜接事項的公告》(財政部稅務總局公告2026年第10號))

Management Discussion and Analysis

Product Pipeline

Leveraging our established technology platform, we focus on the R&D of innovative products in the fields of metabolism, orthopedics, oncology, and hematology. As of the end of the Reporting Period, the Company has laid out a rich R&D pipeline in the aforementioned fields, covering multiple innovative drugs, biosimilars, and biopharmaceutical-device combination products.

The table below sets forth the therapeutic targets, disease areas, and development status of our product candidates as of the date of this interim report:

Innovative Drug												
Project Name	Product Candidate/Product	Product Type	Dosage Form	Target/MoA	Indications	Pre-clinical	IND	Phase I	Phase II	Phase III	NDA Commercialization	Next Milestone (Expected Time)
JY54	Amylin analog	Peptide	Subcutaneous injection	DACRAs receptor agonist	Metabolism (obesity and overweight)							Phase I clinical trial
JY54-2	Amylin analog	Peptide	Subcutaneous injection	DACRAs receptor agonist	Metabolism (obesity and overweight)							IND application (2026H2)
JY57	long-acting FGF21 receptor agonist	Fusion protein	Subcutaneous injection	FGF21 receptor	Metabolism (MASH)							IND application (2026Q4)
JY47	SIRPα monoclonal antibody	Monoclonal antibody	Intravenous injection	CD47-SIRPα inhibitor	Solid tumors							Phase I clinical trial
JY47-2	SIRPα monoclonal antibody	Monoclonal antibody	Intravenous injection	CD47-SIRPα inhibitor	Metabolism (MASH)							—
Innovative Drug-Device												
Project Name	Product Candidate/Product	Product Type	Dosage Form	Target/MoA	Indications	Research Stage	Registration Inspection	Clinical Trials	Registration Submission	Next Milestone (Expected Time)		
JY23	Multipotent biological bone containing rhBMP-2	Drug-device combination	Bone graft	Bone Morphogenetic Proteins and Biomaterials	Bone repair					Pending approval for marketing		
JY23-2	Injectable rhBMP-2-integrated bone repair material	Innovative drug-device combination	Bone graft	Bone Morphogenetic Proteins and Biomaterials	Bone repair					Registration inspection (2026Q4)		
Biosimilar Drug												
Project Name	Product Candidate/Product	Product Type	Dosage Form	Target/MoA	Indications	Pre-clinical	IND	Phase I	Phase II	Phase III	NDA Commercialization	Next Milestone (Expected Time)
JY29-2吉優泰®			Subcutaneous injection		Metabolism (T2DM)							Pending approval for marketing ¹ (2027Q2)
JY29-2吉可親®	Semaglutide	Peptide		Glucagon-like peptide-1(GLP-1) receptor agonist	Metabolism (obesity and overweight)							Pending approval for marketing (2027Q3)
JY29-2 (Oral)			Tablets		Metabolism (obesity and overweight)							Process development
JY41	Romosozumab	Monoclonal antibody	Subcutaneous injection	Sclerostin inhibitor	Osteoporosis							Process development
JY43	Daratumumab	Monoclonal antibody	Intravenous injection	CD38 inhibitor	Multiple myeloma							Phase I clinical trial
JY43-2	Daratumumab (with hyaluronidase)	Monoclonal antibody	Subcutaneous injection	CD38 inhibitor with hyaluronidase	Multiple myeloma							IND application (2026Q4)
JY56	Emicizumab	Bispecific antibody	Subcutaneous injection	Bridging coagulation factor IX and coagulation factor	Hemophilia							Process development

Note: 1. As Jiyoutai® is subject to data protection provisions under agreements with governments of other countries, the review and approval of this product is currently suspended.

Management Discussion and Analysis

Innovative Drug Products

- In April 2026, the Company's self-developed Class I innovative drug JY54 (amylin analog) received the Drug Clinical Trial Approval Notice issued by the NMPA, officially entering the clinical development stage. By binding to amylin receptors, it inhibits glucagon secretion, delays gastric emptying and reduces appetite, and is intended for weight management.
- During the Reporting Period, the Company's self-developed Class I innovative drug JY54-2 (amylin analog) completed pilot-scale process development and entered the non-clinical safety evaluation (toxicology) study stage. The product is a new-generation long-acting amylin analog that is stable at neutral pH, with the potential to be developed into combination formulations with other metabolic drugs such as GLP-1.
- During the Reporting Period, the Company's self-developed Class I innovative drug JY57 (long-acting FGF21 receptor agonist) completed pilot-scale process development and entered the non-clinical safety evaluation (toxicology) study stage. JY57 is a long-acting FGF21 receptor agonist (long-acting monthly formulation). By activating the fibroblast growth factor 21 (FGF21) signaling pathway, it regulates glucose and lipid metabolism, improves insulin sensitivity and reduces hepatic fat accumulation, and is intended for metabolic dysfunction-associated steatohepatitis (MASH).

Innovative Drug-Device Combination Products

- In March 2026, the product registration application for the Company's self-developed Class III medical device JY23 (multipotent biological bone containing rhBMP-2) was formally accepted by the NMPA and passed the registration inspection. Existing study results have demonstrated that the product has stable process quality and exhibits good efficacy and safety profiles.
- During the Reporting Period, the Company's self-developed Class III medical device JY23-2 (injectable rhBMP-2-integrated bone repair material) completed product finalization and process development, and entered the pilot-scale production stage. JY23-2 is the Company's new-generation bone repair product featuring an injectable formulation design, which delivers the product to bone defect sites through a minimally invasive injection approach. While maintaining osteoinductive, bone-filling and osteoconductive functions, it also provides structural support, and is intended for bone defect repair and other indications.
- During the Reporting Period, the national key R&D program special project "Diagnostic and Therapeutic Equipment and Biomedical Materials (診療裝備與生物醫用材料)" (Project No.: 2025YFC243500), in which the Company participates, was officially launched. As a key participating entity, the Company has undertaken the R&D tasks for two sub-projects.
- During the Reporting Period, the national key R&D program project "Research on Clinical Application Solutions for OLIF Based on Highly Osteoinductive Materials (基於高誘導成骨活性材料的OLIF臨床應用解決方案研究)" (Project No.: 2022YFC2407200), in which the Company participates, was implemented. The Company has been conducting regular activities to disseminate cutting-edge technologies and promote clinical standardization, unifying the clinical diagnostic and treatment standards for Oblique Lateral Interbody Fusion (OLIF), and helping to enhance the homogeneity of diagnostic and treatment capabilities across hospitals at all levels.



Management Discussion and Analysis

Biosimilars

- In February 2026, the marketing application for the Company's product candidate Jikeqin® was accepted by the NMPA and passed the registration inspection and registration testing. Jikeqin® is a semaglutide biosimilar, a long-acting glucagon-like peptide-1 (GLP-1) receptor agonist, which exerts multiple mechanisms of action by mimicking the physiological effects of endogenous GLP-1 hormones, including promoting insulin secretion, inhibiting glucagon release, suppressing appetite and delaying gastric emptying, thereby improving glycemic control and achieving weight management.
- During the Reporting Period, the Company's self-developed JY43-2 (daratumumab subcutaneous injection formulation) completed industrial-scale-up production studies and entered the non-clinical evaluation preparation stage. The Company is continuously advancing process development, quality studies and preparations for registration submission. JY43-2 is a subcutaneous-administered biosimilar of daratumumab containing recombinant human hyaluronidase, and is intended for indications including multiple myeloma.

