BAO PHARMA

上海寶濟藥業股份有限公司

Shanghai Bao Pharmaceuticals Co., Ltd.

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

Stock Code : 2659

2026

Interim Report

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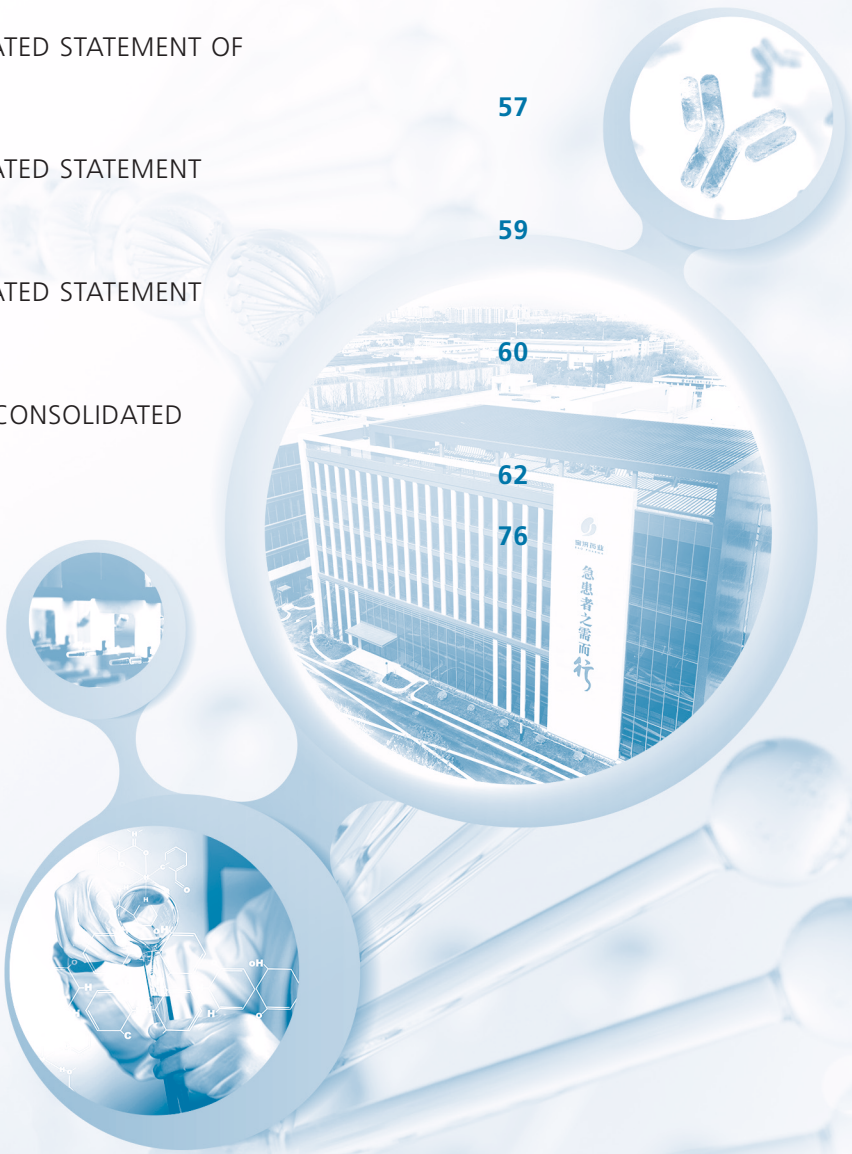

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Dr. Liu Yanjun (劉彥君) *(Chairman of the Board)*
Ms. Wang Zheng (王徵) *(Chief Executive Officer)*
Mr. Tan Jingwei (譚靖偉)
(resigned with effect from May 26, 2026)
Ms. Li Cui (李翠)

Non-executive Directors

Ms. Lin Chia-Ling (林佳陵)
Mr. Diao Juanhuan (刁雋桓)
Mr. Li Chen

Independent Non-executive Directors

Mr. Cai Zhongxi (蔡仲曦)
Dr. Zeng Fanyi (曾凡一)
Dr. Ju Dianwen (鞠佃文)
Mr. Zhang Senquan (張森泉)

Employee Representative Director

Mr. Sun Yuhua (孫玉華)
(appointed with effect from May 26, 2026)

AUDIT COMMITTEE

Mr. Zhang Senquan (張森泉) *(Chairperson)*
Mr. Diao Juanhuan (刁雋桓)
Dr. Ju Dianwen (鞠佃文)

REMUNERATION COMMITTEE

Dr. Ju Dianwen (鞠佃文) *(Chairperson)*
Ms. Wang Zheng (王徵)
Mr. Zhang Senquan (張森泉)

NOMINATION COMMITTEE

Mr. Cai Zhongxi (蔡仲曦) *(Chairperson)*
Dr. Liu Yanjun (劉彥君)
Dr. Zeng Fanyi (曾凡一)

STRATEGY COMMITTEE

Dr. Liu Yanjun (劉彥君) *(Chairperson)*
Ms. Li Cui (李翠)
Ms. Lin Chia-Ling (林佳陵)
Mr. Li Chen
Mr. Cai Zhongxi (蔡仲曦)

SUPERVISORY COMMITTEE

(abolished on May 26, 2026)
Mr. Lou Junwen (樓俊文) *(Chairperson)*
(ceased to be a Supervisor on May 26, 2026)
Mr. Cheng Yu (成裕)
(ceased to be a Supervisor on May 26, 2026)
Ms. Cai Qingqing (蔡清清)
(ceased to be a Supervisor on May 26, 2026)

JOINT COMPANY SECRETARIES

Ms. Li Cui (李翠)
Ms. Fong Christine Haiman (方希琳)
(resigned with effect from July 8, 2026)
Mr. Tsang Chun Ho (曾俊豪)
(An associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom)
(appointed with effect from July 8, 2026)

AUDITOR

Ernst & Young
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CORPORATE INFORMATION

STOCK CODE

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WEBSITE

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LISTING DATE

December 10, 2025

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AUTHORISED REPRESENTATIVES

Dr. Liu Yanjun (劉彥君)
Mr. Tsang Chun Ho (曾俊豪)

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BUSINESS HIGHLIGHTS

During the Reporting Period and up to the date of the Interim Results Announcement, we continued rapidly advancing the development of our drug pipeline. The following is a summary of our key historical and current milestones and achievements:

Progress of Our Products

Progress of Core Products

- *KJ017 (Recombinant Human Hyaluronidase)*

  - KJ017 is a highly glycosylated recombinant human hyaluronidase that can specifically degrade hyaluronic acid in subcutaneous tissue and temporarily and locally increase the permeability of the extracellular matrix in subcutaneous tissue, thereby enabling safe, rapid and large-volume subcutaneous administration and providing a new option to address drug administration challenges for patients with difficult intravenous access. Compared with conventional animal-derived hyaluronidase, which carries a risk of allergic reactions, requires skin testing prior to use, and is subject to inconsistent quality between batches, KJ017 adopts recombinant gene technology and, through a controlled manufacturing process, can achieve a high degree of batch-to-batch consistency, improve safety, and significantly reduce immunogenicity risk. No skin test is required before use, thereby enhancing the convenience and safety of clinical use.

  - KJ017 is the most advanced recombinant human hyaluronidase in China. In March 2026, our internally developed Human Hyaluronidase for Injection (葆舒宜®), in the 385U/vial dosage strength, was approved for marketing by the NMPA for use as an adjuvant to subcutaneous infusion, including Sodium Chloride Injection and Sodium Lactate Ringer's Injection.

  - During the Reporting Period, results from two randomized, double-blind, self-controlled Phase III clinical trials of KJ017 were published in the *European Journal of Pharmaceutics and Biopharmaceutics*. The results showed that KJ017 enhanced gravity-driven SC infusion performance while maintaining favorable safety and tolerability. By increasing SC tissue permeability, KJ017 enabled the delivery of clinically relevant fluid volumes through the SC route across multiple anatomical sites. These findings support the further development of KJ017 as an adjunct for large-volume SC administration and its potential co-administration with therapeutic agents requiring rapid or high-volume SC delivery.

  - We will advance commercialization preparations for KJ017 in an orderly manner and evaluate the most appropriate commercialization model, including potential collaborations with specialized commercialization service providers or leading biopharmaceutical companies with established promotion capabilities. We expect to leverage the sales networks, distribution channels and commercialization expertise of selected partners to support market access, medical affairs, channel management and subsequent commercialization of KJ017 across different regions, with a view to broadening its market coverage and realizing its clinical and commercial value. Through these efforts, we aim to commence commercial sales of KJ017 in the second half of 2026.

- As of the date of the Interim Results Announcement, we had established formal collaboration partnerships with multiple pharmaceutical and biotechnology companies (including, among others, WuXi Biologics (2269.HK), Qyuns (2509.HK), Shanghai RAAS (002252.SZ), and Sumgen) to co-develop subcutaneous formulations. In addition to the collaborations disclosed above, we continue to proactively expand our collaboration ecosystem. More than 60 partners have used our recombinant human hyaluronidase in their product development, with projects at various stages ranging from early-stage research to clinical development. As such collaborations are subject to confidentiality obligations, details thereof have not been disclosed in this report. Under our typical collaboration model, we continuously supply our recombinant human hyaluronidase product as an excipient and provide related technical services, while our partners independently fund the development of subcutaneous formulations used in combination with their product candidates.

  - In January 2025, we entered into a strategic cooperation agreement with WuXi Biologics (Shanghai) Co., Ltd. (上海藥明生物技術有限公司), a wholly-owned subsidiary of WuXi Biologics (2269.HK), in relation to the supply, manufacturing and licensing of recombinant human hyaluronidase. Pursuant to the agreement, the Company and WuXi Biologics intend to achieve mutually beneficial cooperation in the application of recombinant human hyaluronidase for subcutaneous drug delivery, and to jointly pursue in-depth development of new business opportunities and expansion of new customer channels.

  - In January 2026, we and Guangxi Laishi Biopharmaceutical Co., Ltd. (廣西萊士生物製藥有限公司), a wholly-owned subsidiary of Shanghai RAAS (002252.SZ), jointly announced that the parties had entered into a strategic cooperation in relation to the development of new blood product formulations based on hyaluronidase-enabled subcutaneous administration technology. Pursuant to the agreement, the parties will leverage the Company's subcutaneous drug delivery technology platform together with the leading strengths of Shanghai RAAS in the blood products sector to jointly develop novel blood product treatment solutions with enhanced convenience and improved patient friendliness, with the aim of improving patient compliance and optimizing the utilization of healthcare resources.

- *KJ103 (Recombinant IgG-Degrading Enzyme)*

  - KJ103 is a globally first-in-class, low-immunogenicity innovative recombinant immunoglobulin G ("**IgG**")-degrading enzyme for the treatment of various immune-mediated diseases and conditions driven by pathogenic IgG antibodies. KJ103 specifically cleaves IgG at a specific site in the hinge region between CH1 and CH2 by binding to the CH2 domain in the constant region of IgG. With a well-defined mechanism of action and a low immunogenicity risk, KJ103 can safely, efficiently, rapidly and specifically degrade human IgG.

  - KJ103 is the first and only low-immunogenic IgG-degrading enzyme to reach the registrational clinical stage globally, and has obtained Breakthrough Therapy Designation ("**BTD**") from the NMPA both as a desensitization therapy in kidney transplantation and for the treatment of anti-GBM disease. KJ103 is designed to target and degrade IgG antibodies in the blood and tissues, thereby inhibiting pathogenic IgG-mediated immune responses that cause various immunological conditions.

BUSINESS HIGHLIGHTS

- For desensitization before kidney transplantation, we initiated the Phase III clinical trial (CTR20252973) in August 2025, and completed the primary trial follow-up for all enrolled subjects in March 2026. Subsequent to the submission in May 2026, the NDA was included in the priority review and approval procedure by the Center for Drug Evaluation of the NMPA in the same month, and was accepted by the NMPA in June 2026. Subject to obtaining the requisite regulatory approval, KJ103 is expected to achieve commercialization in 2027. For the anti-GBM disease indication, we completed the Phase II clinical trial in October 2025 and convened the Phase III clinical trial investigator meeting in January 2026. For the GBS indication, we received IND approval from the NMPA in April 2025, and we are actively advancing the Phase II clinical trial initiated in November 2025.

- In the Phase III clinical trial (CTR20252973) of KJ103 for desensitization treatment in highly sensitized kidney transplant patients completed in March 2026, KJ103 met the primary endpoint and demonstrated a rapid and significant desensitization effect. The data showed a 100% success rate in desensitization therapy prior to transplantation and a 100% success rate in kidney transplantation, with no hyperacute rejection observed. KJ103 also demonstrated a favorable safety profile, with no KJ103-related serious adverse events reported.

- In June 2026, results from a Company-sponsored Phase II, open-label, single-arm, multicenter study of early repeated administration of KJ103 (Ricefidase) in patients with anti-GBM disease were presented at the 63rd Congress of the European Renal Association (ERA). The study indicated that KJ103 enabled highly efficient, rapid, and sustained clearance of anti-GBM antibodies, with potential clinical benefits in key outcomes, thereby providing a novel direction for therapeutic exploration in this life-threatening rare autoimmune disease.

- In November 2025, the Company was awarded a pivotal task under the National Science and Technology Major Project "Medical-Grade Donor Pig Breeding and Clinical Translation of Xenotransplantation," taking on a critical role in providing the key drugs essential for overall clinical translation. During the project, leveraging our R&D strengths in recombinant enzymes and immunomodulatory drugs, we provided multiple critical immunotherapeutic agents that supported the long-term survival of the xenogeneic kidney transplant. As of the date of the Interim Results Announcement, the recipient monkey has survived for more than 660 days with stable renal graft function, representing a new Asia record for the long-term survival of non-human primates following xenogeneic kidney transplantation. This achievement demonstrates our ability to provide key support for the exploration and innovation of immunological intervention strategies for xenotransplantation, as well as the potential to contribute to the future development of xenotransplantation.

- *SJ02 (Slonva® (晟諾娃®)) (Long-acting Recombinant Human FSH-CTP)*

  - SJ02 is a long-acting recombinant human follicle-stimulating hormone carboxyl-terminal peptide fusion protein (FSH-CTP) designed for controlled ovarian stimulation in combination with a gonadotropin-releasing hormone antagonist approved in China. This treatment regimen effectively stimulates multiple follicular development in females undergoing superovulation or assisted reproductive technology (ART) procedures.

  - In China, we received the NDA approval for SJ02 under the approved drug name Corifollitropin alfa N01 Injection (Slonva® (晟諾娃®)) in August 2025 and completed the delivery of the first order in November 2025. In July 2025, we entered into an exclusive sales agency agreement with Anhui Anke Biotechnology (Group) Co., Ltd. ("**ANKE BIO**," 300009.SZ), an Independent Third Party, pursuant to which we granted ANKE BIO an exclusive right to market, sell, distribute, and promote SJ02 in Mainland China, Hong Kong, Macau, and Taiwan ("**Greater China**"), and accordingly, ANKE BIO acts as an exclusive CSO responsible for the commercialization of SJ02 in the same region.

  - As of June 30, 2026, SJ02 had completed online procurement platform listing and market access procedures in more than 29 provinces across China and had covered more than 70 medical institutions. As of the date of the Interim Results Announcement, ANKE BIO has commenced actual commercial sales of SJ02 and is continuously advancing hospital admission and formulary inclusion procedures for the product. We will continue to work closely with ANKE BIO, our exclusive CSO partner, to optimize the marketing strategy for SJ02, further strengthen the product's market position, reinforce its academic promotion capabilities and distribution network, and enhance its market penetration and brand awareness.

BUSINESS HIGHLIGHTS

Progress of Other Selected Clinical-Stage Products

- *KJ101 (Recombinant Human Chymotrypsin)*

  - KJ101 is a leading recombinant human chymotrypsin developed through synthetic biology in China. Chymotrypsin has exhibited a wide range of clinical applications, particularly in wound healing for burn injuries, traumatic injuries, surgical incision, pressure sores and diabetic foot ulcers, among others. Chymotrypsin, a proteolytic enzyme, has historically been extracted from bovine pancreas tissue, which poses challenges such as low yield, potential contamination and religious or ethical concerns. Built upon our proprietary green recombinant yeast fermentation technology, KJ101 provides a pure, safer and more scalable alternative with high expression levels. Furthermore, KJ101 offers a superior biosafety profile, effectively addressing the viral contamination concerns inherent in biochemically extracted counterparts.

  - For the wound-healing indications of burns, trauma, surgical incisions, pressure ulcers, and diabetic foot ulcers, we initiated its Phase II clinical trial (CTR20252263) in July 2025 and completed the trial in June 2026.

  - For the indication of KJ101 for the dissolution and removal of gastric mucus during gastroscopy, we submitted the IND application to the NMPA in December 2025, received IND approval in March 2026, and initiated its Phase I clinical trial (CTR20261865) in May 2026.