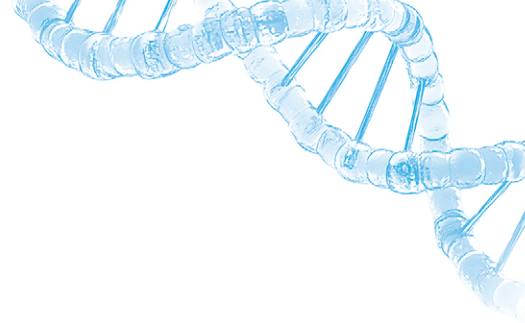
Intellectual Property

In 2026, the Company iterated and upgraded its intellectual property management system to further enhance the digitalized and standardized management throughout the entire intellectual property lifecycle. Meanwhile, a collaborative R&D database was established within the upgraded system to build a regularized and in-depth collaboration mechanism, ensuring information sharing and communication across the entire project R&D process. During the Reporting Period, the Company made new progress in intellectual property layout, with one new domestic patent application and three PCT international patent applications filed:

- For the Class I innovative drug JY54-2 (long-acting amylin analog): one new PCT international patent application was filed, covering the core compound molecular structure and its application in the treatment of metabolic diseases.
- For the Class III medical device JY23-2 (injectable rhBMP-2-integrated bone repair material): one new PCT international patent application was filed, covering the device, its preparation and uses.
- For the Class I new drug JY57 (long-acting FGF21 receptor agonist): one new PCT international patent application was filed, covering the core compound molecular structure, preparation method and therapeutic use.

Internationalization Progress

In the first half of 2026, the Company closely aligned with its internationalization strategy for core products and comprehensively accelerated its overseas market expansion. During the Reporting Period, the Company made significant progress in advancing the commercialization of its core products in relevant Southeast Asian countries. In April, the Company achieved its first export of Guyoudao to Indonesia, marking a solid step forward in the internationalization of the Company's BMP-2 series products. Concurrently, the Company successively entered into exclusive distribution agreements for semaglutide with leading enterprises in multiple countries in the region, further expanding channels for the entry of GLP-1 products into emerging markets. In the Latin American market, the Company is actively advancing the semaglutide formulation project in collaboration with Kexing Biopharm. In the North American market, the collaboration project with Nanjing King-Friend on PEGylation human granulocyte colony-stimulating factor is being actively advanced.



Management Discussion and Analysis

Production and Quality

During the Reporting Period, the Company coordinated and implemented activities related to various verifications, on-site inspections and process validation, and successfully completed multiple compliance quality inspections, covering all therapeutic biologics, small-volume injections and products selected in the National Volume-Based Procurement. The inspections were conducted in strict accordance with key regulatory requirements, including MAH management, production and capacity assurance, production process compliance, and post-marketing product quality consistency. The Company continued to strictly adhere to quality standards, achieving stable and high-quality production, solidifying the foundation of quality control, and providing solid production capacity support for operating revenue. Focusing on the two core product portfolios of orthopedics and metabolism, the Company continued to advance production line technological iteration and capacity upgrades: the technical transformation project for the orthopedic product series has officially commenced construction; the intelligent transformation project for semaglutide products has completed all construction and fire safety acceptance; and the intelligent transformation project for the biologics production workshop has completed installation and entered the commissioning and validation stage.

With a focus on internationalization, the Company carried out GMP management enhancements in line with the requirements of EU, FDA and PIC/S Quality Management Standards as well as the New Version of GMP Annex on Sterile Products (Draft for Comment). Meanwhile, in response to the regulatory and policy requirements for quality management in the pharmaceutical industry, the Company simultaneously initiated the implementation of a Document Management System (DMS) and a Training Management System (TMS), progressively building an integrated quality digital platform. The project focuses on comprehensively enhancing quality management capabilities as a core initiative, continuing to advance the Company's digital transformation of quality management, optimizing full-chain business processes, and building an efficient and compliant production and operation system.

Future and Outlook

Amid the complex and volatile macroeconomic landscape, we will maintain strategic focus in the second half of 2026, closely focusing operations on the themes of "innovation upgrading, channel penetration, and cost reduction and expense control". On the R&D front, the Company will ensure the smooth advancement of its core R&D pipeline, including the Phase I clinical trial of JY54 (long-acting amylin analog), the initiation of clinical trials for JY54-2 (long-acting amylin analog), the IND applications for JY57 (long-acting FGF21 receptor agonist) and JY43-2 (daratumumab subcutaneous injection formulation), and the marketing approval of JY23 (multipotent biological bone containing rhBMP-2). On the commercialization front, the Company will continue to promote the penetration of its core products into secondary and tertiary medical institutions and expand into county-level markets, while comprehensively strengthening sales compliance management during the expansion process to ensure a balance between business growth and risk control. On the internationalization front, the Company will continue to increase its efforts in exporting core products to emerging markets such as Southeast Asia, while gradually expanding into the European and U.S. markets. On the operations front, the Company has initiated a project to establish a personnel efficiency evaluation and improvement target system, breaking down the boundaries of traditional human resources management to build a refined personnel efficiency evaluation matrix.

Overall, as the impact of a series of pharmaceutical policies gradually subsides, the Company is confident in maintaining steady operations in the second half of 2026 and continuing to create value for its shareholders.



Management Discussion and Analysis

FINANCIAL REVIEW

Revenue

During the Reporting Period, our revenue was RMB631.0 million, representing a decrease of 1.2% as compared to RMB638.8 million for the same period of 2025. The slight decrease in revenue was mainly attributable to a decrease in revenue from sales of goods.

Sale of Goods

Revenue from sales of goods decreased by 5.0% from RMB621.8 million in the six months ended June 30, 2025 to RMB590.4 million in the six months ended June 30, 2026, primarily due to a decrease in the average selling price of the Guyoudao.

Pharmaceutical Services

Revenue from pharmaceutical services increased by 138.2% from RMB17.0 million in the six months ended June 30, 2025 to RMB40.5 million in the six months ended June 30, 2026, primarily due to a significant increase in the volume of commissioned manufacturing.

Cost of Sales

Our cost of sales increased by 4.8% from RMB113.6 million in the six months ended June 30, 2025 to RMB119.0 million in the six months ended June 30, 2026, primarily due to an increase in related costs arising from the increase in revenue from commissioned manufacturing.

Gross Profit and Gross Profit Margin

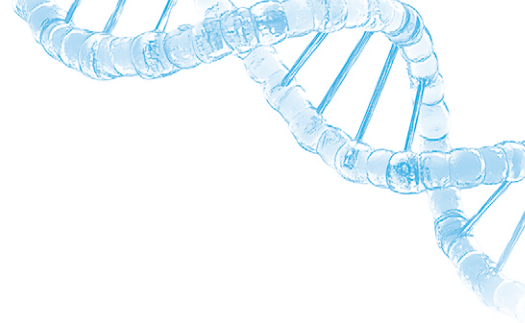
As a result of the foregoing, our gross profit decreased by 2.5% from RMB525.2 million in the six months ended June 30, 2025 to RMB511.9 million in the six months ended June 30, 2026. Our gross profit margin decreased from 82.2% in the six months ended June 30, 2025 to 81.1% in the six months ended June 30, 2026, primarily due to an increase in commissioned manufacturing business with lower gross profit margin.

Other Income and Gains

Our other income and gains decreased from RMB15.8 million in the six months ended June 30, 2025 to RMB5.4 million in the six months ended June 30, 2026, primarily due to an increase in exchange losses resulting from changes in foreign exchange rates.