- *BJ044 (Recombinant Ulinastatin)*

  - BJ044 is potentially the only recombinant ulinastatin developed through synthetic biology in China and globally. Ulinastatin, also known as bikunin, is a glycoprotein with strong inhibitory activity, first discovered in human urine in 1909. Ulinastatin can be widely applied in the treatment of acute pancreatitis, acute exacerbation of chronic recurrent pancreatitis, and acute circulatory failure. Owing to its potent enzyme-inhibiting and anti-inflammatory properties, Ulinastatin has been widely used in the treatment of a range of critical and life-threatening conditions with promising clinical outcomes, including sepsis, severe pneumonia, acute respiratory distress syndrome (ARDS), acute poisoning, severe heatstroke, burns and severe traumas.

Currently marketed ulinastatin products derived from human urine rely on an unstandardized production process involving collecting and purifying urine, which introduces risks of viral contamination and batch-to-batch quality inconsistencies. In contrast, recombinant ulinastatin, such as BJ044, is designed to overcome these limitations and deliver a more stable, efficient and scalable production method. The recombinant technology utilized by BJ044 minimizes contamination risks and improves clinical safety. It boasts the advantages of high purity, excellent batch consistency and remarkable cost-effectiveness, while eliminating ethical concerns associated with traditional biochemical extraction methods.

- The IND application for BJ044 was submitted to the NMPA in March 2026 and was approved by the NMPA in June 2026, permitting the commencement of clinical trials.

- *KJ015 (Bispecific Anti-HER2 Antibody (SC Formulations))*

  - KJ015 is an SC formulation of an innovative bispecific anti-HER2 antibody derived from common light chain technology, which is designed to have two Fab arms with the common light chain forming a near-native IgG1 structure.

  - We received IND approval from the NMPA for KJ015 in December 2024 and commenced the Phase I clinical trial (CTR20251923) in June 2025. We expect to complete the Phase I clinical trial in the second half of 2026.

  - For overseas development, we submitted an IND application to the FDA in July 2026 and received the approval in August 2026 to commence clinical trials.

- *BJ007 (Ceftriaxone Sodium (SC Formulations))*

  - BJ007 is an SC-administered ceftriaxone sodium formulation for the treatment of bacterial infections. To date, there is no approved SC-administered ceftriaxone sodium product globally, and BJ007 is the first and only drug candidate of this class advanced to the clinical stage. The innovation reduces the need for vascular access and use of long-term IV catheters, providing a more convenient, safer and lower-cost administration option. BJ007 can thus offer non-inferior therapeutic benefits without the risks, discomfort and costs associated with infusion lines that are routinely required for longer courses of ceftriaxone treatment, while also overcoming key treatment challenges for DIVA patients.

  - We received IND approval from the NMPA in February 2025. Upon approval, we initiated a Phase I clinical trial (CTR20253085) for BJ007 in August 2025 and completed the trial in January 2026. We are currently in communication with the CDE regarding commencement of a pivotal clinical trial, with initiation anticipated in the second half of 2026.

  - For overseas development, in May 2026, the IND application for BJ007 was approved by the FDA, permitting the commencement of clinical trials. We expect to commence the clinical trial in the second half of 2026.

BUSINESS HIGHLIGHTS

Progress of Other Selected Products

- *BJ045 (Anti-CD20 Antibody Resistant to Enzyme Degradation (SC Formulations))*

  - BJ045 is an SC-administered anti-CD20 antibody resistant to enzyme degradation by KJ103 with the potential for the treatment of moderate-to-severe autoimmune diseases when used in combination with KJ103. In combination with KJ103, it exerts a synergistic effect by cleaving existing IgG antibodies, rapidly eliminating the damage to normal tissues caused by pathogenic IgG antibodies and modulating pathogenic IgG antibody production. In addition, leveraging our competitiveness in SC drug delivery candidates, the SC administration modality of BJ045 could potentially improve the treatment experience and patient compliance.

  - We submitted an IND application for BJ045 to the NMPA in July 2026 and expect to obtain IND approval from the NMPA in the second half of 2026.

- *BJ047 (Anti-CD154 Antibody Resistant to Enzyme Degradation (SC Formulations))*

  - BJ047 is an SC-administered anti-CD154 antibody resistant to enzyme degradation by KJ103 developed for solid organ transplantation, xenotransplantation, and autoimmune diseases (Lupus Nephritis, multiple sclerosis and IgG4-related disease, among others). BJ047's resistance to enzyme degradation further leads to increased stability against breakdown by enzymes in the body, ensuring sustained immune suppression and promoting xenograft survival over time. This contributes to a synergistic effect in its target indications. For example, its use in combination with KJ103, which effectively degrades anti-xenograft antibodies, will further contribute to the reduction of both the source and effect of the pathogenic antibodies in xenotransplantation. Additionally, with superior convenience and treatment flexibility, BJ047 has the potential to stand out in the market as an innovative treatment option.

  - We expect to submit the IND application for BJ047 to the NMPA in the second half of 2026.

Since 2025, we have been progressively establishing and implementing our commercialization framework and enhancing our commercialization capabilities, and we expect the Core Products to achieve rapid sales growth over the next two to five years. The above expected timelines and sales growth are subject to the successful completion of the applicable regulatory review and approval processes, market conditions and other relevant factors.

Product Pipeline

The following diagram summarizes the development status of our selected drug candidates as of the date of the Interim Results Announcement:

	Candidate Drugs	Key Component	Regimen	Indications	Line(s) of treatment	Preclinical / IND / Phase I / Phase II / Phase III / NDA	Drug Classification	Current Status/Milestone	IND/NDA Application/ Drug Approval No.	Source	Commercial Rights
Subcutaneous Delivery	KJ017 (薛舒宜®)[1]	Recombinant Human Hyaluronidase[2] ★	Mono/Combo	Large-volume SC Delivery (Combo), Body Fluid Loss due to Various Causes (Mono), Facilitation of SC fluid administration (Combo) ▲	1L	NMPA: IND → NDA (H1)	Biologics	Received NDA approval in March 2026	國藥准字S20260020	Self-developed	Global
						EMA/FDA: IND → Phase I	Improved Formulation of Innovative Drug[3]	Preclinical stage; Expect to submit an IND application in 2026 H2			
	BJ007[3]	Ceftriaxone Sodium (SC Formulations)	Mono	Bacterial Infection	1L	NMPA: IND → Phase I	Chemical Drug	Completed Phase I trial in January 2026; Expect to enter pivotal clinical trial in 2026 H2	CXHL2401399	Self-developed	Global
						FDA: IND → Phase I	Improved Formulation of Chemical Drug[4]	Received IND approval from the FDA in May 2026; Expect to initiate clinical trial in 2026 H2	IND 179838		
	BJ008[3]	Cefoperazone Sodium and Sulbactam Sodium (SC Formulations)	Mono	Bacterial Infection	1L	NMPA: IND	Chemical Drug	Preclinical stage		Self-developed	Global
	BJ009[3]	Cefazolin Sodium (SC Formulations)	Mono	Bacterial Infection	1L	NMPA: IND → Phase I	Chemical Drug	Phase I trial stage	CXHL2500565	Self-developed	Global
	KJ015	Bispecific Anti-HER2 Antibody (SC Formulations)	Mono	Solid Tumors	1L	NMPA: IND → Phase I	Biologics	Phase I trial stage; Expect to complete Phase I trial in 2026 H2	CXSL2400672	Self-developed	Global
						FDA: IND → Phase I	Innovative Biologics[5]	Received IND approval in August 2026	IND 181553		
Antibody-mediated Auto-immune Diseases	KJ103[4]	Recombinant IgG-Degrading Enzyme ★	Mono	Desensitization before kidney transplantation 🏅▲	1L	NMPA: IND → NDA	Biologics	NDA application accepted in June 2026; Expect to receive NDA approval in 2027; Received BTD from the NMPA in November 2024	CXSL2200266	Self-developed	Global
				Pathological IgG-mediated Autoimmune Diseases[6]	1L	FDA: IND → Phase II	Innovative Biologics[5]	Expect to communicate with the FDA regarding commencement of a pivotal clinical trial in 2027	IND 160657		
				Anti-GBM Diseases 🏅	1L	NMPA: IND → Phase III	Biologics	Completed Phase II trial in October 2025 Expect to initiate Phase III trial in 2026 H2; Received BTD from the NMPA in July 2025	CXSL2400378		
				GBS	1L	NMPA: IND → Phase II	Biologics	Initiated Phase II trial in November 2025; Expect to complete the patient enrollment in 2026 H2	CXSL2500128		
	BJ045	Anti-CD20 Antibody Resistant to Enzyme Degradation (SC Formulations)	Mono	Moderate-to-Severe Autoimmune Diseases	1L	NMPA: IND → Phase I	Biologics	Submitted IND application in July 2026; Expect to obtain IND approval in 2026 H2		Self-developed	Global
	BJ047	Anti-CD154 Antibody Resistant to Enzyme Degradation (SC Formulations)	Mono	Solid organ transplantation, Xenotransplantation, Autoimmune Disease (Lupus Nephritis, Multiple Sclerosis, IgG4-related diseases, etc.)	1L	NMPA: IND	Biologics	Preclinical stage; Expect to submit IND application in 2026 H2		Self-developed	Global
Assisted Reproduction	SJ02 (Slonva® (晟諾娃®))[7]	Recombinant Human FSH-CTP ★	Mono	Controlled Ovarian Stimulation, Stimulating Multiple Follicular Development, Promoting Ovulation ▲	1L	NMPA: IND → NDA (H1)	Biologics	Received NDA approval in August 2025	國藥准字S20250049; 國藥准字S20250050	Self-developed	Global
						EMA: IND	Biosimilar	Preclinical stage; Expect to submit IND application in 2027			
	SJ04	Recombinant Human Chorionic Gonadotropin	Mono	Stimulating Follicular Maturation, Inducing Ovulation and Luteinization	1L	NMPA: IND → Phase I	Biologics	Completed the Phase I trial in September 2025	CXSL2400176	Self-developed	Global
Synthetic Biology Upgrading Platform	KJ101	Recombinant Human Chymotrypsin	Mono	Wound Healing for Burn Injuries, Traumatic Injuries, Surgical Incision, Pressure Sores and Diabetic Foot Ulcers, etc.	1L	NMPA: IND → Phase III	Biologics	Completed the Phase II trial in June 2026; Expect to initiate Phase III trial in 2027	CXSL2400781	Self-developed	Global
				The Dissolution and Removal of Gastric Mucus During Gastroscopy	1L	NMPA: IND → Phase I	Biologics	Phase I trial stage Expect to complete Phase I trial in 2026 H2	CXSL2501119		
	BJ044	Recombinant Ulinastatin	Mono	Acute Pancreatitis, Chronic Recurrent Pancreatitis and Acute Circulatory Failure	1L	NMPA: IND → Phase I	Biologics	Received IND approval from the NMPA in June 2026; Expect to initiate Phase I trial in 2026 H2	CXSL2600415	Self-developed	Global

★ Core Product 🏅 Breakthrough Designation from the NMPA ▲ Lead Indication

Abbreviations: BTD = Breakthrough Therapy Designation; FSH-CTP = Follicle-stimulating hormone-carboxyl-terminal peptide; GBM = Glomerular Basement Membrane; GBS = Guillain-Barré syndrome; H1 = First Half; H2 = Second Half; IgG = Immunoglobulin G; SC = Subcutaneous.

Notes:

(1) We have remained the sole sponsor responsible for funding each phase of KJ017's clinical development in China and expect to remain the sole sponsor for KJ017's future clinical development in Europe and the U.S.

(2) We have completed the pharmaceutical excipient registration in China and are advancing the registration progress globally. The DMF for KJ017 was successfully filed with the FDA in May 2025.

(3) The subcutaneous antibiotic formulation is developed based on the Chemical Drug Modification (Category 2.2) new administration route, with subsequent studies on area under the curve (AUC) equivalent and PK/PD.

(4) We have remained the sole sponsor responsible for funding each phase of KJ103's clinical development in China and expect to remain the sole sponsor for KJ103's future clinical development in the U.S.

(5) We have remained the sole sponsor responsible for funding each phase of SJ02's clinical development in China and expect to remain the sole sponsor for SJ02's future clinical development in Europe.

(6) Pathological IgG-mediated Autoimmune Diseases refer to a group of disorders in which the immune system produces abnormal IgG antibodies that target the body's own cells, tissues, or organs.

(7) We entered into an exclusive sales agency agreement with ANKE BIO in July 2025, pursuant to which ANKE BIO acts as an exclusive CSO responsible for the commercialization of SJ02 in Greater China.

(8) This definition is established under Section 505(b)(2) of the Federal Food, Drug, and Cosmetic Act.

(9) This definition is established under Section 351(a) of the Public Health Service Act.

FINANCIAL HIGHLIGHTS

	Six months ended June 30,	
	2026	2025
	(Unaudited)	(Audited)
	RMB'000	RMB'000
Research and development expenses	**(92,570)**	(111,045)
Administrative expenses	**(40,616)**	(46,153)
Loss for the period	**(153,685)**	(183,096)

Our research and development expenses decreased by RMB18.5 million, or 16.6%, from RMB111.0 million for the six months ended June 30, 2025 to RMB92.6 million for the six months ended June 30, 2026. This decrease was primarily attributable to: (i) a RMB20.1 million reduction in share-based payment expenses associated with equity incentives granted to our R&D personnel, partially offset by (ii) a RMB13.8 million increase in trial and testing expenses as we advanced the ongoing clinical development of our drug candidates.

Our administrative expenses decreased by RMB5.5 million, or 12.0%, from RMB46.2 million for the six months ended June 30, 2025 to RMB40.6 million for the six months ended June 30, 2026. This decrease was primarily due to the reduction in share-based payment expenses incurred from our grant of share incentives to management and administrative personnel.

	As at June 30, 2026 (Unaudited) RMB'000	As at December 31, 2025 (Audited) RMB'000
Cash and cash equivalents	**1,042,096**	1,241,609
Total assets	**2,169,835**	2,216,979
Total equity	**1,448,724**	1,591,974

Other Highlights

- In April 2026, following recommendation by the Shanghai Federation of Trade Unions, the Company received the National May 1 Labor Certificate (全國五一勞動獎狀) at a national ceremony and was one of 25 enterprises in Shanghai to receive the award.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

Founded in 2019, we are a biotechnology company strategically focused on four areas: (i) large-volume subcutaneous (SC) drug delivery; (ii) antibody-mediated autoimmune conditions; (iii) assisted reproduction; and (iv) recombinant biologic products. Our portfolio primarily consists of 12 self-developed products and product candidates, comprising three Core Products (KJ017 (葆舒宜®), KJ103 and SJ02 (Slonva® (晟諾娃®))), six other clinical-stage candidates (KJ101, BJ044, KJ015, BJ007, BJ009, and SJ04), and three preclinical assets (BJ045, BJ047 and BJ008). Our Core Products comprise: (i) KJ017 (葆舒宜®), a recombinant human hyaluronidase, the 385U/vial dosage strength of which was approved for marketing by the NMPA in March 2026 for use as an adjuvant to subcutaneous infusion, including Sodium Chloride Injection and Sodium Lactate Ringer's Injection; (ii) KJ103, an innovative recombinant immunoglobulin G (IgG)-degrading enzyme, the NDA for which was included in the priority review and approval procedure in May 2026 and accepted by the NMPA in June 2026 for desensitization therapy in highly sensitized kidney transplant patients; and (iii) SJ02 (Slonva® (晟諾娃®)), a long-acting recombinant human follicle-stimulating hormone carboxyl-terminal peptide fusion protein (FSH-CTP) for assisted reproduction, which received NDA approval from the NMPA in August 2025.

Product Pipeline

The following diagram summarizes the development status of our selected drug candidates as of the date of the Interim Results Announcement:

	Candidate Drugs	Key Component	Regimen	Indications	Line(s) of treatment	Preclinical / IND / Phase I / Phase II / Phase III / NDA	Drug Classification	Current Status/Milestone	IND/NDA Application/ Drug Approval No.	Source	Commercial Rights
Subcutaneous Delivery	KJ017 (葆舒宜®)[1]	Recombinant Human Hyaluronidase[2] ★	Mono/Combo	Large-volume SC Delivery (Combo), Body Fluid Loss due to Various Causes (Mono), Facilitation of SC fluid administration (Combo) ▲	1L	NMPA	Biologics	Received NDA approval in March 2026	國藥准字S20260020	Self-developed	Global
						EMA/FDA	Improved Formulation of Innovative Drug[8]	Preclinical stage; Expect to submit an IND application in 2026 H2			
	BJ007[3]	Ceftriaxone Sodium (SC Formulations)	Mono	Bacterial Infection	1L	NMPA	Chemical Drug	Completed Phase I trial in January 2026; Expect to enter pivotal clinical trial in 2026 H2	CXHL2401399	Self-developed	Global
						FDA	Improved Formulation of Chemical Drug[8]	Received IND approval from the FDA in May 2026; Expect to initiate clinical trial in 2026 H2	IND 179838		
	BJ008[3]	Cefoperazone Sodium and Sulbactam Sodium (SC Formulations)	Mono	Bacterial Infection	1L	NMPA	Chemical Drug	Preclinical stage		Self-developed	Global
	BJ009[3]	Cefazolin Sodium (SC Formulations)	Mono	Bacterial Infection	1L	NMPA	Chemical Drug	Phase I trial stage	CXHL2500565	Self-developed	Global
	KJ015	Bispecific Anti-HER2 Antibody (SC Formulations)	Mono	Solid Tumors	1L	NMPA	Biologics	Phase I trial stage; Expect to complete Phase I trial in 2026 H2	CXSL2400672	Self-developed	Global
						FDA	Innovative Biologics[9]	Received IND approval in August 2026	IND 181553		
Antibody-mediated Auto-immune Diseases	KJ103[4]	Recombinant IgG-Degrading Enzyme ★	Mono	Desensitization before kidney transplantation 🏅▲	1L	NMPA	Biologics	NDA application accepted in June 2026; Expect to receive NDA approval in 2027; Received BTD from the NMPA in November 2024	CXSL2200266	Self-developed	Global
				Pathological IgG-mediated Autoimmune Diseases[6]	1L	FDA	Innovative Biologics[9]	Expect to communicate with the FDA regarding commencement of a pivotal clinical trial in 2027	IND 160657		
				Anti-GBM Diseases 🏅	1L	NMPA	Biologics	Completed Phase II trial in October 2025 Expect to initiate Phase III trial in 2026 H2; Received BTD from the NMPA in July 2025	CXSL2400378		
				GBS	1L	NMPA	Biologics	Initiated Phase II trial in November 2025; Expect to complete the patient enrollment in 2026 H2	CXSL2500128		
	BJ045	Anti-CD20 Antibody Resistant to Enzyme Degradation (SC Formulations)	Mono	Moderate-to-Severe Autoimmune Diseases	1L	NMPA	Biologics	Submitted IND application in July 2026; Expect to obtain IND approval in 2026 H2		Self-developed	Global
	BJ047	Anti-CD154 Antibody Resistant to Enzyme Degradation (SC Formulations)	Mono	Solid organ transplantation, Xenotransplantation, Autoimmune Disease (Lupus Nephritis, Multiple Sclerosis, IgG4-related diseases, etc.)	1L	NMPA	Biologics	Preclinical stage; Expect to submit IND application in 2026 H2		Self-developed	Global
Assisted Reproduction	SJ02 (Stonva® (兢諾妊®))[5][7]	Recombinant Human FSH-CTP ★	Mono	Controlled Ovarian Stimulation, Stimulating Multiple Follicular Development, Promoting Ovulation ▲	1L	NMPA	Biologics	Received NDA approval in August 2025	國藥准字S20250049; 國藥准字S20250050	Self-developed	Global
						EMA	Biosimilar	Preclinical stage; Expect to submit IND application in 2027			
	SJ04	Recombinant Human Chorionic Gonadotropin	Mono	Stimulating Follicular Maturation, Inducing Ovulation and Luteinization	1L	NMPA	Biologics	Completed the Phase I trial in September 2025	CXSL2400176	Self-developed	Global
Synthetic Biology Upgrading Platform	KJ101	Recombinant Human Chymotrypsin	Mono	Wound Healing for Burn Injuries, Traumatic Injuries, Surgical Incision, Pressure Sores and Diabetic Foot Ulcers, etc.	1L	NMPA	Biologics	Completed the Phase II trial in June 2026; Expect to initiate Phase III trial in 2027	CXSL2400781	Self-developed	Global
				The Dissolution and Removal of Gastric Mucus During Gastroscopy	1L	NMPA	Biologics	Phase I trial stage Expect to complete Phase I trial in 2026 H2	CXSL2501119		
	BJ044	Recombinant Ulinastatin	Mono	Acute Pancreatitis, Chronic Recurrent Pancreatitis and Acute Circulatory Failure	1L	NMPA	Biologics	Received IND approval from the NMPA in June 2026; Expect to initiate Phase I trial in 2026 H2	CXSL2600415	Self-developed	Global

★ Core Product 🏅 Breakthrough Designation from the NMPA ▲ Lead Indication

Abbreviations: BTD = Breakthrough Therapy Designation; FSH-CTP = Follicle-stimulating hormone-carboxyl-terminal peptide; GBM = Glomerular Basement Membrane; GBS = Guillain-Barré syndrome; H1 = First Half; H2 = Second Half; IgG = Immunoglobulin G; SC = Subcutaneous.

Notes:

(1) We have remained the sole sponsor responsible for funding each phase of KJ017's clinical development in China and expect to remain the sole sponsor for KJ017's future clinical development in Europe and the U.S.

(2) We have completed the pharmaceutical excipient registration in China and are advancing the registration progress globally. The DMF for KJ017 was successfully filed with the FDA in May 2025.

(3) The subcutaneous antibiotic formulation is developed based on the Chemical Drug Modification (Category 2.2) new administration route, with subsequent studies on area under the curve (AUC) equivalent and PK/PD.

(4) We have remained the sole sponsor responsible for funding each phase of KJ103's clinical development in China and expect to remain the sole sponsor for KJ103's future clinical development in the U.S.

(5) We have remained the sole sponsor responsible for funding each phase of SJ02's clinical development in China and expect to remain the sole sponsor for SJ02's future clinical development in Europe.

(6) Pathological IgG-mediated Autoimmune Diseases refer to a group of disorders in which the immune system produces abnormal IgG antibodies that target the body's own cells, tissues, or organs.

(7) We entered into an exclusive sales agency agreement with ANKE BIO in July 2025, pursuant to which ANKE BIO acts as an exclusive CSO responsible for the commercialization of SJ02 in Greater China.

(8) This definition is established under Section 505(b)(2) of the Federal Food, Drug, and Cosmetic Act.

(9) This definition is established under Section 351(a) of the Public Health Service Act.

Our Product Candidates

During the Reporting Period and up to the date of the Interim Results Announcement, we continued advancing the development of our pipeline. Our key achievements and planned next steps as of the date of the Interim Results Announcement include:

- *KJ017 (Recombinant Human Hyaluronidase)*

  - KJ017 is a highly glycosylated recombinant human hyaluronidase that can specifically degrade hyaluronic acid in subcutaneous tissue and temporarily and locally increase the permeability of the extracellular matrix in subcutaneous tissue, thereby enabling safe, rapid and large-volume subcutaneous administration and providing a new option to address drug administration challenges for patients with difficult intravenous access. Compared with conventional animal-derived hyaluronidase, which carries a risk of allergic reactions, requires skin testing prior to use, and is subject to inconsistent quality between batches, KJ017 adopts recombinant gene technology and, through a controlled manufacturing process, can achieve a high degree of batch-to-batch consistency, improve safety, and significantly reduce immunogenicity risk. No skin test is required before use, thereby enhancing the convenience and safety of clinical use.

  - KJ017 is the most advanced recombinant human hyaluronidase in China. In March 2026, our internally developed Human Hyaluronidase for Injection (葆舒宜®), in the 385U/vial dosage strength, was approved for marketing by the NMPA for use as an adjuvant to subcutaneous infusion, including Sodium Chloride Injection and Sodium Lactate Ringer's Injection.

  - As of the date of the Interim Results Announcement, we had achieved the following progress and milestones, and we outline our planned next steps below:

    - We submitted the NDA application for KJ017 to the NMPA in 2024. In 2025, we passed the NMPA GCP inspection of the hospital and bioanalytical laboratory conducting the KJ017 clinical trial, and cleared the NMPA pre-approval GMP compliance inspection for KJ017. In March 2026, our internally developed Human Hyaluronidase for Injection (葆舒宜®), in the 385U/vial dosage strength, was approved for marketing by the NMPA for use as an adjuvant to subcutaneous infusion, including Sodium Chloride Injection and Sodium Lactate Ringer's Injection.

- During the Reporting Period, results from two randomized, double-blind, self-controlled Phase III clinical trials of KJ017 were published in the *European Journal of Pharmaceutics and Biopharmaceutics*. The results showed that KJ017 enhanced gravity-driven SC infusion performance while maintaining favorable safety and tolerability. By increasing SC tissue permeability, KJ017 enabled the delivery of clinically relevant fluid volumes through the SC route across multiple anatomical sites. These findings support the further development of KJ017 as an adjunct for large-volume SC administration and its potential co-administration with therapeutic agents requiring rapid or high-volume SC delivery.

- We will continue to advance commercialization preparations for KJ017 in an orderly manner while evaluating and selecting the most appropriate commercialization model, including potential collaborations with specialized commercialization service providers or leading biopharmaceutical companies with established promotion capabilities. We expect to leverage the extensive sales networks, established distribution channels and commercialization expertise of selected partners to support market access, medical affairs, channel management and subsequent commercialization of KJ017 across different regions, thereby broadening its market coverage. In selecting potential partners, we will comprehensively assess factors including product accessibility and the competitive landscape, with a view to realizing the clinical and commercial value of KJ017. Through these efforts, we aim to commence commercial sales of KJ017 in the second half of 2026.

- As of the date of the Interim Results Announcement, we had established formal collaboration partnerships with multiple pharmaceutical and biotechnology companies (including, among others, WuXi Biologics (2269.HK), Qyuns (2509.HK), Shanghai RAAS (002252.SZ), and Sumgen) to co-develop subcutaneous formulations. In addition to the collaborations disclosed above, we continue to proactively expand our collaboration ecosystem. More than 60 partners have used our recombinant human hyaluronidase in their product development, with projects at various stages ranging from early-stage research to clinical development. As such collaborations are subject to confidentiality obligations, details thereof have not been disclosed in this report. Under our typical collaboration model, we continuously supply our recombinant human hyaluronidase product as an excipient and provide related technical services, while our partners independently fund the development of subcutaneous formulations used in combination with their product candidates.

  - In January 2026, we and Guangxi Laishi Biopharmaceutical Co., Ltd. (廣西萊士生物製藥有限公司), a wholly-owned subsidiary of Shanghai RAAS (002252.SZ), jointly announced that the parties had entered into a strategic cooperation in relation to the development of new blood product formulations based on hyaluronidase-enabled subcutaneous administration technology. Pursuant to the agreement, the parties will leverage the Company's subcutaneous drug delivery technology platform together with the leading strengths of Shanghai RAAS in the blood products sector to jointly develop novel blood product treatment solutions with enhanced convenience and improved patient friendliness, with the aim of improving patient compliance and optimizing the utilization of healthcare resources.

- In January 2025, we entered into a strategic cooperation agreement with WuXi Biologics (Shanghai) Co., Ltd. (上海藥明生物技術有限公司), a wholly-owned subsidiary of WuXi Biologics (2269.HK), in relation to the supply, manufacturing and licensing of recombinant human hyaluronidase. Pursuant to the agreement, the Company and WuXi Biologics intend to achieve mutually beneficial cooperation in the application of recombinant human hyaluronidase for subcutaneous drug delivery, and to jointly pursue in-depth development of new business opportunities and expansion of new customer channels.

- In August 2024, we entered into a technology services and supply agreement with Qyuns for the joint development of innovative SC formulations of original biologic products selected by Qyuns and owned, being developed or to be developed by it, in combination with our recombinant human hyaluronidase. Qyuns, an Independent Third Party to us, is a leading biotechnology company exclusively focused on biologic therapies for autoimmune and allergic diseases.

  Pursuant to this agreement, Qyuns will be the marketing authorization holder for the SC formulations developed under this agreement and enjoy exclusive rights to the development, manufacturing and commercialization thereof, while bearing all related costs. We agreed to supply recombinant human hyaluronidase for product development, provide necessary technical support, and assist in regulatory filings.

- In May 2025, the DMF for KJ017 was successfully filed with the FDA. We plan to submit IND applications for KJ017 to the European Medicines Agency (EMA) and the FDA, and are in the process of simultaneously preparing both EMA and FDA IND filings. We anticipate submitting the application to the FDA in the second half of 2026 and will subsequently complete the IND application for the other region. Our KJ017 exhibits broad applications across multiple therapeutic modalities to enable SC administration, including antibodies and chemicals especially antibiotics, with the potential to enhance drug safety profiles, patient convenience and efficacy.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that KJ017 will be successfully commercialized in China or that KJ017 will ultimately be successfully developed and marketed for additional indications, formulations or in overseas markets.

- *KJ103 (Recombinant IgG-Degrading Enzyme)*

  - KJ103 is a globally first-in-class, low-immunogenicity innovative recombinant immunoglobulin G ("**IgG**")-degrading enzyme for the treatment of various immune-mediated diseases and conditions driven by pathogenic IgG antibodies. KJ103 specifically cleaves IgG at a specific site in the hinge region between CH1 and CH2 by binding to the CH2 domain in the constant region of IgG. With a well-defined mechanism of action and a low immunogenicity risk, KJ103 can safely, efficiently, rapidly and specifically degrade human IgG.

  - KJ103 is the first and only low-immunogenicity IgG-degrading enzyme to reach the registrational clinical stage globally, and has obtained Breakthrough Therapy Designation ("**BTD**") from the NMPA both as a desensitization therapy in kidney transplantation and for the treatment of anti-GBM disease. KJ103 is designed to target and degrade IgG antibodies in the blood and tissues, thereby inhibiting pathogenic IgG-mediated immune responses that cause various immunological conditions.

  - As of the date of the Interim Results Announcement, we had achieved the following progress and milestones, and we outline our planned next steps below:

    - For desensitization before kidney transplantation, we initiated the Phase III clinical trial (CTR20252973) in August 2025, and completed the primary trial follow-up for all enrolled subjects in March 2026. Subsequent to the submission in May 2026, the NDA was included in the priority review and approval procedure by the Center for Drug Evaluation of the NMPA in the same month, and was accepted by the NMPA in June 2026. We expect to receive the NDA approval in 2027. Subject to obtaining the requisite regulatory approval, KJ103 is expected to achieve commercialization in 2027.

      In the Phase III clinical trial (CTR20252973) of KJ103 for desensitization treatment in highly sensitized kidney transplant patients completed in March 2026, KJ103 met the primary endpoint and demonstrated a rapid and significant desensitization effect. The data showed a 100% success rate in desensitization therapy prior to transplantation and a 100% success rate in kidney transplantation, with no hyperacute rejection observed. KJ103 also demonstrated a favorable safety profile, with no KJ103-related serious adverse events reported.

    - For the anti-GBM disease indication, we convened the Phase III clinical trial investigator meeting in January 2026. We expect to initiate the Phase III clinical trial in the second half of 2026.

In the Phase II clinical trial (CTR20243543) of KJ103 for anti-GBM disease, the 3-month overall survival rate was 100.0% and 66.7% of patients were dialysis independent with preserved renal function. At 6.0 months after KJ103 treatment, overall survival was 100.0% and 75.0% of patients were dialysis independent with preserved renal function. A comparative efficacy analysis versus historical data indicated that KJ103 demonstrated a clear clinical advantage. Historical data for patients receiving current standard intensive therapy showed a 3.0-month overall survival rate of 81.2%, with only 30.6% of patients being dialysis independent with preserved renal function. KJ103 had a favorable safety profile, with no drug-related serious adverse events reported.

In June 2026, results from the Phase II, open-label, single-arm, multicenter study of early repeated administration of KJ103 (Ricefidase) in patients with anti-GBM disease were presented at the 63rd Congress of the European Renal Association (ERA). The study indicated that KJ103 enabled highly efficient, rapid, and sustained clearance of anti-GBM antibodies, with potential clinical benefits in key outcomes, thereby providing a novel direction for therapeutic exploration in this life-threatening rare autoimmune disease.

- For the GBS indication, we initiated the Phase II clinical trial in November 2025 and expect to complete the patient enrollment in the second half of 2026.

- In November 2025, the Company was awarded a pivotal task under the National Science and Technology Major Project "Medical-Grade Donor Pig Breeding and Clinical Translation of Xenotransplantation," taking on a critical role in providing the key drugs essential for overall clinical translation. During the project, leveraging our R&D strengths in recombinant enzymes and immunomodulatory drugs, we provided multiple critical immunotherapeutic agents that supported the long-term survival of the xenogeneic kidney transplant. As of the date of the Interim Results Announcement, the recipient monkey has survived for more than 660 days with stable renal graft function, representing a new Asia record for the long-term survival of non-human primates following xenogeneic kidney transplantation. This achievement demonstrates our ability to provide key support for the exploration and innovation of immunological intervention strategies for xenotransplantation, as well as the potential to contribute to the future development of xenotransplantation.

- For KJ103's overseas program targeting pathogenic IgG-mediated autoimmune diseases, we submitted an Orphan Drug Designation (ODD) application to the FDA for the GBS indication in August 2026 and expect to communicate with the FDA regarding commencement of a pivotal clinical trial in 2027.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that KJ103 will ultimately be successfully developed and marketed by our Company.