Selling and Marketing Expenses

Our selling and marketing expenses decreased from RMB345.4 million in the six months ended June 30, 2025 to RMB314.8 million in the six months ended June 30, 2026, primarily due to a reduction in marketing and promotion expenses.



Management Discussion and Analysis

Administrative Expenses

Our administrative expenses decreased from RMB30.2 million in the six months ended June 30, 2025 to RMB24.9 million in the six months ended June 30, 2026, primarily due to the Company's cost reduction and efficiency enhancement initiatives which reduced administrative expenses.

Research and Development Costs

Our research and development costs increased from RMB49.6 million in the six months ended June 30, 2025 to RMB69.3 million in the six months ended June 30, 2026, primarily due to increased investments as our R&D projects progressed.

Other Expenses

Our other expenses decreased from RMB8.9 million in the six months ended June 30, 2025 to RMB1.4 million in the six months ended June 30, 2026, primarily due to a decrease in credit impairment losses.

Finance Costs

Our finance costs increased from RMB2.7 million in the six months ended June 30, 2025 to RMB2.8 million in the six months ended June 30, 2026, primarily due to an increase in interest expenses arising from new lease liabilities.

Income Tax Expense

Our income tax expense decreased from RMB14.1 million in the six months ended June 30, 2025 to RMB12.8 million in the six months ended June 30, 2026, primarily due to an increase in R&D expenses, which increased the additional deductible allowance for R&D costs and thus reduced income tax expense.

Liquidity and Capital Resources

The Company maintained a sound financial position. As of June 30, 2026, we had cash and cash equivalents of RMB331.4 million, time deposits with original maturity over three months of RMB300.2 million, totaling RMB631.6 million (as of December 31, 2025: RMB348.7 million, RMB302.2 million and RMB650.9 million, respectively). As of June 30, 2026, the Company had a balance of interest-bearing bank borrowings of RMB132.4 million (as of December 31, 2025: RMB102.6 million). As of June 30, 2026, the gearing ratio of the Company (total liabilities divided by total assets) was 21.7% (as of December 31, 2025: 22.2%).

Currently, the Company follows a set of funding and treasury policies to manage its capital resources and prevent risks involved. The Company expects to fund its working capital and other capital requirements from a combination of various sources, including but not limited to internal financing and external financing at reasonable market rates. In order to better control and minimize the cost of funds, the Company's treasury activities are centralized and all cash transactions are conducted with reputable banks.

Most assets and liabilities of the Company are denominated in RMB, HKD, USD and Euro. Currently, the Company does not employ any financial instruments or enter into any foreign exchange contracts to hedge against foreign exchange risk. However, by closely monitoring the net exposure of foreign exchange risk, the Company manages the foreign exchange risk, thus minimizing the impact of foreign exchange fluctuations.



Management Discussion and Analysis

Charges on Company Assets

As of June 30, 2026, certain of our bank borrowings were secured by our buildings and leasehold land with carrying amounts of RMB137.5 million and nil, respectively.

Significant Investments, Material Acquisition and Disposal

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

Future Plans for Material Investments or Capital Assets

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

Contingent Liabilities

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

Employee Remuneration and Relations

As of June 30, 2026, the Company had a total of 1,787 full-time employees. We are committed to making sure that working conditions throughout our business network are safe and that employees are treated with care and respect. We believe we offer our employees competitive compensation packages, reflecting our stakeholder-centric ethos which we believe leads to sustainable and durable growth. As required by PRC regulations, we participate in various government statutory employee benefit plans, including social insurances, namely pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, and housing provident funds. We are required under PRC law to make contributions to employee benefit plans at specified percentages of the salaries, bonuses and certain allowances of our employees, up to a maximum amount specified by the local government regulations from time to time. Our compensation package also comprises year-end bonuses, communication, transport and meal allowances, staff dormitories, paid leave, and holiday benefits. In addition, we provide career development opportunities and promote an innovative, collaborative, and productive work environment, which we believe fosters long-lasting self-motivation for our employees.

Our employees typically enter into standard employment contracts with us. We place a high value on recruiting, training, and retaining qualified employees. We maintain high standards in selecting and recruiting talent worldwide and provide competitive compensation packages. Remuneration packages for our employees mainly comprise base salary and performance-based bonuses. To maintain and enhance the quality, knowledge and skill levels of our workforce as well as their familiarity with industry quality standards and work safety standards, we provide our employees with periodic training, including orientation programs for new employees, technical training, professional and management training, and health and safety training.

Corporate Governance and Other Information

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 the Directors or chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (with the meaning of Part XV of the SFO) which have been 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 which have been entered in the register required to be kept pursuant to Section 352 of the SFO, or which shall be required to be notified to the Company and the Stock Exchange pursuant to the Model Code are as follows:

Name of Director or Chief Executive of the Company	Nature of Interest	Number of H Shares Held or Interested	Approximate Percentage of Shareholding in the Company ⁽¹⁾
Mr. Fu Hang (傅航) ⁽²⁾	Interest in a controlled corporation	5,031,098	2.05%

Notes:

- (1) The calculation is based on the total number of 245,398,800 H Shares in issue (including 4,760,600 treasury Shares) as at June 30, 2026. All interests stated are long positions. Upon completion of the H Share Full Circulation on May 14, 2026, all Unlisted Shares have been converted into H Shares.
- (2) As at June 30, 2026, Mr. Fu Hang was the general partner who held 34.68% partnership interests in Nanbeiju. Following completion of the H Share Full Circulation, Nanbeiju directly held 5,031,098 H Shares. Accordingly, Mr. Fu Hang was deemed to be interested in such H Shares under the SFO.

Save as disclosed above, as at June 30, 2026, no other Directors, Supervisors and chief executive of the Company had any interests and/or short positions in the Shares, underlying Shares and debentures of the Company and any interests and/or short positions in shares, underlying shares or debentures of any of the Company's 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/or short positions which they are taken or deemed to have under such provisions of the SFO), (ii) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or (iii) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange:

Corporate Governance and Other Information

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as the Directors are aware, as at June 30, 2026, the following persons (other than the Directors, Supervisors or chief executive of the Company as disclosed above) had interests and/or short positions in the Shares or the underlying Shares which would fall 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 would be recorded in the register required to be kept under Section 336 of the SFO, or, who are, directly or indirectly interested in 5% or more of the nominal value of any class of the share capital carrying rights to vote in all circumstances at general meetings of the Company:

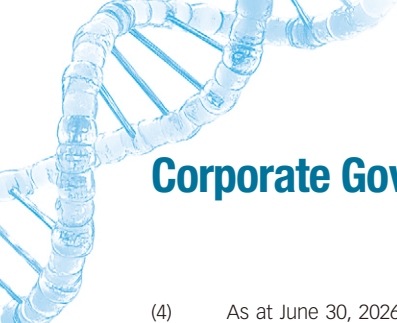
Name of Shareholder	Nature of Interest	Number of H Shares Held or Interested	Approximate Percentage of Shareholding in the Company ⁽¹⁾
Zhongmei Huadong	Beneficial owner	42,120,453	17.16%
Huadong Medicine	Interest in a controlled corporation ⁽²⁾	42,120,453	17.16%
China Grand Enterprises, Inc. (中國遠大集團有限責任公司)	Interest in a controlled corporation ⁽²⁾	42,120,453	17.16%
Beijing Yuanda Huachuang Investment Group Co., Ltd. (北京遠大華創投資集團有限公司)	Interest in a controlled corporation ⁽²⁾	42,120,453	17.16%
Hu Kaijun (胡凱軍)	Interest in a controlled corporation ⁽²⁾	42,120,453	17.16%
Hangzhou Huasheng	Beneficial owner	32,498,151	13.24%
Hangzhou Wanyuhe Pharmaceutical Technology Co., Ltd. (杭州萬裕和醫藥科技有限公司)	Interest in a controlled corporation ⁽³⁾	32,498,151	13.24%
Li Bangliang (李邦良)	Beneficial owner;	2,333,184	0.95%
	interest in a controlled corporation ⁽³⁾	32,498,151	13.24%
CQFE	Beneficial owner	30,000,000	12.22%
Heda HK	Beneficial owner	12,400,400	5.05%
Hangzhou Heda Jinyuan Equity Investment Fund Partnership Enterprise (Limited Partnership) (杭州和達金源股權投資基金合夥 企業(有限合夥))	Interest in a controlled corporation ⁽⁴⁾	12,400,400	5.05%
Hangzhou Heda Industry Fund Investment Co., Ltd. (杭州和達產業基金投資有限公司)	Interest in a controlled corporation ⁽⁴⁾	12,400,400	5.05%
Hangzhou Hegang Venture Capital Co., Ltd. (杭州和港創業投資有限公司)	Interest in a controlled corporation ⁽⁴⁾	12,400,400	5.05%

Corporate Governance and Other Information

Name of Shareholder	Nature of Interest	Number of H Shares Held or Interested	Approximate Percentage of Shareholding in the Company ⁽¹⁾
Hangzhou Heda Investment Management Co., Ltd. (杭州和達投資管理有限公司)	Interest in a controlled corporation ⁽⁴⁾	12,400,400	5.05%
Hangzhou Heda Financial Services Group Co., Ltd. (杭州和達金融服務集團有限公司)	Interest in a controlled corporation ⁽⁴⁾	12,400,400	5.05%
Hangzhou Qiantang New Area Industrial Development Group Co., Ltd. (杭州錢塘新區產業發展集團有限公司)	Interest in a controlled corporation ⁽⁴⁾	12,400,400	5.05%
Hangzhou Qiantang New Area Management Committee (杭州錢塘新區管理委員會)	Interest in a controlled corporation ⁽⁴⁾	12,400,400	5.05%
Zhejiang Wangxin Insigma Technology Co., Ltd. (浙大網新科技股份有限公司)	Beneficial owner	24,513,775	9.99%
	Interest in a controlled corporation ⁽⁵⁾	24,513,775	9.99%
Hangzhou Investment	Beneficial owner	17,429,338	7.10%

Notes:

- (1) The calculation is based on the total number of 245,398,800 H Shares in issue (including 4,760,600 treasury Shares) as at June 30, 2026. All interests stated are long positions. Upon completion of the H Share Full Circulation on May 14, 2026, all Unlisted Shares have been converted into H Shares.
- (2) As at June 30, 2026, Zhongmei Huadong was wholly owned by Huadong Medicine. Huadong Medicine was owned as to 41.67% by China Grand Enterprises, Inc. (中國遠大集團有限責任公司). China Grand Enterprises, Inc. was in turn owned as to 92.97% by Beijing Yuanda Huachuang Investment Group Co., Ltd. (北京遠大華創投資集團有限公司), a wholly owned company of Mr. Hu Kaijun (胡凱軍). As such, each of Huadong Medicine, China Grand Enterprises, Inc., Beijing Yuanda Huachuang Investment Group Co., Ltd. and Hu Kaijun was deemed to be interested in the 42,120,453 Shares directly held by Zhongmei Huadong under the SFO.
- (3) As at June 30, 2026, Hangzhou Huasheng was owned as to 100% by Hangzhou Wanyuhe Pharmaceutical Technology Co., Ltd. (杭州萬裕和醫藥科技有限公司), which was owned as to 99% by Mr. Li Bangliang (李邦良). As such, each of Hangzhou Wanyuhe Pharmaceutical Technology Co., Ltd. and Mr. Li Bangliang was deemed to be interested in the 32,498,151 H Shares directly held by Hangzhou Huasheng under the SFO. Mr. Li Bangliang also directly held 2,333,184 H Shares and was therefore interested in an aggregate of 34,831,335 H Shares.



Corporate Governance and Other Information

- (4) As at June 30, 2026, Heda HK was wholly owned by Hangzhou Heda Jinyuan Equity Investment Fund Partnership Enterprise (Limited Partnership) (杭州和達金源股權投資基金合夥企業(有限合夥)) (“Hangzhou Heda”), a limited liability partnership established under the laws of the PRC. As of the date of this interim report, Hangzhou Heda was held as to (i) 99.95% by Hangzhou Heda Industry Fund Investment Co., Ltd. (杭州和達產業基金投資有限公司) (“Heda Industry Fund”) as its limited partner, and (ii) 0.05% by Hangzhou Heda Investment Management Co., Ltd. (杭州和達投資管理有限公司) (“Heda Investment Management”) as its general and executive partner, respectively. Heda Industry Fund was wholly owned by Hangzhou Hegang Venture Capital Co., Ltd. (杭州和港創業投資有限公司), which was in turn wholly owned by Hangzhou Qiantang New Area Industrial Development Group Co., Ltd. (杭州錢塘新區產業發展集團有限公司) (“Qiantang New Area Industrial”). Heda Investment Management was owned as to 90% by Hangzhou Heda Financial Services Group Co., Ltd. (杭州和達金融服務集團有限公司), which was in turn wholly owned by Qiantang New Area Industrial. Qiantang New Area Industrial was owned as to 90% directly by Hangzhou Qiantang New Area Management Committee (杭州錢塘新區管理委員會). As such, each of Hangzhou Heda, Heda Industry Fund, Heda Investment Management, Hangzhou Hegang Venture Capital Co., Ltd., Qiantang New Area Industrial, Hangzhou Heda Financial Services Group Co., Ltd. and Hangzhou Qiantang New Area Management Committee was deemed to be interested in the 12,400,400 Shares directly held by Heda HK under the SFO.
- (5) As at June 30, 2026, Zhejiang Wangxin was wholly owned by Insigma Technology Co., Ltd. (浙大網新科技股份有限公司). As such, Insigma Technology Co., Ltd. was deemed to be interested in the 24,513,775 Shares directly held by Zhejiang Wangxin under the SFO.

Save as disclosed above, the Directors are not aware of any person who had an interest and/or short position in the Shares or the underlying Shares which would fall 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 would be recorded in the register required to be kept under Section 336 of the SFO, or, who are, directly or indirectly interested in 5% or more of the nominal value of any class of the share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of the Group.

DIRECTORS’ AND SUPERVISORS’ RIGHTS TO ACQUIRE SHARES OR DEBENTURES

No arrangement has been made by the Company, its holding company, or any of its subsidiaries for any Director or Supervisor to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other corporate body during the Reporting Period, and none of the Directors, Supervisors, their spouses, or their children under the age of 18 have the right to subscribe for the share capital or debt securities of the Company or any other legal entity, nor have they exercised such rights.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The net proceeds from the global offering by the Company (after deducting the underwriting fees and related Listing expenses) amounted to approximately HK\$478.66 million (equivalent to RMB442.28 million)⁽¹⁾, and the balance of unutilized net proceeds is approximately RMB320.27 million as at June 30, 2026.