- *SJ02 (Slonva® (晟諾娃®)) (Long-acting Recombinant Human FSH-CTP)*

  - SJ02 is a long-acting recombinant human follicle-stimulating hormone carboxyl-terminal peptide fusion protein (FSH-CTP) designed for controlled ovarian stimulation in combination with a gonadotropin-releasing hormone antagonist approved in China. SJ02 is the first approved long-acting FSH-CTP product in China.

    The treatment regimen of SJ02 effectively stimulates multiple follicular development in females undergoing superovulation or assisted reproductive technology procedures. Built upon the traditional short-acting FSH, SJ02 has been structurally enhanced by fusing the CTP sequence of human chorionic gonadotropin subunit to the C-terminus of the FSH subunit. This modification significantly prolongs the in vivo half-life of FSH by two to three times without affecting its functionality. The long-acting nature of SJ02 enables a single injection to replace up to seven days of daily injections required with short-acting FSH. By extending the dosing interval from daily to weekly, SJ02 can offer greater convenience, minimize injection-related discomfort, and enhance the overall treatment experience and quality of life for patients.

  - As of the date of the Interim Results Announcement, we had achieved the following progress and milestones, and we outline our planned next steps below:

    - In China, we received the NDA approval for SJ02 under the approved drug name Corifollitropin alfa N01 Injection (Slonva® (晟諾娃®)) in August 2025 and completed the delivery of the first order in November 2025.

      In July 2025, we entered into an exclusive sales agency agreement with ANKE BIO, an Independent Third Party, pursuant to which we granted ANKE BIO an exclusive right to market, sell, distribute, and promote SJ02 in Greater China, and accordingly, ANKE BIO acts as an exclusive CSO responsible for the commercialization of SJ02 in the same region. As of June 30, 2026, SJ02 had completed online procurement platform listing and market access procedures in more than 29 provinces across China and had covered more than 70 medical institutions. As of the date of the Interim Results Announcement, ANKE BIO has commenced actual commercial sales of SJ02 and is continuously advancing hospital admission and formulary inclusion procedures for the product. We will continue to work closely with ANKE BIO, our exclusive CSO partner, to optimize the marketing strategy for SJ02, further strengthen the product's market position, reinforce its academic promotion capabilities and distribution network, and enhance its market penetration and brand awareness.

    - In Europe, we plan to submit an IND application for SJ02 to the EMA in 2027.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that the successful commercialization of SJ02 in Greater China will continue or that SJ02 will ultimately be successfully developed and marketed in overseas markets.

Since 2025, we have been progressively establishing and implementing our commercialization framework and enhancing our commercialization capabilities, and we expect the Core Products to achieve rapid sales growth over the next two to five years. The above expected timelines and sales growth are subject to the successful completion of the applicable regulatory review and approval processes, market conditions and other relevant factors.

- *KJ101 (Recombinant Human Chymotrypsin)*

  - KJ101 is a leading recombinant human chymotrypsin developed through synthetic biology in China. Chymotrypsin has exhibited a wide range of clinical applications, particularly in wound healing for burn injuries, traumatic injuries, surgical incisions, pressure sores and diabetic foot ulcers, among others. Chymotrypsin, a proteolytic enzyme, has historically been extracted from bovine pancreas tissue, which poses challenges such as low yield, potential contamination and religious or ethical concerns. Built upon our proprietary green recombinant yeast fermentation technology, KJ101 provides a pure, safer and more scalable alternative with high expression levels. Furthermore, KJ101 offers a superior biosafety profile, effectively addressing the viral contamination concerns inherent in biochemically extracted counterparts.

  - For the wound-healing indications of burns, trauma, surgical incisions, pressure ulcers, and diabetic foot ulcers, we received IND approval for KJ101 from the NMPA in February 2025, initiated its Phase II clinical trial (CTR20252263) in July 2025 and completed the trial in June 2026. We expect to commence the Phase III clinical trial in 2027.

  - For the indication of dissolution and removal of gastric mucus during gastroscopy, we submitted the IND application to the NMPA in December 2025, received IND approval in March 2026, and initiated its Phase I clinical trial (CTR20261865) in May 2026. We expect to complete the Phase I clinical trial in the second half of 2026.

- *BJ044 (Recombinant Ulinastatin)*

  - BJ044 is potentially the only recombinant ulinastatin developed through synthetic biology in China and globally. Ulinastatin, also known as bikunin, is a glycoprotein with strong inhibitory activity, first discovered in human urine in 1909. Ulinastatin can be widely applied in the treatment of acute pancreatitis, acute exacerbation of chronic recurrent pancreatitis, and acute circulatory failure. Owing to its potent enzyme-inhibiting and anti-inflammatory properties, Ulinastatin has been widely used in the treatment of a range of critical and life-threatening conditions with promising clinical outcomes, including sepsis, severe pneumonia, acute respiratory distress syndrome (ARDS), acute poisoning, severe heatstroke, burns and severe traumas.

Currently marketed ulinastatin products derived from human urine rely on an unstandardized production process involving collecting and purifying urine, which introduces risks of viral contamination and batch-to-batch quality inconsistencies. In contrast, recombinant ulinastatin, such as BJ044, is designed to overcome these limitations and deliver a more stable, efficient and scalable production method. The recombinant technology utilized by BJ044 minimizes contamination risks and improves clinical safety. It boasts the advantages of high purity, excellent batch consistency and remarkable cost-effectiveness, while eliminating ethical concerns associated with traditional biochemical extraction methods.

- The IND application for BJ044 was submitted to the NMPA in March 2026 and was approved by the NMPA in June 2026, permitting the commencement of clinical trials. We expect to commence the Phase I clinical trial in the second half of 2026.

- *KJ015 (Bispecific Anti-HER2 Antibody (SC Formulations))*

  - KJ015 is an SC formulation of an innovative bispecific anti-HER2 antibody derived from common light chain technology, which is designed to have two Fab arms with the common light chain forming a near-native IgG1 structure.

  - We received IND approval from the NMPA for KJ015 in December 2024 and commenced the Phase I clinical trial (CTR20251923) in June 2025. We expect to complete the Phase I clinical trial in the second half of 2026.

  - For overseas development, we submitted an IND application to the FDA in July 2026 and received the approval in August 2026 to commence clinical trials.

- *BJ045 (Anti-CD20 Antibody Resistant to Enzyme Degradation (SC Formulations))*

  - BJ045 is an SC-administered anti-CD20 antibody resistant to enzyme degradation by KJ103 with the potential for the treatment of moderate-to-severe autoimmune diseases when used in combination with KJ103. In combination with KJ103, it exerts a synergistic effect by cleaving existing IgG antibodies, rapidly eliminating the damage to normal tissues caused by pathogenic IgG antibodies and modulating pathogenic IgG antibody production. In addition, leveraging our competitiveness in SC drug delivery candidates, the SC administration modality of BJ045 could potentially improve the treatment experience and patient compliance.

  - We submitted an IND application for BJ045 to the NMPA in July 2026 and expect to obtain IND approval from the NMPA in the second half of 2026.

- *BJ047 (Anti-CD154 Antibody Resistant to Enzyme Degradation (SC Formulations))*

  - BJ047 is an SC-administered anti-CD154 antibody resistant to enzyme degradation by KJ103 developed for solid organ transplantation, xenotransplantation, and autoimmune diseases (Lupus Nephritis, multiple sclerosis and IgG4-related disease, among others). BJ047's resistance to enzyme degradation further leads to increased stability against breakdown by enzymes in the body, ensuring sustained immune suppression and promoting xenograft survival over time. This contributes to a synergistic effect in its target indications. For example, its use in combination with KJ103, which effectively degrades anti-xenograft antibodies, will further contribute to the reduction of both the source and effect of the pathogenic antibodies in xenotransplantation. Additionally, with superior convenience and treatment flexibility, BJ047 has the potential to stand out in the market as an innovative treatment option.

  - We expect to submit an IND application for BJ047 to the NMPA in the second half of 2026.

- *BJ007 (Ceftriaxone Sodium (SC Formulations))*

  - BJ007 is an SC-administered ceftriaxone sodium formulation for the treatment of bacterial infections. To date, there is no approved SC-administered ceftriaxone sodium product globally, and BJ007 is the first and only drug candidate of this class advanced to the clinical stage. The innovation reduces the need for vascular access and use of long-term IV catheters, providing a more convenient, safer and lower-cost administration option. BJ007 can thus offer non-inferior therapeutic benefits without the risks, discomfort and costs associated with infusion lines that are routinely required for longer courses of ceftriaxone treatment, while also overcoming key treatment challenges for DIVA patients.

  - We received IND approval from the NMPA in February 2025. Upon approval, we initiated a Phase I clinical trial (CTR20253085) for BJ007 in August 2025 and completed the trial in January 2026. We are currently in communication with the CDE regarding commencement of a pivotal clinical trial, with initiation anticipated in the second half of 2026.

  - For overseas development, in May 2026, the IND application for BJ007 was approved by the FDA, permitting the commencement of clinical trials. The approved clinical trial is a randomized, open-label clinical trial to evaluate the pharmacokinetic characteristics, absolute bioavailability and PK/PD efficacy of subcutaneous infusion of BJ007 compared with intravenous infusion of ceftriaxone sodium in healthy participants. We expect to commence the clinical trial in the second half of 2026.

- *BJ008 (Cefoperazone Sodium and Sulbactam Sodium (SC Formulations))*

  - BJ008 is an innovative SC formulation of cefoperazone sodium and sulbactam sodium. The combination of cefoperazone sodium and sulbactam sodium is a common compound preparation for the treatment of bacterial infections spanning respiratory tract infection, urinary tract infections, intra-abdominal infections, gynecological infections, skin and soft tissue infections, bone and joint infections, bacterial sepsis, meningitis, endocarditis, as well as surgical prophylaxis. Cefoperazone, a third-generation cephalosporin antibiotic, demonstrates strong synergistic antibacterial activity against Gram-negative bacteria with good stability when combined with sulbactam sodium, an irreversible beta-lactamase inhibitor. By utilizing our large-volume SC delivery system, BJ008 may have the potential to replace the IV infusion of currently available cefoperazone sodium and sulbactam sodium with subcutaneous injection, with a reduced risk of complications and improved patient compliance.

  - We will actively advance the preclinical research of BJ008 as planned.

- *BJ009 (Cefazolin Sodium (SC Formulations))*

  - BJ009 is designed as an innovative SC formulation of cefazolin sodium, a first-generation cephalosporin antibiotic that works by inhibiting bacterial cell wall synthesis, leading to cell lysis. Similar to intravenous cefazolin sodium, BJ009 has the potential to treat a wide range of infections caused by bacteria, including those affecting the skin, bone, joint, genital, blood, heart valve, respiratory tract, biliary tract, and urinary tract. Moreover, the SC administration of BJ009 may offer an enhanced treatment experience, lower risks of complications and reduced treatment costs, suggesting its market potential.

  - We submitted an IND application for BJ009 in May 2025 and received IND approval from the NMPA in September 2025. Upon approval, we initiated a Phase I clinical trial for BJ009 (CTR20255246) in December 2025. We plan to keep advancing the Phase I clinical trial for BJ009.

- *SJ04 (Recombinant Human Chorionic Gonadotropin)*

  - SJ04 is a recombinant human chorionic gonadotropin (hCG) and can be used in assisted reproductive procedures to accelerate follicle maturation and induce ovulation. Additionally, it is suitable for treating prepubertal cryptorchidism, male hypogonadotropic hypogonadism, luteal phase deficiency, and dysfunctional uterine bleeding. In females, SJ04 promotes follicular maturation and triggers ovulation, while facilitating the transformation of ruptured follicles into functional corpora lutea for enhanced progesterone secretion. Thus, it enhances endometrial development for improved reproductive outcomes in people with luteal phase deficiency and helps establish regular menstrual cycles through normalized hormonal patterns for people with dysfunctional uterine bleeding.

- We obtained the IND approval from the NMPA for SJ04 in May 2024. Subsequently, we commenced a Phase I clinical trial for SJ04 in August 2024 in China and completed the patient enrollment in August 2025. We completed the Phase I clinical trial in September 2025. Following recent regulatory developments for biosimilar drugs, we are communicating with the relevant regulatory authority regarding the subsequent clinical development plan.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that KJ101, BJ044, KJ015, BJ045, BJ047, BJ007, BJ008, BJ009 and SJ04 will ultimately be successfully developed and marketed by our Company.

Our proprietary technology platforms

Leveraging our strengths in synthetic biology technology, we have had the foresight to build fully integrated in-house R&D and manufacturing capabilities. To date, we operate three technology platforms spanning across drug design, chassis cell engineering, and comprehensive bioprocessing, which allow us to navigate the intricate processes of bringing our transformative recombinant protein drugs from bench to bedside. Specifically, our three technology platforms consist of:

- **Drug Design Platform:** Our approach to drug design centers on developing customized delivery systems and formulations that align with the unique properties of the drug and specific needs of the target patient population. We prioritize immunogenicity, molecular stability, and cost-effective production in drug development. Leveraging AI-powered models, we integrate advanced computational simulations with rigorous experimental validation to achieve precise protein engineering and functional optimization. Data generated from wet-lab experiments is continuously fed back into our models to refine and enhance their performance, thereby fostering an iterative and adaptive design process. As a result, KJ103, one of our Core Products, emerged from our drug design platform as a candidate composed of complex enzymes with exceptional stability and functionality, exemplifying its translational power.

- **Chassis Cell Engineering Platform:** Our chassis cell engineering platform focuses on glycosylation modification and advanced expression technologies. Drawing on our extensive expertise in enzyme engineering, glycoengineering, and synthetic biology, we have achieved key breakthroughs in various fields, such as the regulation of protein translation and post-translational modifications for recombinant human hyaluronidase, Chinese hamster ovary (CHO) cell glycosylation engineering, and protein high-expression technologies.

  We adopt a multidisciplinary approach across three major biopharmaceutical host systems — including E. coli, Pichia pastoris, and CHO cell systems – to design bioparts, engineer metabolic pathways, and screen drug proteins from modified hosts. This approach allows us to express proteins in the most suitable host based on the structural and functional requirements of a specific drug protein, thereby significantly shortening the development cycle for novel therapeutics.

In particular, we have developed a CHO cell library with engineered glycosyltransferases to produce humanized glycoproteins with enhanced structural uniformity. This notably reduces immunogenicity, extends half-life, and improves therapeutic efficacy. Additionally, our Pichia pastoris cell library features expression chaperones and optimized hosts ready for immediate use in new project process research, which streamlines our drug production and accelerates project timelines.

- **Comprehensive Bioprocessing Platform:** Our comprehensive bioprocessing platform integrates mammalian, yeast, and E. coli expression systems to support large-scale, efficient, and sustainable production of our recombinant protein drugs. We optimize production processes and equipment with a focus on environmental sustainability. By integrating high-yield strains or cells, optimized culture processes, and advanced purification technologies, we achieve scalable manufacturing capabilities with a green manufacturing edge.

  This platform tackles key technical challenges including, without limitation: (i) enhancing recombinant protein expression and addressing protein degradation in fermentation through synthetic biology and genetic engineering, thereby providing an upstream solution for efficient recombinant protein production; (ii) employing diverse fermentation strategies to overcome issues such as toxic byproduct accumulation, protein misfolding, and low activity during rapid cell growth, enabling stable, high-efficiency expression of target proteins using high-density synthetic biology techniques; (iii) combining different chromatographic separation techniques and utilizing customized resins to develop scalable, cost-effective processes for high-purity recombinant protein preparation; and (iv) improving volumetric productivity and developing resource-efficient, low-energy green manufacturing solutions to meet the demands of commercial-scale recombinant protein production.

  Beyond our proprietary platform technologies, we boast commercial-scale manufacturing capabilities and rigorous quality control and assurance systems, which enable us to efficiently scale up production to accommodate the escalating demands of our drug candidates upon commercialization, while ensuring exceptional quality and cost-effectiveness.

BUSINESS PROSPECTS

During the first half of 2026, we steadily advanced our core strategy of leveraging synthetic biology to engineer chassis cells and to develop and manufacture recombinant biologic medicines that are difficult to express using conventional gene engineering, achieving a number of important milestones across R&D innovation, clinical advancement and industrial deployment. During the remainder of 2026, we will further deepen reform of our R&D operating mechanisms in synthetic biology, sharpen our focus on the core advantages of recombinant biologics, and continue to improve R&D efficiency, strengthen external strategic collaborations, enhance science-based decision-making, and consolidate and expand our leadership across four strategic areas: large-volume subcutaneous drug delivery, antibody-mediated autoimmune conditions, assisted reproduction, and recombinant biologic products. We will remain market- and clinical-value oriented, and, around areas of high unmet medical need, continue to develop innovative medicines with clear differentiation and global potential. Anchored by our chassis cell construction platform and integrated with our drug design platform and end-to-end biomanufacturing platform, we will keep strengthening core technological capabilities and raising the probability of success in innovative drug R&D. In parallel, we will actively broaden global collaborations to accelerate the cultivation of new competitive advantages and fully unlock the global value of our product pipeline.