Corporate Governance and Other Information

The net proceeds have been and will be utilized in accordance with the purposes set out below. Any discrepancies in this table between the total and sums of amounts are due to rounding.

Use of Proceeds		Allocation of Net Proceeds (HK\$ in million)	Allocation of Net Proceeds (RMB in million)	Utilized Amount during the Reporting Period (RMB in million)	Utilized Amount (as of June 30, 2026) (RMB in million)	Unutilized Amount (as of June 30, 2026) (RMB in million)	Expected Timeline for Full Utilization of the Unutilized Net Proceeds
For continued research and development of our selected product candidates in our strategically focused therapeutic areas⁽²⁾	44.5%	213.22	197.01	17.33	49.80	147.21	December 2029
For continued research and development of our selected metabolic disease product candidates that are currently at preclinical stage, pending the initiation of clinical trials, or pending NDA ⁽²⁾	30.6%	146.44	135.31	10.71	34.65	100.66	December 2029
For continued research and development of our selected orthopedic product candidates that are currently at preclinical stage	9.1%	43.56	40.25	3.24	8.72	31.53	December 2029
For continued research and development of our selected oncology product candidates that are currently at preclinical stage or pending the initiation of clinical trials ⁽²⁾	4.8%	23.22	21.46	3.38	6.43	15.03	December 2029
For marketing and commercialization of our existing and near-commercialized products	29.9%	143.07	132.20	14.51	31.88	100.32	December 2029
For expansion of our sales and marketing team	24.9%	119.23	110.17	13.28	26.89	83.28	December 2029
For intensifying market publicity and development of our marketed product	5.0%	23.84	22.03	1.23	4.99	17.03	December 2029
For strategic collaboration to enrich our product portfolio in our targeted therapeutic areas	10.0%	47.67	44.05	0.00	0.00	44.05	December 2029
For our manufacturing system to construct new production lines, and to upgrade and further automate our existing production facilities to prepare for the potential increase in demand for our products and the launch of new products⁽²⁾	5.7%	27.02	24.97	0.66	1.75	23.22	December 2029
For working capital and other general corporate purposes	10.0%	47.67	44.05	7.67	38.58	5.47	December 2029
Wages and salaries	8.4%	40.05	37.00	7.67	33.79	3.21	December 2029
Procurement of APIs	1.5%	7.15	6.61	0.00	4.74	1.87	December 2029
Labor monitoring	0.1%	0.47	0.44	0.00	0.05	0.39	December 2029
Total	100.0%	478.66	442.28	40.17	122.01	320.27	

Notes:

- (1) The net proceeds were received in HKD and translated to RMB at the rate of HKD1.00 to RMB0.924 quoted by the People's Bank of China for foreign exchange transactions prevailing on November 28, 2024 for illustration purpose.
- (2) On September 18, 2026, the Shareholders approved the proposed change in use of the unutilized Net Proceeds at the extraordinary general meeting of the Company. The change in use of the unutilized Net Proceeds was primarily driven by the Company's current financial position and business plans. Following such adjustments, an aggregate of approximately RMB118.68 million of the unutilized Net Proceeds was reallocated, comprising (i) RMB95.47 million for the continued research and development of JY57 and JY54; and (ii) RMB23.22 million for production line renovation. For more details, please refer to (i) the announcement of the Company dated August 19, 2026 and the circular of the Company dated August 31, 2026 in relation to, among other things, the proposed change in use of the unutilized Net Proceeds, and (ii) the poll results announcement of the Company dated September 18, 2026.

Corporate Governance and Other Information

H SHARE FULL CIRCULATION

On April 2, 2026, the China Securities Regulatory Commission ("CSRC") issued a filing notice ("Filing Notice") to the Company regarding the application submitted by the Company to the CSRC for converting a total of 136,302,015 unlisted Shares into H Shares and listing such Shares on the Stock Exchange (the "H Share Full Circulation"). According to the Filing Notice, the CSRC filing in respect of the H Share Full Circulation was completed. Furthermore, the listing approval was granted by the Stock Exchange on May 8, 2026. The H Share Full Circulation was completed on May 14, 2026, and the listing of the converted H Shares on the Stock Exchange commenced at 9:00 a.m. on May 15, 2026.

Please refer to the announcements of the Company dated December 2, 2025, December 22, 2025, April 2, 2026, May 8, 2026 and May 14, 2026, and the circular of the Company dated December 2, 2025 for details.

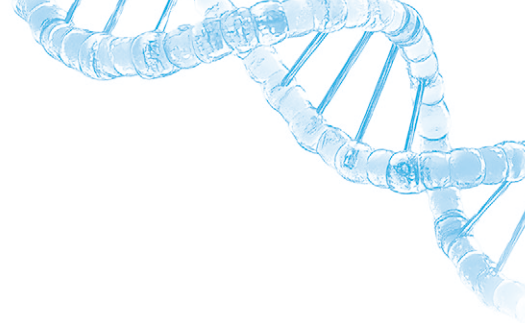
PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

During the Reporting Period, the Company had repurchased a total of 4,760,600 H Shares as treasury shares on the Stock Exchange for an aggregate consideration (including transaction cost) of HK\$45,523,839.5. The repurchases were made with a view to increasing the net asset value per Share and earnings per Share. Subject to compliance with the Listing Rules, the Company may consider applying such treasury Shares for resale, consideration of future acquisitions, funding share schemes of the Company, or may cancel such treasury Shares. As of June 30, 2026, there were 4,760,600 treasury shares held by the Company.

Particulars of the Shares repurchased are summarized as follows:

Month of Repurchase	No. of Shares Repurchased	Price Paid per Share		Aggregate Consideration HK\$
		Highest	Lowest	
		HK\$	HK\$	
January	774,400	10.6	8.0	7,638,374.8
February	3,108,000	10.7	9.8	32,567,001.7
June	878,200	6.1	5.6	5,318,463.0
Total	4,760,600			45,523,839.5

Save as disclosed above, neither the Company nor its subsidiary purchased, sold or redeemed any Shares (including any sale of treasury Shares) during the six months ended June 30, 2026.



Corporate Governance and Other Information

CONVERTIBLE BONDS

During the Reporting Period, the Group did not issue any convertible bonds.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

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

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

Pursuant to code provision C.2.1 of Part 2 of the CG Code, companies listed on the Stock Exchange are expected to comply with but may choose to deviate from the requirement that the responsibilities between the chairman and the general manager should be segregated and should not be performed by the same individual. We do not have a separate chairman and general manager and Mr. Fu Hang currently performs these two roles. The Board believes that vesting the roles of both the chairman and general manager in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. In addition, all major decisions are made in consultation with members of the Board, including the relevant Board committees, and four independent non-executive Directors. The Board will continue to review and consider splitting the roles of the chairman of the Board and the general manager of the Company if and when it is appropriate taking into account the circumstances of the Group as a whole.

In order to maintain a high standard of corporate governance, the Board will continue to review and monitor the operation of the Company.

ABOLISHMENT OF THE SUPERVISORY COMMITTEE AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION

At the annual general meeting held on June 15, 2026, the Shareholders approved the abolishment of the Supervisory Committee and the corresponding amendments to the Articles of Association and the relevant rules of procedures. The abolishment and the amendments took effect on June 15, 2026. Following the abolishment, the functions and powers of the Supervisors are exercised by the Audit Committee in accordance with the amended Articles of Association.



Corporate Governance and Other Information

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

The Company has adopted the Model Code to regulate all dealings by the Directors, the former Supervisors (from the beginning of the Reporting Period until the abolishment of the Supervisory Committee on June 15, 2026) and relevant employees who, because of such office or employment, are likely to possess inside information in relation to the Company or its securities. The Company has also devised its own code of conduct regarding dealings in the Company's securities (the "Code of Conduct") on terms no less exacting than the Model Code.

Specific enquiries have been made of all the Directors and the former Supervisors. All Directors confirmed that they had complied with the Code of Conduct throughout the Reporting Period, and all former Supervisors confirmed that they had complied with the Code of Conduct from the beginning of the Reporting Period until the abolishment of the Supervisory Committee on June 15, 2026. No incident of non-compliance with the Model Code by the relevant employees was noted by the Company during the Reporting Period.

CHANGES IN INFORMATION OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE OF THE COMPANY

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in the information of the Directors, the Supervisors (from the beginning of the Reporting Period until the abolishment of the Supervisory Committee on June 15, 2026) and the chief executive of the Company during the Reporting Period and up to the date of this interim report are set out below: (i) Dr. Huang Wenli (黃文禮) was appointed as an independent non-executive Director with effect from June 15, 2026; (ii) following the abolishment of the Supervisory Committee with effect from June 15, 2026, Mr. Ye Jiancai (葉建才), Mr. Xu Feihu (徐飛虎) and Ms. Zhao Fei (趙飛) ceased to serve as Supervisors with effect from the same date; and (iii) Mr. Xu Feihu (徐飛虎) was elected as an employee representative Director with effect from June 15, 2026. Save as disclosed above, there were no other material changes required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

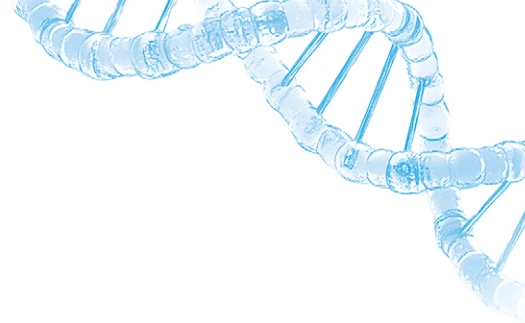
REVIEW OF INTERIM RESULTS BY THE AUDIT COMMITTEE

The Company has established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of the Group and provide advice and comments to the Board. The Audit Committee comprises three independent non-executive Directors, namely, Mr. Zhou Zhihui, Ms. Ho Mei Yi and Dr. Zhou Demin, with Mr. Zhou Zhihui (being our independent non-executive Director with the appropriate professional qualifications) as chairman of the Audit Committee in compliance with Rules 3.10(2) and 3.21 of the Listing Rules.

The Audit Committee has considered and reviewed the unaudited interim financial information for the Reporting Period and the accounting principles and practices adopted by the Group and has discussed with the management on issues in relation to internal control, risk management and financial reporting.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

As of June 30, 2026, the Company did not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.



Corporate Governance and Other Information

INTERIM DIVIDENDS

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

EVENTS AFTER THE REPORTING PERIOD

During the period from July 2, 2026 to July 15, 2026 and as of the date of this interim report, the Company had repurchased a total of 813,800 H Shares on the Stock Exchange for a total consideration of HK\$4,761,562.1 All such repurchased H Shares were held by the Company as treasury Shares. The repurchases were made with a view to increasing the net asset value per Share and earnings per Share.

Reference is made to the announcement of the Company dated August 19, 2026 and the circular of the Company dated August 31, 2026 in relation to, among other things, the proposed change in use of the unutilized Net Proceeds (the "Circular"). On September 18, 2026, the Shareholders approved the proposed change in use of the unutilized Net Proceeds at the extraordinary general meeting of the Company. Following such approval, an aggregate of approximately RMB118.68 million of the unutilized Net Proceeds was reallocated, comprising (i) RMB95.47 million for the continued research and development of JY57 and JY54; and (ii) RMB23.22 million for production line renovation. The Company will apply the relevant unutilized Net Proceeds in accordance with the revised allocation and expected timeline as disclosed in the Circular.

In view of the anticipated launch of the Company's products for the treatment of diabetes, obesity and overweight, the Company may consider offering complementary health and nutritional food products, such as pre-packaged meal replacement products, to provide consumers with a broader range of choices for dietary and weight management. To provide the Company with flexibility to pursue such potential business initiatives, on September 18, 2026, the Shareholders approved the amendments to the Articles of Association at the extraordinary general meeting of the Company to expand the Company's business scope to include food sales, including the sale of pre-packaged food products.

Save as disclosed above and in this interim report, there were no material subsequent events after the Reporting Period and up to the date of this interim report.

By order of the Board

Hangzhou Jiuyuan Genetic Biopharmaceutical Co., Ltd.

杭州九源基因生物醫藥股份有限公司

Mr. Fu Hang

Chairman of the Board, Executive Director and General Manager

Hangzhou, PRC

September 23, 2026

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2026

	Notes	Six months ended 30 June	
		2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
REVENUE	4	630,951	638,778
Cost of sales		(119,016)	(113,559)
Gross profit		511,935	525,219
Other income and gains		5,422	15,835
Selling and marketing expenses		(314,819)	(345,364)
Administrative expenses		(24,892)	(30,183)
Research and development costs		(69,295)	(49,627)
Other expenses		(1,425)	(8,928)
Finance costs		(2,840)	(2,689)
PROFIT BEFORE TAX	5	104,086	104,263
Income tax expense	6	(12,817)	(14,089)
PROFIT FOR THE PERIOD		91,269	90,174
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		91,269	90,174
Profit attributable to: Owners of the parent		91,269	90,174
Total comprehensive income attributable to: Owners of the parent		91,269	90,174
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)	8	0.38	0.37

Interim Condensed Consolidated Statement of Financial Position

30 June 2026

	Notes	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	9	363,717	340,926
Right-of-use assets		56,327	58,909
Intangible assets		228,767	208,498
Prepayments, other receivables and other assets		67,413	26,478
Total non-current assets		716,224	634,811
CURRENT ASSETS			
Inventories		157,468	155,461
Trade and bills receivables	10	577,232	644,075
Prepayments, other receivables and other assets		23,420	11,450
Due from related parties	14	48,625	21,317
Restricted bank deposits		20	20
Time deposits with original maturity over three months		300,223	302,167
Cash and cash equivalents		331,382	348,671
Total current assets		1,438,370	1,483,161
CURRENT LIABILITIES			
Trade payables	11	51,492	48,377
Lease liabilities		3,121	3,450
Other payables and accruals		171,329	206,601
Due to related parties	14	1,169	700
Interest-bearing bank borrowings		80,148	45,493
Contract liabilities		22,545	20,635
Tax payable		5,894	7,135
Total current liabilities		335,698	332,391
NET CURRENT ASSETS		1,102,672	1,150,770
TOTAL ASSETS LESS CURRENT LIABILITIES		1,818,896	1,785,581

Interim Condensed Consolidated Statement of Financial Position

30 June 2026

	Notes	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
NON-CURRENT LIABILITIES			
Lease liabilities		54,171	55,616
Interest-bearing bank borrowings		52,238	57,060
Other payables and accruals		9,436	9,196
Deferred tax liabilities		16,033	15,479
Total non-current liabilities		131,878	137,351
Net assets		1,687,018	1,648,230
EQUITY			
Equity attributable to owners of the parent			
Share capital	12	245,399	245,399
Treasury shares	12	(40,578)	—
Reserves		1,482,197	1,402,831
Total equity		1,687,018	1,648,230