Specifically, we plan to implement the following strategies: (i) Accelerate development of our pipeline in core therapeutic areas to fully unlock clinical and commercial value; (ii) Enhance commercial-scale manufacturing capabilities and quality management systems to advance steadily toward commercialization; (iii) Expand our global footprint, deepen strategic partnerships, and realize the global value of our product pipeline; and (iv) Attract, develop and retain high-caliber talent, optimize our operating system, and strive to become a global leader in developing recombinant biologics using synthetic biology.

Accelerate Development of the Pipeline in Core Therapeutic Areas to Unlock Clinical and Commercial Value

In 2026, our primary goals are to continue progressing our diversified clinical portfolio, advance the commercialization of KJ017 following its approval in March 2026 and drive market uptake for SJ02. We will expedite development and registration of core assets and other clinical and preclinical candidates across our four strategic areas, while also implementing commercialization initiatives for KJ017 and SJ02 to maximize patient access and sustained value. Specifically:

- **Large-volume subcutaneous drug delivery:** We focus on recombinant human hyaluronidase as the anchor of our SC delivery franchise. In March 2026, the 385U/vial dosage strength of our Core Product KJ017 was approved for marketing by the NMPA for use as an adjuvant to subcutaneous infusion, including Sodium Chloride Injection and Sodium Lactate Ringer's Injection, and we will continue to advance its commercialization in China. In tandem, we are advancing the "Two-Anti" strategy to develop SC formulations for both antibody drugs and chemical drugs. Our in-house innovative HER2-targeted bispecific antibody SC formulation, KJ015, is expected to complete the Phase I clinical trial in China in the second half of 2026. In August 2026, we obtained the IND approval for KJ015 from the FDA to commence clinical trials. In addition to deepening collaborations with antibody developers to move more SC antibody programs into late-stage clinical development, we will accelerate the clinical development of SC antibiotics. BJ007 completed the Phase I clinical trial in China in January 2026 and is expected to enter a pivotal clinical trial in the second half of 2026. In May 2026, the IND application for BJ007 was approved by the FDA, permitting the commencement of clinical trials. We expect to commence the clinical trial for BJ007 overseas in the second half of 2026.

- **Antibody-mediated autoimmune conditions:** To address unmet needs across multiple antibody-mediated autoimmune conditions, we will vigorously advance the development of our Core Product KJ103. Our NDA for KJ103 for desensitization therapy in highly sensitized kidney transplant patients was included in the priority review and approval procedure in May 2026 and accepted by the NMPA in June 2026. We expect to receive the NDA approval in 2027. In the second half of 2026, we expect to initiate the Phase III clinical trial of KJ103 for anti-GBM disease and complete patient enrollment in the Phase II clinical trial for GBS. In parallel, we will move combination therapy with recombinant antibodies resistant to enzymatic degradation (such as BJ045 and BJ047) into the clinic and actively explore KJ103's potential in emerging fields such as xenotransplantation. Against the backdrop of increasing organ failure and persistent organ shortage, xenotransplantation has achieved notable technical progress globally. Our investigational products are designed to help overcome immune rejection – one of the key determinants of success in this field. Leveraging our expertise in enzyme technology and antibody engineering, we are confident in capturing a meaningful share of this rapidly growing market, advancing the science of xenotransplantation and addressing substantial unmet medical needs.

- **Assisted reproduction:** To solve the treatment burden of daily injections with short-acting FSH in women undergoing ART, we obtained marketing approval in August 2025 in China for SJ02 (Slonva® (晟諾娃®)), a long-acting FSH-CTP that requires only a single injection, effectively replacing up to seven daily doses of short-acting FSH and meaningfully improving the current care paradigm. Going forward, we will work closely with our partner ANKE BIO to fully execute the commercialization of SJ02 (Slonva® (晟諾娃®)) in China and realize its clinical value.

- **Recombinant biologic products:** Using synthetic biology, we are developing innovative recombinant biologics by engineering high-efficiency chassis cells to produce complex proteins that are difficult to manufacture via traditional biochemical extraction, thereby addressing inefficiency, impurities, and safety risks (including allergies and unknown viral contamination). Following completion of the Phase II clinical trial in June 2026, we will continue to advance the clinical development of KJ101 for wound-healing indications including burns, trauma, surgical incisions, pressure ulcers and diabetic foot ulcers. For the indication of dissolution and removal of gastric mucus during gastroscopy, KJ101 received clinical trial approval from the NMPA in March 2026, and we expect to complete the Phase I clinical trial in the second half of 2026. In June 2026, the IND application for BJ044 was approved by the NMPA and we expect to commence the Phase I clinical trial in the second half of 2026.

Enhance Commercial-Scale Manufacturing Capabilities and Quality Management to Advance Steadily Toward Commercialization

We have built GMP-compliant manufacturing facilities in Shanghai, covering a site area of approximately 63,000 sq.m. To further upgrade commercial-scale capacity, we are constructing a new site of approximately 37,000 sq.m. in Shanghai, which is expected to be completed and put into operation in 2026. Our existing site is equipped with production lines specifically designed for complex biological products and has specialized capabilities in recombinant protein manufacturing to meet the production needs of our Core Products SJ02, KJ017 and KJ103, while supporting the development of innovative assets under the "synthetic-biology upgrading to replace biochemical extraction" strategy, including recombinant human chymotrypsin KJ101 (Phase II) and recombinant ulinastatin BJ044 (IND-approved). These efforts respond to Shanghai's initiative to transform science-and-technology innovation strengths into high-quality manufacturing outputs. They are also aligned with Baoshan North Shanghai Biopharmaceutical Industrial Park's strategic positioning for "synthetic biology industrialization" and the broader policy direction of promoting "high-quality development of advanced biopharmaceutical manufacturing."

With SJ02 approved in August 2025 and KJ017 approved in March 2026, our manufacturing focus is transitioning from solely clinical supply to a dual track of clinical and commercial production. We will continue to enhance site operational efficiency, benchmark against international standards, and further enhance our integrated quality management system to ensure that product quality, safety and efficacy consistently meet regulatory requirements and safeguard patient use.

Expand Global Footprint, Deepen Strategic Partnerships, and Fully Realize the Global Value of the Pipeline

Building on the successful track record of our existing licenses and collaborations (including, among others, WuXi Biologics, Shanghai RAAS, ANKE BIO, Qyuns, Sumgen), we will continue to actively pursue new partnership opportunities worldwide. Our strategy includes: (i) prioritizing product development and commercialization in the China market to establish first-mover advantages; (ii) generating stable revenues through domestic product sales and diversified collaborations to support sustained R&D and commercialization investment; and (iii) following commercialization success in China, further expanding indications and advancing into major overseas markets. For early-stage assets and platform technologies, we will also seek joint development or in-/out-licensing collaborations with leading global biotechnology companies and research institutions to explore new therapeutic areas and cutting-edge modalities, and to strengthen platform capabilities. Through flexible partnership models, we aim to bring our innovations to more patients globally and maximize the value of our product pipeline.

Attract, Develop and Retain High-Caliber Talent, and Optimize the Operating System

We will continue to execute a comprehensive talent strategy, proactively recruiting top professionals with deep expertise and extensive experience in R&D, commercialization, management, and global business development to support our rapid growth and internationalization. In parallel, we will keep optimizing internal management processes – particularly enhancing efficiency in R&D program management and cross-functional collaboration – to ensure agile responses to market dynamics and the efficient advancement of pipeline assets.

During the remainder of 2026, as our business expands and new products come to market, we will continue to uphold the mission of responding to urgent patient needs, address areas of unmet medical need, and consistently develop high-access, broadly beneficial medicines. We strive to grow into a globally influential leader in synthetic biology and recombinant biologics.

Cautionary Statement under Rule 18A.08(3) of the Listing Rules: There is no assurance that our Core Products and our other drug candidates will ultimately be successfully developed and marketed.

AWARDS AND RECOGNITION

In April 2026, following recommendation by the Shanghai Federation of Trade Unions, the Company received the National May 1 Labor Certificate (全國五一勞動獎狀) at a national ceremony and was one of 25 enterprises in Shanghai to receive the award.

FINANCIAL REVIEW

Revenue

	Six months ended June 30,	
	2026	2025
	(Unaudited)	(Audited)
	RMB'000	RMB'000
Sales of materials	**1,170**	983
Technical services	**8,705**	1,005
Licensing revenue	**–**	40,002
Total	**9,875**	41,990

Our revenue decreased by RMB32.1 million, or 76.5%, from RMB42.0 million for the six months ended June 30, 2025 to RMB9.9 million for the six months ended June 30, 2026, primarily due to the absence of RMB40.0 million in one-off licensing revenue recognized in the Corresponding Period, partially offset by increases of RMB7.7 million in technical services revenue and RMB0.2 million in sales of materials.

Cost of Sales

During the Reporting Period, our cost of sales primarily included costs of raw materials, staff costs, and certain depreciation and amortization expenses related thereto. Our cost of sales increased from RMB0.3 million for the six months ended June 30, 2025 to RMB0.5 million for the six months ended June 30, 2026.

Other Income and Gains

	Six months ended June 30,	
	2026	2025
	(Unaudited)	(Audited)
	RMB'000	RMB'000
Other Income		
Government grants*	**2,648**	1,894
Bank interest income	**9,465**	3,591
Others	**61**	414
Gains		
Changes due to passive dilution of investment in an associate	**75**	–
Gain on disposal of right-of-use assets	**5**	–
Total	**12,254**	5,899

* The government grants have been received from the PRC local government authorities for supporting the Group's research and development and other operating activities. There are no unfulfilled conditions relating to these government grants. As at June 30, 2026, asset-related government grants received but not yet meeting the conditions for revenue recognition amounted to RMB114.7 million.

Our other income and gains increased by RMB6.4 million, or 107.7%, from RMB5.9 million for the six months ended June 30, 2025 to RMB12.3 million for the six months ended June 30, 2026, primarily due to an increase of RMB5.9 million in bank interest income and an increase of RMB0.8 million in government grants.

Administrative Expenses

	Six months ended June 30,	
	2026	2025
	(Unaudited)	(Audited)
	RMB'000	RMB'000
Staff costs	**15,449**	13,169
Depreciation and amortization expenses	**9,128**	4,748
Share-based payments	**4,601**	17,732
Taxes and surcharges	**2,787**	991
Professional service fees	**2,750**	2,622
General office expenses	**1,890**	3,827
Others	**4,011**	3,064
Total	**40,616**	46,153

Our administrative expenses decreased by RMB5.5 million, or 12.0%, from RMB46.2 million for the six months ended June 30, 2025 to RMB40.6 million for the six months ended June 30, 2026, primarily due to the decrease in share-based payments incurred from our grant of share incentives to management and administrative personnel.

Research and Development Expenses

	Six months ended June 30,	
	2026	2025
	(Unaudited)	(Audited)
	RMB'000	RMB'000
Trial and testing expenses	**33,710**	19,881
Staff costs	**29,259**	36,231
Depreciation and amortization expenses	**11,560**	12,166
Share-based payments	**7,558**	27,636
Costs of raw materials	**5,029**	7,517
Others	**5,454**	7,614
Total	**92,570**	111,045

Our research and development expenses decreased by RMB18.5 million, or 16.6%, from RMB111.0 million for the six months ended June 30, 2025 to RMB92.6 million for the six months ended June 30, 2026. This decrease was primarily attributable to a RMB20.1 million reduction in share-based payment expenses associated with equity incentives granted to our R&D personnel, partially offset by a RMB13.8 million increase in trial and testing expenses as we advanced the ongoing clinical development of our drug candidates.

Other Expenses

Our other expenses decreased by RMB20.0 million, or 36.2%, from RMB55.4 million for the six months ended June 30, 2025 to RMB35.3 million for the six months ended June 30, 2026, primarily because no additional provision for losses on litigation was recognized during the Reporting Period, partially offset by a net increase of RMB35.0 million in net foreign exchange losses.

Share of Loss of an Associate

Our share of loss of an associate during the Reporting Period represented our losses from investments in ABLINK Biotech. We recognized share of loss of an associate of RMB114,000 and RMB54,000 for the six months ended June 30, 2025 and 2026, respectively, which was attributable to the net losses incurred by ABLINK Biotech during the same periods.

Prepayments, Other Receivables and Other Assets

	June 30, 2026 (Unaudited) RMB'000	December 31, 2025 (Audited) RMB'000
Non-current:		
Prepayment for property, plant and equipment	**26,624**	97,062
Current:		
Prepayments	**5,332**	3,513
Deposits and other receivables	**2,124**	1,333
Deductible value-added tax	**46,577**	21,904
Prepaid expenses	**511**	837
Total	**54,544**	27,587

Property, Plant and Equipment

Our property, plant and equipment increased by RMB176.6 million, or 25.9%, from RMB680.7 million as of December 31, 2025 to RMB857.3 million as of June 30, 2026, primarily due to additions of production equipment and related installation and fit-out works at our new production base in Shanghai.

During the Reporting Period, construction of the production lines at our new production base entered the key equipment installation stage, with core production equipment progressively delivered for our own use in the manufacture of our existing and pipeline products. We recognized gross additions to property, plant and equipment of approximately RMB197.4 million during the Reporting Period. The following table sets forth a breakdown of these additions:

Nature of additions/principal assets or works	Six months ended June 30, 2026 (RMB million)
Key production equipment for the new production base	
10,000L microbial drug substance production line	83.6
Vial lyophilized powder formulation production line	39.3
Intelligent control system supporting the production lines	13.4
Quality analysis laboratory	8.4
Utility equipment supporting the production lines	6.2
2,000L single-use CHO cell culture drug substance production line	5.0
Cleanroom facilities and warehouse	2.7
	158.6
Supporting mechanical, electrical and plumbing installation and fit-out works for the new production base	37.3
Other additions to property, plant and equipment*	1.5
Total	**197.4**

* Other additions primarily comprised office and operational equipment at our existing production base.

Capital Structure, Liquidity and Financial Resources

As of June 30, 2026, the Group's cash and cash equivalents amounted to RMB1,042.1 million, as compared with RMB1,241.6 million as of December 31, 2025. As of June 30, 2026, the Group's cash and bank balances were primarily denominated in RMB, HKD and USD.

The decrease in the Group's cash position was primarily attributable to net cash used in operating activities of RMB146.6 million and net cash used in investing activities of RMB116.2 million, partially offset by net cash generated from financing activities of RMB99.2 million.

As of June 30, 2026, the Group's current assets were RMB1,212.2 million (as of December 31, 2025: RMB1,363.2 million), primarily consisting of cash and cash equivalents of RMB1,042.1 million, restricted deposits of RMB91.9 million, prepayments, other receivables and other assets of RMB54.5 million, inventories of RMB16.8 million, and trade receivables of RMB6.9 million.

As of June 30, 2026, the Group's current liabilities were RMB314.7 million (as of December 31, 2025: RMB330.7 million), primarily consisting of other payables and accruals of RMB175.6 million, interest-bearing bank borrowings of RMB134.1 million, deferred income of RMB3.6 million, lease liabilities of RMB1.1 million, and trade payables of RMB0.3 million.

As of June 30, 2026, the Group maintained a healthy liquidity position. The Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance its operations and mitigate the effects of fluctuations in cash flows. During the Reporting Period, we primarily funded our working capital requirements through existing cash and cash equivalents and bank borrowings.

The Group expects to fund its working capital and other capital requirements from a combination of various sources, including but not limited to external financing at reasonable market rates. In order to better control and minimize the cost of funds, the Group's treasury activities are centralized and all cash transactions are conducted with reputable banks.

Gearing Ratio

The Group monitors capital using a gearing ratio, which is calculated as total debt divided by total assets. Total debt includes current liabilities and non-current liabilities.

As of June 30, 2026, the Group's gearing ratio was 33.23%, as compared with 28.19% as of December 31, 2025.

Indebtedness

As of June 30, 2026, the Group had interest-bearing bank borrowings of RMB421.6 million, as compared with RMB312.4 million as of December 31, 2025. Of such borrowings, RMB134.1 million were repayable within one year and RMB287.5 million were repayable beyond one year.

As of June 30, 2026, the Group's lease liabilities amounted to RMB1.6 million, as compared with RMB2.6 million as of December 31, 2025. The change was primarily due to lease payments made during the Reporting Period.

Capital Commitments

As of June 30, 2026, the Group had capital commitments of RMB132.5 million (as of December 31, 2025: RMB174.5 million). Such capital commitments were primarily related to the acquisition and construction of property, plant and equipment.

Contingent Liabilities

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

Pledge of Assets

As of June 30, 2026, certain of the Group's bank borrowings were secured by the Group's property, plant and equipment with carrying amounts of approximately RMB562.4 million (as of December 31, 2025: RMB539.8 million) and leasehold land with carrying amounts of approximately RMB50.2 million (as of December 31, 2025: RMB50.8 million).