Interim Condensed Consolidated Statement of Changes in Equity

Six months ended 30 June 2026 (unaudited)

	Attributable to owners of the parent						
	Share capital	Treasury shares	Share premium*	Share award reserve*	Surplus reserve*	Retained profits*	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2026 (audited)	245,399	–	1,112,250	15,147	28,917	246,517	1,648,230
Profit and total comprehensive income for the period	–	–	–	–	–	91,269	91,269
Final 2025 Dividend declared (note 7)	–	–	–	–	–	(13,766)	(13,766)
Shares repurchased	–	(40,578)	–	–	–	–	(40,578)
Equity-settled share award arrangements	–	–	–	1,863	–	–	1,863
At 30 June 2026 (unaudited)	245,399	(40,578)	1,112,250	17,010	28,917	324,020	1,687,018

Six months ended 30 June 2025 (unaudited)

	Attributable to owners of the parent					
	Share capital	Share premium	Share award reserve	Surplus reserve	Retained profits	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025 (audited)	245,399	1,112,250	9,601	15,076	135,685	1,518,011
Profit and total comprehensive income for the period	–	–	–	–	90,174	90,174
Final 2024 Dividend declared (note 7)	–	–	–	–	(13,734)	(13,734)
Equity-settled share award arrangements	–	–	2,815	–	–	2,815
At 30 June 2025 (unaudited)	245,399	1,112,250	12,416	15,076	212,125	1,597,266

* These reserve accounts comprise the consolidated reserves of RMB1,482,197,000 (unaudited) in the interim condensed consolidated statement of financial position as at 30 June 2026.

Interim Condensed Consolidated Statement of Cash Flows

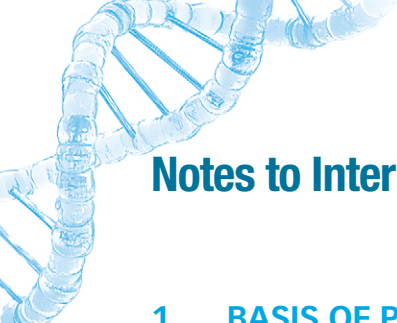
For the six months ended 30 June 2026

		Six months ended 30 June	
	Notes	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		104,086	104,263
Adjustments for:			
Finance costs	5	2,840	2,689
Interest income		(2,856)	(7,757)
Loss on disposal of items of property, plant and equipment	5	8	8
Equity-settled share award expense		1,863	2,815
Depreciation of property, plant and equipment	5	18,477	18,350
Depreciation of right-of-use assets	5	2,582	706
Amortisation of intangible assets	5	3,022	3,407
Impairment losses on financial assets, net	5	1,123	8,857
Investment income from financial assets at fair value through profit or loss ("FVTPL")		(5)	–
Write-down of inventories to net realisable value	5	719	1,029
Foreign exchange differences, net	5	3,167	(1,380)
		135,026	132,987
Increase in inventories		(2,726)	(3,028)
Decrease/(increase) in trade and bills receivables		66,146	(93,928)
Increase in prepayments, other receivables and other assets		(12,168)	(11,999)
Increase in amounts due from related parties		(27,544)	(7,739)
Increase in trade payables		3,115	51,822
Decrease in other payables and accruals		(44,306)	(30,564)
Increase in amounts due to related parties		469	388
Increase/(decrease) in contract liabilities		1,910	(7,808)
Cash generated from operations		119,922	30,131
Interest received		900	7,565
Income tax paid		(13,504)	(25,178)
Net cash flows from operating activities		107,318	12,518

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	3,900	–
Proceeds from disposal of FVTPL	8,675	–
Purchases of financial assets at FVTPL	(8,670)	–
Purchases of items of property, plant and equipment	(86,016)	(10,036)
Purchases of intangible assets	(23,291)	(36,111)
Placement of time deposits with original maturity over three months	(300,000)	(300,000)
Withdrawal of time deposits with original maturity over three months	300,000	–
Proceeds from disposal of items of property, plant and equipment	363	4
Net cash flows used in investing activities	(105,039)	(346,143)
CASH FLOWS FROM FINANCING ACTIVITIES		
New bank borrowings	70,400	95,300
Repayment of bank borrowings	(40,573)	(78,008)
Principal portion of lease payments	(2,750)	(931)
Interest paid	(1,858)	(2,532)
Payment of listing expenses	(1,042)	(83)
Dividend paid	–	(1,560)
Shares repurchased	(40,578)	–
Net cash flows (used in)/from financing activities	(16,401)	12,186
NET DECREASE IN CASH AND CASH EQUIVALENTS	(14,122)	(321,439)
Cash and cash equivalents at beginning of period	348,671	537,629
Effect of foreign exchange rate changes, net	(3,167)	1,380
CASH AND CASH EQUIVALENTS AT END OF PERIOD	331,382	217,570
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and cash equivalents as stated in the interim condensed consolidated statement of financial position	331,382	217,570
Cash and cash equivalents as stated in the interim condensed consolidated statement of cash flows	331,382	217,570



Notes to Interim Condensed Consolidated Financial Information

1. BASIS OF PREPARATION

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

2. CHANGES IN ACCOUNTING POLICIES

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

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

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

- (a) Amendments to HKFRS 9 and HKFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. Prior to the initial application of the amendments, the Group derecognised trade payables that were settled by cheques upon the issuance of cheques to creditors. Upon applying the amendments, trade payables that were settled by cheques are derecognised on the settlement date which is the date when the cheques are cleared by banks. The change in accounting policy did not have a material impact on the Group's interim condensed consolidated financial information. The change in accounting policy will be reflected in the Group's consolidated financial statements for the year ending 31 December 2026.
- (b) Amendments to HKFRS 9 and HKFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

Notes to Interim Condensed Consolidated Financial Information

2. CHANGES IN ACCOUNTING POLICIES (continued)

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

3. OPERATING SEGMENT INFORMATION

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

Geographical information

(a) Revenue from external customers

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Chinese mainland	615,228	613,541
Other countries/regions	15,723	25,237
Total revenue	630,951	638,778

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	30 June 2026	31 December 2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Chinese mainland	716,224	634,811

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Notes to Interim Condensed Consolidated Financial Information

3. OPERATING SEGMENT INFORMATION (continued)

Information about major customers

Revenue from the major customers (aggregated if under common control) which amounted to 10% or more of the Group's revenue is set out below:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Customer A	160,388	160,559

4. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	630,951	638,778

Notes to Interim Condensed Consolidated Financial Information

4. REVENUE (continued)

Revenue from contracts with customers

Disaggregated revenue information

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Types of goods or services		
Sale of goods	590,410	621,789
Pharmaceutical services	40,541	16,989
Total	630,951	638,778
Geographical markets		
Chinese mainland	615,228	613,541
Other countries/regions	15,723	25,237
Total	630,951	638,778
Timing of revenue recognition		
Transferred at a point in time	630,951	638,778

Notes to Interim Condensed Consolidated Financial Information

5. PROFIT BEFORE TAX

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

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cost of inventories sold	97,854	104,578
Cost of services provided	21,162	8,981
	119,016	113,559
Research and development costs	69,295	49,627
Depreciation of property, plant and equipment	18,477	18,350
Depreciation of right-of-use assets	2,582	706
Amortisation of intangible assets	3,022	3,407
Loss on disposal of items of property, plant and equipment	8	8
Write-down of inventories to net realisable value	719	1,029
Impairment losses on financial assets, net	1,123	8,857
Lease payments not included in the measurement of lease liabilities	1,010	650
Foreign exchange differences, net	3,167	(1,380)
Bank interest income	(2,856)	(7,757)
Government grants	(5,728)	(6,695)

Notes to Interim Condensed Consolidated Financial Information

6. INCOME TAX

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

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the EIT rate of the PRC subsidiary was 25% during the reporting period. The Company was accredited as a "High and New Technology Enterprise" ("HNTE") in 2021 and the certificate was extended in December 2023. Therefore, the Company was entitled to a preferential EIT rate of 15% for the reporting period. The qualification as a HNTE is subject to review by the relevant tax authority in the PRC every three years.