Foreign Exchange Exposure

The Group has transactional currency exposures arising primarily from cash and cash equivalents denominated in currencies other than the functional currency of the Company, mainly HKD and USD.

The Group currently does not use any financial instruments or enter into any foreign exchange contracts to hedge against foreign exchange risk. However, management monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise.

EMPLOYEES AND REMUNERATION POLICY

As of June 30, 2026, the Group had a total of 364 full-time employees. Our employees receive compensation comprising base salaries, discretionary bonuses and benefits, which are generally determined with reference to their qualifications, industry experience, positions and performance. We make contributions to social insurance and the housing provident fund in accordance with PRC laws and regulations. In addition, we provide relevant training to enhance our employees' skills and knowledge. We have also implemented employee incentive plans to recognize and reward employee contributions.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

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

Save as disclosed in this interim report, the Group did not have any future plans for material investments or capital assets as of the date of this report. The Company will make further announcements in accordance with the Listing Rules, where applicable, if any investments and acquisition opportunities materialize.

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

During the Reporting Period, the Company repurchased a total of 95,200 H Shares on the Stock Exchange at an aggregate consideration of approximately HK$1.7 million (before transaction costs). All such repurchased H Shares were held as treasury shares. Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including any sale of treasury shares) during the Reporting Period. As of June 30, 2026, the Company held 95,200 treasury shares.

Details of the repurchase are set out below:

Month of repurchase during the Reporting Period	No. of Shares repurchased	Price paid per Share		Aggregate consideration paid
		Highest price (HK$)	Lowest price (HK$)	(HK$)
June 2026	95,200	17.81	17.38	1,686,277.6
Total	**95,200**			**1,686,277.6**

CORPORATE GOVERNANCE

The Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of the Shareholders and to enhancing corporate value and accountability. The Company has adopted the CG Code set out in Appendix C1 to the Listing Rules as its own code of corporate governance. During the Reporting Period, the Board was of the view that the Company has complied with all applicable code provisions set out in Part 2 of the CG Code. In order to maintain a high standard of corporate governance, the Board will continue to review and monitor the operation of the Company.

At the annual general meeting held on May 26, 2026, the Shareholders approved, among other things, the abolition of the Supervisory Committee and the election of the second session of the Board. Following the abolition of the Supervisory Committee, the Audit Committee assumed the functions and powers formerly exercised by the Supervisory Committee in accordance with the amended Articles of Association.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding the Directors', former Supervisors' and employees' securities transactions on terms no less exacting than the required standards set out in the Model Code.

Having made specific enquiries with all Directors and former Supervisors, each of them has confirmed that he/she has complied with our Company's code of conduct regarding the Directors', former Supervisors' and employees' securities transactions during his/her respective term of office within the six months ended June 30, 2026. No incident of non-compliance with the Model Code by the employees who are likely to be in possession of inside information of the Company was noted by the Company during the six months ended June 30, 2026.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this interim report, as at the date of this report, the Company is not aware of any other major subsequent events of the Company after June 30, 2026 and up to the date of this report which need to be disclosed in the interim report.

REVIEW OF INTERIM RESULTS

The Audit Committee comprises three members, namely Mr. Zhang Senquan (張森泉) ("**Mr. Zhang**"), Mr. Diao Juanhuan (刁雋桓) and Dr. Ju Dianwen (鞠佃文). Mr. Zhang, the chairman of the Audit Committee, possesses the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules. The Audit Committee has reviewed the unaudited interim condensed consolidated financial information of the Group for the six months ended June 30, 2026 with the management and the auditor of the Company. The Audit Committee considered that the interim results have been prepared in compliance with the applicable accounting standards, laws and regulations, and that appropriate disclosures have been made. The Audit Committee has also discussed with the senior management the accounting policies and practices adopted by the Group and matters relating to internal control.

The independent auditor of the Company, Ernst & Young, has conducted a review of the interim financial information in accordance with Hong Kong Standard on Review Engagements 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*."

INTERIM DIVIDEND

The Board has resolved not to recommend the payment of an interim dividend for the six months ended June 30, 2026 (six months ended June 30, 2025: nil). There is no arrangement under which any Shareholder has waived or agreed to waive any dividends.

CHANGE OF INFORMATION OF DIRECTORS AND CHIEF EXECUTIVES

The following sets out the changes in the particulars of Directors and chief executives of the Company which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the publication of the annual report of the Company for the year ended December 31, 2025:

(1) Mr. Zhang Senquan (張森泉), an independent non-executive Director, served as the company secretary and the authorised representative of Yunhong Guixin Group Holdings Limited (運鴻硅鑫集團控股有限公司) (HKSE: 8349) from March 9, 2026 to September 10, 2026;

(2) At the annual general meeting of the Company held on May 26, 2026, the remuneration standard for the independent non-executive Directors of the second session of the Board of Directors was approved at RMB240,000 per annum (pre-tax) (compared to RMB150,000 per annum (pre-tax) prior to the re-election), payable in equal quarterly instalments.

Save as disclosed above, there has been no other change in the information of the Directors and chief executives of the Company which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules as of the date of this Interim Report.

CHANGE OF JOINT COMPANY SECRETARY, AUTHORISED REPRESENTATIVE AND PROCESS AGENT

Ms. Fong Christine Haiman (方希琳) ("**Ms. Fong**") has tendered her resignation as (i) the joint company secretary of the Company (the "**Joint Company Secretary**"); (ii) an authorised representative of the Company (the "**Authorised Representative**") for the purpose of Rule 3.05 of the Listing Rules on the Stock Exchange; and (iii) the representative for acceptance of service of process and notices on behalf of the Company in Hong Kong as required under Rule 19.05(2) of the Listing Rules and Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "**Process Agent**") with effect from July 8, 2026. Following the resignation of Ms. Fong, Mr. Tsang Chun Ho (曾俊豪) ("**Mr. Tsang**") has been appointed as the Joint Company Secretary, the Authorised Representative and the Process Agent with effect from July 8, 2026. Following the appointment of Mr. Tsang, the Joint Company Secretaries of the Company are Ms. Li Cui (李翠) and Mr. Tsang, and the Authorised Representatives of the Company are Dr. Liu Yanjun (劉彥君) and Mr. Tsang. For further details, please refer to the announcement of the Company dated July 8, 2026.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the six months ended June 30, 2026 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate; and none of the Directors and any of their spouse and children under the age of 18 had any right to subscribe for equity or debt securities of the Company or any other body corporate, or had exercised any such right.

DISCLOSURE OF INTERESTS

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

As of June 30, 2026, the interests and/or short positions (as applicable) of our Directors and chief executives in the shares, underlying shares and debentures of our Company or any of its associated corporations, within the meaning of Part XV of the SFO, which were required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions (as applicable) which he/she is taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or which were required to be notified to our Company and the Stock Exchange pursuant to the Model Code, were as follows:

Name of Director/ Chief Executive	Capacity/Nature of interest	Description of Shares[1]	Number of Shares Held or Interested	Approximate percentage of shareholding in our Unlisted Shares/H Shares (as appropriate)[2]	Approximate percentage of shareholding in the total share capital of our Company[2]
Dr. Liu	Beneficial owner	Unlisted Shares	54,977,530	32.03%	16.87%
		H Shares	6,358,615	4.12%	1.95%
	Interest in controlled corporations[3]	Unlisted Shares	23,562,700	13.73%	7.23%
		H Shares	10,098,300	6.54%	3.10%
	Interest jointly held with another person[4]	Unlisted Shares	27,750,000	16.17%	8.51%
		H Shares	9,750,000	6.32%	2.99%
Ms. Wang	Beneficial owner	Unlisted Shares	20,250,000	11.80%	6.21%
		H Shares	2,250,000	1.46%	0.69%
	Interest jointly held with another person[4]	Unlisted Shares	86,040,230	50.12%	26.39%
		H Shares	23,956,915	15.52%	7.35%

Notes:

(1) For the avoidance of doubt, both Unlisted Shares and H Shares are ordinary Shares in the share capital of our Company and are considered as one class of Shares. All interests stated are long positions. The number of Shares presented has taken into consideration the Share Subdivision.

(2) The calculation is based on the total number of issued Shares, 325,981,465 Shares, including 171,654,215 Unlisted Shares and 154,327,250 H Shares (including 95,200 treasury Shares) as of June 30, 2026.

(3) As of June 30, 2026, Dr. Liu Yanjun (劉彥君) was the executive partner of the Share Incentive Platforms, namely Shanghai Luojun, Shanghai Luoxu and Ningbo Hongsheng. As such, Dr. Liu Yanjun (劉彥君) is deemed to be interested in the 23,562,700 Unlisted Shares and 10,098,300 H Shares directly held by the Share Incentive Platforms under the SFO.

(4) Pursuant to the AIC Agreement entered into among the Concert Parties, the Concert Parties had confirmed and agreed that they would: (i) act in concert with respect to the matters relating to the daily operations, key matters or any other matters required to be approved by the shareholders' meetings or board meetings of the Company; (ii) consult each other and reach a consensus before voting at board meetings and/or shareholders' meetings of the Company; and (iii) in case that the Concert Parties fail to reach a consensus, vote based on Dr. Liu's opinion. As such, each of the Concert Parties is deemed to be interested in the Shares each other is interested in under the SFO. For further details of the AIC Agreement, please refer to the Prospectus.

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

B. Substantial Shareholders' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or Its Associated Corporations

As of June 30, 2026, so far as our Directors are aware, the persons who held interests and/or short positions in the Shares or underlying Shares which would be required to be notified to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by our Company pursuant to Section 336 of the SFO were set out in the table below:

Name of Shareholder	Capacity/ Nature of interest	Description of Shares[1]	Number of Shares Held or Interested	Approximate percentage of shareholding in our Unlisted Shares/H Shares (as appropriate)[2]	Approximate percentage of shareholding in the total share capital of our Company[2]
Dr. Liu	Beneficial owner	Unlisted Shares	54,977,530	32.03%	16.87%
		H Shares	6,358,615	4.12%	1.95%
	Interest in controlled corporations[3]	Unlisted Shares	23,562,700	13.73%	7.23%
		H Shares	10,098,300	6.54%	3.10%
	Interest jointly held with another person[4]	Unlisted Shares	27,750,000	16.17%	8.51%
		H Shares	9,750,000	6.32%	2.99%
Ms. Wang	Beneficial owner	Unlisted Shares	20,250,000	11.80%	6.21%
		H Shares	2,250,000	1.46%	0.69%
	Interest jointly held with another person[4]	Unlisted Shares	86,040,230	50.12%	26.39%
		H Shares	23,956,915	15.52%	7.35%
Mr. Tan	Beneficial owner	Unlisted Shares	7,500,000	4.37%	2.30%
		H Shares	7,500,000	4.86%	2.30%
	Interest jointly held with another person[4]	Unlisted Shares	98,790,230	57.55%	30.31%
		H Shares	18,606,915	12.06%	5.71%

Name of Shareholder	Capacity/ Nature of interest	Description of Shares[1]	Number of Shares Held or Interested	Approximate percentage of shareholding in our Unlisted Shares/H Shares (as appropriate)[2]	Approximate percentage of shareholding in the total share capital of our Company[2]
Shanghai Luoxu[3]	Beneficial owner	Unlisted Shares	13,125,000	7.65%	4.03%
		H Shares	5,625,000	3.64%	1.73%
Shanghai Luojun[3]	Beneficial owner	Unlisted Shares	7,255,915	4.23%	2.23%
		H Shares	3,109,680	2.01%	0.95%
Ningbo Hongsheng[3]	Beneficial owner	Unlisted Shares	3,181,785	1.85%	0.98%
		H Shares	1,363,620	0.88%	0.42%
Center Lab[5]	Beneficial owner	Unlisted Shares	31,924,265	18.60%	9.79%
		H Shares	7,981,065	5.17%	2.45%
Center Laboratories[5]	Interest in controlled corporations	Unlisted Shares	31,924,265	18.60%	9.79%
		H Shares	7,981,065	5.17%	2.45%
Venus Capital HK Limited[6]	Beneficial owner	H Shares	16,111,110	10.44%	4.94%
PCJ Bao Holdings Limited[6]	Beneficial owner	H Shares	5,550,000	3.60%	1.70%
Fangyuan Capital Holdings (Cayman) Limited[6]	Interest in controlled corporations	H Shares	21,661,110	14.04%	6.64%
Ms. Zheng Juan (鄭娟) ("**Ms. Zheng**")[6]	Interest in controlled corporations	H Shares	21,661,110	14.04%	6.64%
Shanghai Xihao Investment Management Co., Ltd. (上海熙灝投資管理有限公司) ("**Shanghai Xihao**")[7]	Interest in controlled corporations	H Shares	8,319,280	5.39%	2.55%

Name of Shareholder	Capacity/ Nature of interest	Description of Shares[1]	Number of Shares Held or Interested	Approximate percentage of shareholding in our Unlisted Shares/H Shares (as appropriate)[2]	Approximate percentage of shareholding in the total share capital of our Company[2]
Mr. Li Jiaqi (李佳琦) ("**Mr. Li**")[7]	Interest in controlled corporations	H Shares	8,319,280	5.39%	2.55%
Shanghai Naixi Technology Co., Ltd. (上海耐熙科技有限公司) ("**Shanghai Naixi**")[7]	Interest in controlled corporations	H Shares	8,319,280	5.39%	2.55%
Mr. Qian Jincheng (錢錦程) ("**Mr. Qian**")[7]	Interest in controlled corporations	H Shares	8,319,280	5.39%	2.55%
Shanghai Healthcare Capital Partnership (Limited Partnership) (上海生物醫藥產業股權投資基金合夥企業(有限合夥)) ("**SHC**")[8]	Beneficial owner	Unlisted Shares	2,957,170	1.72%	0.91%
		H Shares	8,871,510	5.75%	2.72%
Shanghai Healthcare Capital Management Co., Ltd. (上海生物醫藥產業股權投資基金管理有限公司) ("**SHC Management**")[8]	Interest in controlled corporations	Unlisted Shares	2,957,170	1.72%	0.91%
		H Shares	8,871,510	5.75%	2.72%

Notes:

(1) For the avoidance of doubt, both Unlisted Shares and H Shares are ordinary Shares in the share capital of our Company and are considered as one class of Shares. All interests stated are long positions.

(2) The calculation is based on the total number of issued Shares, 325,981,465 Shares, including 171,654,215 Unlisted Shares and 154,327,250 H Shares (including 95,200 treasury Shares) as of June 30, 2026.

(3) See note 3 to the table in "A. Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or Its Associated Corporations" section.

(4) See note 4 to the table in "A. Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or Its Associated Corporations" section.

(5) As of the date of this interim report, to the best of our Directors' knowledge, Center Laboratories Limited is a private company limited by shares incorporated in Hong Kong, which is wholly-owned by Center Laboratories Inc., a company listed on the Taipei Exchange (TWO: 4123).

(6) As of the date of this interim report, to the best of our Directors' knowledge, Venus Capital HK Limited is directly wholly-owned by Fangyuan J Fund II, which is in turn wholly-owned by Fangyuan Capital Holdings (Cayman) Limited. Fangyuan Capital Holdings (Cayman) Limited is wholly-owned by Ms. Zheng. PCJ Bao Holdings Limited is directly wholly-owned by Fangyuan Growth SPC — PCJ Healthcare Fund SP, which is wholly-owned by PCJ Capital Management Limited. Fangyuan Capital Holdings (Cayman) Limited holds 50% of PCJ Capital Management Limited, and is in turn wholly-owned by Ms. Zheng. Therefore, Ms. Zheng is deemed to be interested in the Shares held by Venus Capital HK Limited and PCJ Bao Holdings Limited under the SFO.

(7) As of the date of this interim report, to the best of our Directors' knowledge, the general partner of Shanghai Cixi and Jiaxing Xiqi is Shanghai Xihao, holding approximately 0.10% of the partnership interest and approximately 1.11% of the partnership interests, respectively. Shanghai Xihao was owned as to 50.00% by Mr. Li. Therefore, Shanghai Xihao and Mr. Li are deemed to be interested in the Shares held by Shanghai Cixi and Jiaxing Xiqi under the SFO. Shanghai Cixi is a limited partnership established in the PRC. Shanghai Cixi had two limited partners, namely Shanghai Naixi and Shenzhen Yingsheng Investment Co., Ltd. (深圳市英晟投資有限公司) ("**Shenzhen Yingsheng**"), each holding 49.95% of the partnership interest, respectively. Shanghai Naixi was owned as to 99.00% by Mr. Qian. Shenzhen Yingsheng was owned as to approximately 87.44% by Mr. Li. Therefore, Shanghai Naixi, Shenzhen Yingsheng, Mr. Qian and Mr. Li are deemed to be interested in the Shares held by Shanghai Cixi under the SFO. Jiaxing Xiqi is a limited partnership established in the PRC. Jiaxing Xiqi had four limited partners, with the two largest limited partners, namely Xu Ren (徐任) and Shanghai Naixi, holding approximately 44.44% and 43.33% of the partnership interest, respectively. Therefore, Xu Ren, Shanghai Naixi and Mr. Qian are deemed to be interested in the Shares held by Jiaxing Xiqi under the SFO.

(8) As of the date of this interim report, to the best of our Directors' knowledge, SHC is a limited partnership established in the PRC. SHC has eight limited partners. None of its limited partners holds more than one third of its partnership interests. The general partner of SHC is Shanghai Healthcare Capital Management Co., Ltd. (上海生物醫藥產業股權投資基金管理有限公司), holding approximately 0.61% of its partnership interest. None of the shareholders of SHC Management holds more than 30% of its total issued share capital.

Save as disclosed above, as of June 30, 2026, the Directors and the chief executives of our Company are not aware of any other person (other than the Directors or chief executives of our Company) who had an interest or short position in the Shares or underlying Shares which would be required to be notified to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO; or as recorded in the register required to be kept by our Company pursuant to Section 336 of the SFO.

PRE-IPO SHARE INCENTIVE PLANS

Our Company has adopted the Phase I Restricted Share Incentive Plan of Shanghai Bao Pharmaceuticals Co., Ltd. (上海寶濟藥業股份有限公司第一期限制性股票激勵計劃) (the "**Phase I Plan**") and Phase II Restricted Share Incentive Plan of Shanghai Bao Pharmaceuticals Co., Ltd. (上海寶濟藥業股份有限公司第二期限制性股票激勵計劃) (the "**Phase II Plan**", together with the Phase I Plan referred to as the "**Pre-IPO Share Incentive Plans**") on August 16, 2023, for the purpose of attracting and retaining talents who promote the success of the Group's operations. The terms of the Pre-IPO Share Incentive Plans are not subject to the provisions of Chapter 17 of the Listing Rules as the Pre-IPO Share Incentive Plans do not involve the grant of new options or awards by the Company to subscribe for H Shares after the Listing.

The following is a summary of the general information of the Pre-IPO Share Incentive Plans.

(a) Objectives

The objectives of the Pre-IPO Share Incentive Plans are to further improve the corporate governance structure, implement incentives and constraints for the Directors, senior management and core employees of the Company, fully mobilize their enthusiasm and creativity, closely align their interests with the long-term development of the Company, prevent talent loss and, at the same time, attract more outstanding talents to participate in the business operations, thereby achieving sustainable development of the Company.

(b) Administration

The Shareholders' general meeting is responsible for considering and approving the formulation, implementation and termination of and adjustments to the Pre-IPO Share Incentive Plans. The Shareholders' general meeting has agreed to delegate the subsequent detailed implementation and termination of, and adjustments, amendments to, the Pre-IPO Share Incentive Plans to the Board.

The Board is responsible for drafting and amending the Pre-IPO Share Incentive Plans as its executive management body. The management team of the Company and the chairperson of the Board are authorised by the Board to perform daily management and handle matters necessary for implementing the Pre-IPO Share Incentive Plans in accordance with the provisions of the Pre-IPO Share Incentive Plans and relevant agreements.

Dr. Liu serves as the general partner of all the Share Incentive Platforms. The general partner of the Share Incentive Platforms may be changed to a person designated by Dr. Liu.

(c) Eligibility

The participants of the Pre-IPO Share Incentive Plans (the "**Participants**") include, but are not limited to, the Directors, senior management members, core technical personnel and key management members of the Company who have a direct impact on the Company's overall performance and continuous development, as well as other individuals who have made special contributions to the Company as determined in writing by the chairperson of the Board. The Participants shall enter into labor or employment contracts with the Company, its branch, or wholly-owned subsidiaries.

(d) Grant of Incentive Awards

The Company has established the Share Incentive Platforms, which directly hold Shares of the Company, to implement the Pre-IPO Share Incentive Plans. The Participant will be granted restricted Shares in the form of economic interest in the relevant Share Incentive Platforms by entering into the partnership agreement to become a limited partner of the relevant Share Incentive Platforms and accepting the terms and conditions set out in the Pre-IPO Share Incentive Plans (the "**Awards**"). Upon becoming the limited partners of the relevant Share Incentive Platforms, the Participant indirectly receives economic interest in the number of Shares underlying the Awards granted to the Participant held by the relevant Share Incentive Platforms.

As of the date of this interim report, an aggregate of 504,329 Unlisted Shares (equivalent to 2,521,645 Shares after completion of the Share Subdivision) underlying the Awards granted under the Phase I Plan had been granted to 18 Participants and 2,982,200 Unlisted Shares (equivalent to 14,911,000 Shares after completion of the Share Subdivision) underlying the Awards granted under the Phase II Plan had been granted to 59 Participants. For further details of the interests in the Share Incentive Platforms, please refer to the Prospectus.

(e) Payment of the Price of the Awards

The subscription price of the Awards shall be proposed by the Company's management members, as authorised by the Shareholders' general meeting and the Board, and determined by the chairperson of the Board and specifically stated in the restricted Share grant agreements which shall be entered into between the Participants and the Company. The subscription price of the Awards shall be paid by the Participants out of their own funds or legally raised funds. The Participants shall make the corresponding payment for the Awards fully and timely.

(f) Lock-up and Vesting Periods

The lock-up period stipulated in the Pre-IPO Share Incentive Plans (the "**Share Incentive Lock-up Period**") refers to the period prior to the submission of application of listing by the Company and certain duration following such application and the listing of the Shares (for avoidance of doubt, such duration shall be determined by the lock-up period stipulated or required by the securities regulatory authority and the stock exchange for the Shares held by the Share Incentive Platforms). During the Share Incentive Lock-up Period, the Participants may not sell, pledge, transfer or otherwise dispose of or create any encumbrances or burdens on his or her interests in the relevant Share Incentive Platforms unless otherwise specified in the Pre-IPO Share Incentive Plans.

The Awards that cannot vest due to the Participants' failure to meet performance targets shall be subject to mandatory repurchase by the general partner of the relevant Share Incentive Platforms or a third party designated by the general partner. Such repurchase shall adhere to the eligibility requirements set forth in the Pre-IPO Share Incentive Plans and shall be executed at a repurchase price equal to the actual amount paid by the Participants for such Awards.

(g) Maximum number of Shares

The Company was listed on the Stock Exchange on December 10, 2025. Prior to the Listing, an aggregate of 504,329 Unlisted Shares (equivalent to 2,521,645 Shares after completion of the Share Subdivision) underlying the Awards granted under the Phase I Plan had been granted to 18 Participants and 2,982,200 Unlisted Shares (equivalent to 14,911,000 Shares after completion of the Share Subdivision) underlying the Awards granted under the Phase II Plan had been granted to 59 Participants. After the Listing, no further grant has been or will be made under the Pre-IPO Share Incentive Plans. Given the underlying Shares under the Pre-IPO Share Incentive Plans had been issued by the Company to the relevant Share Incentive Platforms, there will be no dilutive effect to the issued Shares upon unlocking of awards granted under the Pre-IPO Share Incentive Plans.

(h) Maximum entitlement of each Eligible Participant

Under the Pre-IPO Share Incentive Plans, there is no specific limit on the maximum number of shares which may be granted to each participant.

(i) Unlocking period

Any transfer or sale of the Shares underlying the awards granted under the Pre-IPO Share Incentive Plans is subject to the unlocking schedule as set out in the individual grant letter.

(j) Remaining life

The Phase I Plan and Phase II Plan were approved and adopted on August 16, 2023, and shall continue to be in effect unless terminated earlier in accordance with applicable laws and provisions of the Pre-IPO Share Incentive Plans or otherwise approved by the Board.

(k) Awards granted under the Pre-IPO Share Incentive Plans

No awards were granted under the Pre-IPO Share Incentive Plans during the six months ended June 30, 2026. Details of the awards granted under the Pre-IPO Share Incentive Plans are set out below:

Name	Position	Relevant Share Incentive Platform	Approximate partnership interests in the relevant Share Incentive Platform	Approximate number of the Shares underlying the Awards granted to the Participant	Approximate shareholding percentage underlying the Awards granted to the Participant in the total number of the Shares in issue as at June 30, 2026
Dr. Liu Yanjun (劉彥君)[1]	Chairman of the Board and executive Director	Ningbo Hongsheng	95.33% (general partner)	4,333,084	1.33%
		Shanghai Luojun	46.88% (general partner)	4,859,375	1.49%
Ms. Wang Zheng (王徵)	Executive Director and Chief Executive Officer	Shanghai Luojun	14.37%	1,490,000	0.46%
Ms. Li Cui (李翠)	Chief Financial Officer and secretary to the Board	Shanghai Luoxu	0.99%	185,445	0.06%
		Ningbo Hongsheng	1.05%	47,695	0.01%
		Shanghai Luojun	5.62%	582,500	0.18%
Mr. Sun Yuhua (孫玉華)	Employee representative Director	Shanghai Luoxu	1.30%	244,500	0.08%
		Shanghai Luojun	5.02%	520,000	0.16%
Five highest paid individuals during the six months ended June 30, 2026 (excluding Directors)	–	Shanghai Luoxu	0.49%	91,688	0.03%
		Shanghai Luojun	5.02%	520,000	0.16%
Other employees	–	Shanghai Luoxu	10.67%	2,000,010	0.61%
		Ningbo Hongsheng	3.62%	164,626	0.05%
		Shanghai Luojun	23.09%	2,393,720	0.73%

Note:

(1) The general partnership interest of approximately 86.55% in Shanghai Luoxu, held by Dr. Liu, is not associated with the Pre-IPO Share Incentive Plans and is not included in the total incentive awards to be distributed under the Pre-IPO Share Incentive Plans.

Share Incentive Platforms

The Company has established three Share Incentive Platforms to implement the Pre-IPO Share Incentive Plans, namely Shanghai Luoxu for the Phase I Plan and Ningbo Hongsheng and Shanghai Luojun for the Phase II Plan. For further details of the Share Incentive Platforms, please refer to the Prospectus.

USE OF PROCEEDS

The Group received net proceeds (after deduction of underwriting commissions and related costs and expenses) from its Global Offering of approximately HK$921.5 million (the "**Net Proceeds**"). The Company has utilized, and expects to utilize, the net proceeds from the Global Offering in accordance with the intended uses previously disclosed in the Prospectus. For further details, please refer to the section headed "Future Plans and Use of Proceeds" in the Prospectus. The table below sets out the planned applications of the net proceeds and actual usage during the Reporting Period and as at the period ended June 30, 2026. Any discrepancies in this table between the total and sums of amounts are due to rounding.

Intended use of net proceeds	Allocation of net proceeds HKD in million	Percentage of total net proceeds	Net proceeds unutilized as at December 31, 2025 HKD in million	Net proceeds utilized during the Reporting Period HKD in million	Net proceeds utilized as at June 30, 2026 HKD in million	Net proceeds unutilized as at June 30, 2026 HKD in million
Research and development and commercialization of our Core Products, including KJ017, KJ103 and SJ02	493.2	53.5%	489.8	42.0	45.4	447.8
Advancement of other existing pipeline assets and preparation for any related registration filings	162.8	17.7%	155.7	15.4	22.5	140.3
Continued optimization of the Group's proprietary synthetic biology technology platforms, as well as exploration and development of new drug candidates	77.4	8.4%	75.3	30.5	32.6	44.8
Enhancing and scaling up our manufacturing capabilities	95.9	10.4%	69.0	44.7	71.6	24.3
Working capital and general corporate purposes	92.2	10.0%	90.0	9.3	11.5	80.7
Total	**921.5**	**100.0%**	**879.8**	**141.9**	**183.6**	**737.9**

The unutilized amount of net proceeds from the Global Offering is expected to be fully utilized by December 31, 2028.

INDEPENDENT REVIEW REPORT

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To the board of directors of Shanghai Bao Pharmaceuticals Co., Ltd.
(Incorporated in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 55 to 75, which comprises the condensed consolidated statement of financial position of Shanghai Bao Pharmaceuticals Co., Ltd. (the "Company") and its subsidiaries (the "Group") as at 30 June 2026 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") as issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* as issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young
Certified Public Accountants

Hong Kong
28 August 2026

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Notes	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Audited)
Revenue	4	**9,875**	41,990
Cost of sales		**(537)**	(265)
Gross profit		**9,338**	41,725
Other income and gains	4	**12,254**	5,899
Research and development expenses		**(92,570)**	(111,045)
Business development expenses		**(3,610)**	(2,942)
Administrative expenses		**(40,616)**	(46,153)
Listing expenses		**–**	(12,435)
Finance costs		**(3,088)**	(2,666)
Other expenses		**(35,339)**	(55,365)
Share of loss of an associate		**(54)**	(114)
LOSS BEFORE TAX	5	**(153,685)**	(183,096)
Income tax credit	6	**–**	–
LOSS FOR THE PERIOD		**(153,685)**	(183,096)
Attributable to:			
Owners of the parent		**(153,685)**	(183,096)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	8		
Basic and diluted (RMB)		**(0.47)**	(0.64)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
LOSS FOR THE PERIOD	**(153,685)**	(183,096)
OTHER COMPREHENSIVE LOSS		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**(542)**	–
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	**(542)**	–
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**(154,227)**	(183,096)
Attributable to:		
Owners of the parent	**(154,227)**	(183,096)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	*9*	**857,276**	680,696
Right-of-use assets		**51,906**	53,561
Other intangible assets		**10,951**	11,690
Investment in an associate		**10,835**	10,814
Prepayments, other receivables and other assets		**26,624**	97,062
Total non-current assets		**957,592**	853,823
CURRENT ASSETS			
Inventories		**16,780**	6,248
Trade receivables	*11*	**6,906**	98
Prepayments, other receivables and other assets	*10*	**54,544**	27,587
Restricted deposits		**91,917**	87,614
Cash and cash equivalents		**1,042,096**	1,241,609
Total current assets		**1,212,243**	1,363,156
CURRENT LIABILITIES			
Trade payables	*12*	**304**	8
Other payables and accruals	*13*	**175,637**	210,492
Interest-bearing bank borrowings		**134,083**	113,958
Deferred income	*14*	**3,621**	4,587
Lease liabilities		**1,079**	1,607
Total current liabilities		**314,724**	330,652
NET CURRENT ASSETS		**897,519**	1,032,504
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,855,111**	1,886,327

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings		**287,481**	198,451
Lease liabilities		**524**	979
Deferred income	*14*	**118,382**	94,923
Total non-current liabilities		**406,387**	294,353
Net assets		**1,448,724**	1,591,974
EQUITY			
Equity attributable to owners of the parent			
Share capital	*15*	**65,196**	65,196
Treasury shares	*15*	**(1,468)**	–
Reserves		**1,384,996**	1,526,778
Total equity		**1,448,724**	1,591,974

Dr. Liu Yanjun
Director

Ms. Li Cui
Director

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

		Attributable to owners of the parent						
	Note	Share capital RMB'000	Treasury shares RMB'000	Share premium RMB'000	Exchange fluctuation reserve RMB'000	Share-based payment reserve RMB'000	Accumulated losses RMB'000	Total RMB'000
At 31 December 2025 (audited)		65,196	–	2,538,914	(98)	50,928	(1,062,966)	1,591,974
Loss for the period		–	–	–	–	–	(153,685)	(153,685)
Other comprehensive loss for the period:								
Exchange differences on translation of foreign operations		–	–	–	(542)	–	–	(542)
Total comprehensive loss for the period		–	–	–	(542)	–	(153,685)	(154,227)
Shares repurchased	15	–	(1,468)	–	–	–	–	(1,468)
Equity-settled share-based payment expense		–	–	–	–	12,445	–	12,445
Exercise of restricted share units		–	–	259	–	(259)	–	–
At 30 June 2026 (unaudited)		65,196	(1,468)	2,539,173	(640)	63,114	(1,216,651)	1,448,724

		Attributable to owners of the parent				
	Note	Share capital RMB'000	Share premium RMB'000	Share-based payment reserve RMB'000	Accumulated losses RMB'000	Total RMB'000
At 31 December 2024 (audited)		57,259	1,453,129	153,152	(667,664)	995,876
Loss and total comprehensive loss for the period		–	–	–	(183,096)	(183,096)
Capital injection		355	29,645	–	–	30,000
Equity-settled share-based payment expense		–	–	46,805	–	46,805
At 30 June 2025 (audited)		57,614	1,482,774	199,957	(850,760)	889,585

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Notes	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Audited)
CASH FLOWS USED IN OPERATING ACTIVITIES			
Loss before tax		**(153,685)**	(183,096)
Adjustments for:			
Interest income	*4*	**(9,465)**	(3,591)
Finance costs		**3,088**	2,666
Equity-settled share-based payment expense		**12,445**	46,805
Foreign exchange differences, net		**35,329**	282
Depreciation of property, plant and equipment		**17,518**	15,099
Depreciation of right-of-use assets		**1,441**	851
Amortisation of other intangible assets		**1,251**	1,044
Changes due to passive dilution of investment in an associate	*4*	**(75)**	–
Gain on disposal of right-of-use assets	*4*	**(5)**	–
Loss on disposal of items of property, plant and equipment		**–**	3
Share of loss of an associate		**54**	114
		(92,104)	(119,823)
(Increase)/decrease in trade receivables		**(6,808)**	22
Increase in prepayments, other receivables and other assets		**(26,957)**	(7,093)
Increase in inventories		**(7,714)**	(647)
(Decrease)/increase in deferred income		**(940)**	200
Increase in trade payables		**296**	–
(Decrease)/increase in other payables and accruals		**(21,925)**	18,644
Decrease/(increase) in restricted deposits		**65**	(84)
Cash used in operations		**(156,087)**	(108,781)
Interest received		**9,465**	3,591
Net cash flows used in operating activities		**(146,622)**	(105,190)

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)	(Audited)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchases of items of property, plant and equipment	**(135,245)**	(37,891)
(Placement)/withdrawal of restricted deposits	**(4,368)**	5,000
Proceeds from disposal of items of property, plant and equipment	**4**	371
Receipt of government grants for property, plant and equipment	**23,433**	2,700
Net cash flows used in investing activities	**(116,176)**	(29,820)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	**–**	30,000
New interest-bearing bank borrowings	**163,382**	87,291
Repayment of interest-bearing bank borrowings	**(54,268)**	(45,750)
Principal portion of lease payment	**(764)**	(836)
Interest paid	**(4,986)**	(3,582)
Repurchase of ordinary shares	**(1,468)**	–
Payment for listing expenses	**(2,740)**	(2,597)
Net cash flows generated from financing activities	**99,156**	64,526
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(163,642)**	(70,484)
Cash and cash equivalents at beginning of period	**1,241,609**	524,158
Effect of foreign exchange rate changes, net	**(35,871)**	(282)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**1,042,096**	453,392

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

1. CORPORATE AND GROUP INFORMATION

The Company was established in the People's Republic of China (the "PRC") on 16 December 2019, as a limited liability company under the Companies Law of the PRC. The registered office of the Company is located at No. 28 Luoxin Road, Baoshan District, Shanghai. The Company was converted into a joint stock company on 26 July 2023.