The income tax charge/(credit) of the Group during the reporting period is analysed as follows:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax – Chinese mainland		
Charge for the period	12,263	15,451
Deferred tax	554	(1,362)
Total tax charge	12,817	14,089

7. DIVIDENDS

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Final declared – RMB0.057 (2024: RMB0.056) per ordinary share	13,766	13,734

No interim dividend has been declared by the Company during the reporting period.

Notes to Interim Condensed Consolidated Financial Information

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 242,185,662 (2025: 245,398,800) outstanding during the period.

The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the period, as used in the basic earnings per share calculation.

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

The calculations of basic and diluted earnings per share are based on:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation	91,269	90,174
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic and diluted earnings per share calculation	242,185,662 [#]	245,398,800
Earnings per share (RMB per share)	0.38	0.37

[#] The weighted average number of shares was after taking into account the effect of treasury shares held.

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired property, plant and equipment at a cost of RMB41,639,000 (30 June 2025: RMB7,090,000).

Assets with a net book value of RMB371,000 were disposed of by the Group during the six months ended 30 June 2026 (30 June 2025: RMB1,895,000).

Notes to Interim Condensed Consolidated Financial Information

10. TRADE AND BILLS RECEIVABLES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade receivables	544,142	571,058
Bills receivable	15,143	21,133
Financial assets at fair value through other comprehensive income	30,113	63,627
Impairment	(12,166)	(11,743)
Net carrying amount	577,232	644,075

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

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 1 year	517,106	576,634
1 to 2 years	51,010	61,428
2 to 3 years	8,714	5,266
Over 3 years	402	747
Total	577,232	644,075

11. TRADE PAYABLES

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

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 1 year	51,420	48,343
Over 1 year	72	34
Total	51,492	48,377

The trade payables are non-interest-bearing and are normally settled within 60 days.

Notes to Interim Condensed Consolidated Financial Information

12. SHARE CAPITAL AND TREASURY SHARES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Share capital		
Issued and fully paid	245,399	245,399

Movements in the share capital and treasury shares were as follows:

	Number of shares outstanding	Number of treasury shares	Total	Share capital RMB'000	Treasury shares RMB'000
At 1 January 2025 (audited)	245,398,800	–	245,398,800	245,399	–
At 31 December 2025 and 1 January 2026 (audited)	245,398,800	–	245,398,800	245,399	–
Shares repurchased*	(4,760,600)	4,760,600	–	–	(40,578)
Subtotal	240,638,200	4,760,600	245,398,800	245,399	(40,578)
At 30 June 2026 (unaudited)	240,638,200	4,760,600	245,398,800	245,399	(40,578)

- * The Company purchased 4,760,600 of its shares on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) at a total consideration of HK\$45,523,839.5 (equivalent to RMB40,577,811.0) which was paid wholly out of retained profits in accordance with section 257 of the Hong Kong Companies Ordinance. As at 30 June 2026, the Group had 4,760,600 purchased shares classified as treasury shares.

Notes to Interim Condensed Consolidated Financial Information

13. COMMITMENTS

The Group had the following contracted commitments at the end of the reporting period:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Property, plant and equipment	103,462	71,796

14. RELATED PARTY TRANSACTIONS

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

	Notes	For the six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Shareholder:			
Pharmaceutical services	(i)	28,611	7,935
The entity controlled by a shareholder:			
Pharmaceutical services	(i)	3	–
The holding company of a shareholder:			
Sales of products	(iii)	20,275	19,827
Purchases of raw materials	(iii)	1,587	1,229
Purchases of devices	(iii)	167	161
Rental charges	(ii)	64	64
The entities controlled by the holding company of a shareholder:			
Sales of products	(iii)	3,127	2,173
Other related party:			
Purchases of production services	(iii)	618	–

Notes:

- (i) The pharmaceutical services provided to the related parties were conducted according to the agreed prices and conditions offered to the major customers of the Group.
- (ii) The rental charges with the holding company of a shareholder were made according to the agreed prices.
- (iii) The purchases from and sales to the related parties were made according to the agreed prices between the Group and its major suppliers and customers.

Notes to Interim Condensed Consolidated Financial Information

14. RELATED PARTY TRANSACTIONS (continued)

(b) Outstanding balances with related parties

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Due to related parties:		
The entity controlled by a shareholder	–	3
The holding company of a shareholder	1,169	697
Total	1,169	700
Due from related parties:		
Shareholders	22,692	12,045
The holding company of a shareholder	22,258	7,293
The entities controlled by the holding company of a shareholder	3,675	1,979
Total	48,625	21,317

Note:

The above balances with related parties are trade-in-nature, unsecured and interest-free.

(c) Compensation of key management personnel of the Group

	For the six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Salaries, allowances and benefits in kind	3,416	3,361
Performance related bonuses	1,416	1,947
Pension scheme contributions	217	215
Equity-settled share award expense	1,109	1,668
Total compensation paid to key management personnel	6,158	7,191

Notes to Interim Condensed Consolidated Financial Information

15. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Financial liabilities				
Interest-bearing bank borrowings	132,386	102,553	132,712	102,949

The fair values of the non-current portion of interest-bearing bank loans have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

Management has assessed that the fair values of cash and cash equivalents, financial assets included in prepayments, other receivables and other assets, amount due from related parties, trade and bills receivables, trade payables, the current portion of interest-bearing bank borrowings, amount due to related parties and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's finance department headed by the financial controller is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance department reports directly to the financial controller. At the reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the financial controller. The valuation process and results are discussed with the directors of the Company periodically for financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

The fair value of those not traded in an active market is determined by the Group using valuation techniques. The valuation model used is discounted cash flow model. The input of the valuation technique is future cash flows.

Notes to Interim Condensed Consolidated Financial Information

15. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 30 June 2026 (unaudited)

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Trade and bills receivables	–	30,113	–	30,113

As at 31 December 2025 (audited)

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Trade and bills receivables	–	63,627	–	63,627

Notes to Interim Condensed Consolidated Financial Information

15. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments: (continued)

Liabilities for which fair value is disclosed:

As at 30 June 2026 (unaudited)

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Interest-bearing bank borrowings	–	132,712	–	132,712

As at 31 December 2025 (audited)

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Interest-bearing bank borrowings	–	102,949	–	102,949

During the reporting period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.



Notes to Interim Condensed Consolidated Financial Information

16. EVENTS AFTER THE REPORTING PERIOD

During the period from July 2, 2026 to August 19, 2026, the Company had repurchased a total of 348,200 H Shares on the Stock Exchange for a total consideration of HK\$2,186,780.2. All such repurchased H Shares were held by the Company as treasury Shares.

17. APPROVAL OF ISSUANCE OF THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The unaudited interim condensed consolidated financial information was approved and authorised for issue by the Board of Directors on 19 August 2026.