During the period, the Company and its subsidiaries were involved in the research, development and commercialisation of pharmaceutical products.

The shares of the Company have been listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") effective from 10 December 2025.

2.1 BASIS OF PREPARATION

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

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

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

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

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

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

(b) Amendments to IFRS 9 and IFRS 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.

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

3. OPERATING SEGMENT INFORMATION

Operating segment information

For management purposes, the Group has only one reportable operating segment, which is the research, development and commercialisation of pharmaceutical products. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

During the reporting period, nearly all of the Group's revenue was derived from customers located in the Chinese mainland and all of the Group's non-current assets were located in the Chinese mainland, and therefore no geographical segment information is presented in accordance with IFRS 8 *Operating Segments*.

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Revenue from contracts with customers	**9,875**	41,990

Disaggregated revenue information

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Types of goods and services		
Sales of materials	**1,170**	983
Technical services	**8,705**	1,005
Licensing revenue	**–**	40,002
Total	**9,875**	41,990
Timing of revenue recognition		
Goods transferred at a point in time	**1,170**	983
Services transferred at a point in time	**8,705**	41,007
Total	**9,875**	41,990

The following table shows the amounts of revenue recognised in the six months ended 30 June 2026 and 2025 that were included in the contract liabilities at the beginning of those periods and recognised from performance obligations satisfied in previous periods:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Revenue from contracts with customers	**–**	40,011

4. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

An analysis of other income and gains is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Other income		
Government grants*	**2,648**	1,894
Bank interest income	**9,465**	3,591
Others	**61**	414
Total other income	**12,174**	5,899
Gains		
Changes due to passive dilution of investment in an associate	**75**	–
Gain on disposal of right-of-use assets	**5**	–
Total gains	**80**	–
Total other income and gains	**12,254**	5,899

* The government grants have been received from the PRC local government authorities for supporting the Group's operating activities. There are no unfulfilled conditions relating to these government grants.

5. LOSS BEFORE TAX

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

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Cost of sales*	**537**	265
Depreciation of property, plant and equipment	**17,518**	15,099
Depreciation of right-of-use assets	**1,441**	851
Amortisation of other intangible assets	**1,251**	1,044
Listing expenses	**–**	12,435
Lease payments not included in the measurement of lease liabilities	**43**	51
Employee benefit expense (excluding directors' and chief executive's remuneration):		
Wages and salaries	**32,134**	36,330
Pension scheme contributions (defined contribution scheme)	**9,784**	10,306
Equity-settled share-based payment expense	**2,615**	14,040
Total	**44,533**	60,676
Foreign exchange differences, net	**35,329**	282
Loss on disposal of items of property, plant and equipment	**–**	3
Gain on disposal of right-of-use assets	**(5)**	–
Share of loss of an associate	**54**	114
Provision for losses on litigation	**–**	55,080

* Cost of sales includes expenses relating to depreciation of property, plant and equipment and staff costs, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

6. INCOME TAX

Chinese mainland

Pursuant to the Corporate Income Tax Law of the People's Republic of China and the respective regulations (the "CIT Law"), Hainan Baoji Biotechnology Co., Ltd., which operates in the Chinese mainland, was subject to CIT at a rate of 25% on the taxable income during the reporting period.

Shanghai Bao Pharmaceuticals Co., Ltd., Suzhou Centergene Pharmaceuticals Co., Ltd. and Suzhou Kangju Biotechnology Co., Ltd. renewed their "High and New Technology Enterprise" qualifications under the relevant tax rules and regulations in 2025, and accordingly, are entitled to a reduced preferential CIT of 15% from 2025 to 2027. This qualification is subject to review by the relevant tax authority in the PRC every three years.

Hong Kong

The subsidiary incorporated in Hong Kong and the subsidiary registered as a Hong Kong tax resident were subject to income tax at a rate of 16.5% on estimated assessable profits arising in Hong Kong during the reporting period. The first HKD2,000,000 of assessable profits of the subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

No provision for income taxation has been made for the six months ended 30 June 2026 (30 June 2025: Nil) as the Group had no assessable profits derived from the operating entities of the Group.

7. DIVIDENDS

No dividend was paid or declared by the Company during the six months ended 30 June 2026 (30 June 2025: Nil)

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

The calculation of the basic loss per share amounts is based on the loss for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 325,981,465 (30 June 2025: 288,040,355) outstanding during the period.

The calculation of the diluted loss per share amounts is based on the loss for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the period, as used in the basic loss per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

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

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

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Loss		
Loss attributable to ordinary equity holders of the parent	**(153,685)**	(183,096)

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Audited)
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic loss per share calculation*	**325,981,465**	288,040,355

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

The loss per share attributable to ordinary equity holders of the parent for the six months ended 30 June 2025 has been restated to reflect the impacts of the share subdivision of the Company effective from 10 December 2025 ("Share Subdivision").

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired assets at a cost of RMB197,437,000 (30 June 2025: RMB76,082,000).

The Group disposed of assets of RMB4,000 during the six months ended 30 June 2026 (30 June 2025: RMB374,000).

No impairment losses were recognised during the six months ended 30 June 2026 (30 June 2025: Nil).

As at 30 June 2026, certain of the Group's buildings with an aggregate net carrying amount of approximately RMB524,162,000 (30 June 2025: RMB178,732,000) were pledged to secure interest-bearing bank borrowings granted to the Group.

As at 30 June 2026, certain of the Group's construction in progress with an aggregate net carrying amount of approximately RMB38,228,000 (30 June 2025: RMB355,321,000) was pledged to secure interest-bearing bank borrowings granted to the Group.

10. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Non-current:		
Prepayment for property, plant and equipment	**26,624**	97,062
Current:		
Prepayments	**5,332**	3,513
Deposits and other receivables	**2,124**	1,333
Deductible value-added tax	**46,577**	21,904
Prepaid expenses	**511**	837
Total	**54,544**	27,587

11. TRADE RECEIVABLES

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

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 1 year	**6,906**	98

12. 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 3 months	**304**	8

The trade payables are non-interest-bearing and are normally settled on terms of three months.

13. OTHER PAYABLES AND ACCRUALS

	Notes	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Payroll payables		**12,436**	18,331
Contract liabilities		**6,549**	1,818
Payables for purchase of property, plant and equipment		**48,029**	26,430
Other payables		**40,467**	50,797
Amounts due to related parties		**70**	127
Provision for losses on litigation	*(a)*	**55,080**	55,080
Accrual for property, plant and equipment	*(b)*	**10,239**	42,028
Tax payables		**2,064**	3,471
Accrued listing expenses		**703**	12,410
Total		**175,637**	210,492

Notes:

(a) As at 30 June 2026, the Group was involved in litigation associated with a technology transfer agreement with a biotechnology company.

Pursuant to the first instance judgement in May 2025 issued by the PRC District Court, the Group was ordered to (i) make payment amounting to approximately RMB55,080,000 which had been recognised in "Provision for losses on litigation" under "Other expenses" in the consolidated statement of profit or loss for the six months ended 30 June 2025; and (ii) return the aforesaid balance of advances from the plaintiff, of which RMB18,360,000 was recognised in "Other payables" at 31 December 2025.

In July 2026, the PRC High Court issued an order revoking the aforementioned rulings and remanding the case to the First Instance Court for retrial. As at 30 June 2026, the Group retained fully provided for the litigation exposure.

(b) As at 31 December 2025, the Group was involved in litigation associated with a pharmaceutical enterprise regarding a construction project.

Pursuant to the first and second instance judgements in August 2025 and March 2026 issued by the PRC District Court, the Group was held jointly and severally liable to pay the outstanding construction fees along with applicable interest which had been recognised in "Accrual for property, plant and equipment" under "Other payables" at 31 December 2025 amounting to approximately RMB31,789,000.

In June 2026, the construction fees and interest were enforced against the other defendant in the litigation by the PRC District Court and accordingly, the Group was no longer liable for the payment on the litigation and the corresponding liability was fully reversed.

14. DEFERRED INCOME

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Income-related government grants	**7,309**	8,249
Asset-related government grants	**114,694**	91,261
Total	**122,003**	99,510

Movements of income-related government grants:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
At beginning of year/period	**8,249**	8,050
Government grants received	**260**	199
Amounts released to profit or loss during the year/period	**(1,200)**	–
At end of year/period	**7,309**	8,249

Movements of asset-related government grants:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
At beginning of year/period	**91,261**	28,980
Government grants received	**23,433**	62,281
At end of year/period	**114,694**	91,261

15. SHARE CAPITAL AND TREASURY SHARES

Shares

	As at 30 June 2026 (Unaudited)		As at 31 December 2025 (Audited)	
	Numbers of shares	Amount RMB'000	Numbers of shares	Amount RMB'000
Issued and fully paid:				
ordinary shares	**325,981,465**	**65,196**	325,981,465	65,196

A summary of movements in the Company's share capital is as follows:

	Note	Number of shares in issue	Share capital RMB'000	Treasury shares RMB'000	Total RMB'000
At 31 December 2025 (Audited)		325,981,465	65,196	–	65,196
Repurchase of ordinary shares	*(a)*	–	–	(1,468)	(1,468)
At 30 June 2026 (Unaudited)		325,981,465	65,196	(1,468)	63,728

(a) During the six months ended 30 June 2026, 95,200 shares were repurchased by the Company at prices ranging from HKD17.38 to HKD17.81 per share and the total consideration was HKD1,686,277.60 (equivalent to RMB1,468,000).

16. CONTINGENT LIABILITIES

As at 30 June 2026, the Group had pending litigation against a biotechnology company in respect of a dispute on transfer and use of intellectual property. The litigation is still ongoing and the future development cannot be estimated with certainty. The exposure of the Group has been fully provided for in these financial statements.

17. COMMITMENTS

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

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Property, plant and equipment	**132,527**	174,527

18. RELATED PARTY TRANSACTIONS

(a) Name and relationship:

Name of related party	Relationship with the Group
ABLINK Biotechnology Co., Ltd. 成都盛世君聯生物技術有限公司	Associate
Lumosa Therapeutics Co., Ltd. 順天醫藥生技股份有限公司	Mutual key management personnel of the Group and the entity

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

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Purchases of services		
ABLINK Biotechnology Co., Ltd.	**–**	53
Lumosa Therapeutics Co., Ltd.	**180**	304

The pricing of the services was determined according to the published prices and conditions agreed upon by the Group and the related parties.

(c) Outstanding balances with a related party:

	30 June	31 December
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Other payables and accruals		
Lumosa Therapeutics Co., Ltd.	**70**	156

(d) Compensation of key management personnel of the Group

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Short term employee benefits	**5,570**	5,577
Post-employment benefits	**575**	538
Equity-settled share-based payment expense	**10,423**	38,203
Total compensation paid to key management personnel	**16,568**	44,318

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts 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	
	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)	**As at 30 June 2026 RMB'000 (Unaudited)**	As at 31 December 2025 RMB'000 (Audited)
Financial liabilities				
Interest-bearing bank borrowings				
– non-current	**287,481**	198,451	**285,526**	197,605

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

The Group's finance department headed by the finance director is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At the end of each reporting period, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The directors review the results of the fair value measurement of financial instruments 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 values of the non-current portion of financial assets included in prepayments, other receivables and other assets and interest-bearing bank borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for interest-bearing bank borrowings at 31 December 2025 and 30 June 2026 was assessed to be insignificant. Management has assessed that the fair values of the non-current portion of bank borrowings with floating interest rates approximate to their carrying amounts because the interest rates are adjusted periodically by reference to the fair market interest rates.

19. 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:

Liabilities for which fair values are disclosed:

As at 30 June 2026 (Unaudited)

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Interest-bearing bank borrowings	–	285,526	–	285,526

As at 31 December 2025 (Audited)

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Interest-bearing bank borrowings	–	197,605	–	197,605

20. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 28 August 2026.

21. EVENTS AFTER THE REPORTING PERIOD

There were no significant events taking place subsequent to 30 June 2026.

DEFINITION AND GLOSSARY

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

"affiliate(s)"	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
"AIC Agreement"	an acting-in-concert agreement dated March 10, 2021, entered into by and amongst Dr. Liu, Ms. Wang and Mr. Tan
"Articles of Association" or "Articles"	the articles of association of our Company adopted by special resolution on January 21, 2025 with effect from the Listing Date, as amended, supplemented or otherwise modified from time to time
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Audit Committee"	the audit committee of our Board
"Board"	the board of directors of the Company
"CDE"	the Center for Drug Evaluation of the NMPA
"Center Lab"	a limited liability company incorporated in Hong Kong and is wholly owned by Center Laboratories, one of our Substantial Shareholders
"Center Laboratories"	Center Laboratories, Inc. (晟德大藥廠股份有限公司), a joint stock limited liability company incorporated in Taiwan in 1959 (TWO: 4123)
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"China" or the "PRC"	the People's Republic of China, but for the purpose of this interim report and for geographical reference only, references herein to "China" and the "PRC" do not apply to Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Core Product(s)"	has the meaning ascribed thereto in Chapter 18A of the Listing Rules and is the product for the purpose of satisfying the eligibility requirements under Chapter 18A of the Listing Rules and Chapter 2.3 of the Guide for New Listing Applicants; for the purpose of this interim report, our Core Products refer to KJ017, KJ103, and SJ02

DEFINITION AND GLOSSARY

"Company," "our Company," or "the Company"	Shanghai Bao Pharmaceuticals Co., Ltd. (上海寶濟藥業股份有限公司), a joint stock company incorporated in the PRC with limited liability on July 26, 2023, or, where the context requires (as the case may be), its predecessor, Shanghai Bao Pharmaceuticals Co., Ltd. (上海寶濟藥業有限公司), a limited liability company established under the laws of the PRC on December 16, 2019
"Concert Party(ies)"	Dr. Liu, Ms. Wang and Mr. Tan
"Controlling Shareholders"	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Dr. Liu, Ms. Wang, Mr. Tan and the Share Incentive Platforms
"Corresponding Period"	for the period ended June 30, 2025
"CSO"	contract sales organization, a company that provides outsourced sales and marketing services to another company on a contractual basis
"Director(s)"	the director(s) of our Company
"DIVA"	difficult venous access, a condition where it is challenging to locate or access veins for medical procedures like blood draws or intravenous cannulation insertion
"DMF"	drug master files, submissions to FDA used to provide confidential, detailed information about facilities, processes, or articles used in the manufacturing, processing, packaging, and storing of human drug products
"Dr. Liu"	Dr. Liu Yanjun (劉彥君), the co-founder of the Group, an executive Director, chairman of the Board and one of our Controlling Shareholders
"FDA"	the United States Food and Drug Administration
"first/second/third-line or 1/2/3L"	the first/second/third-line treatment
"GCP"	Good Clinical Practice
"Global Offering"	the Hong Kong Public Offering and the International Offering in connection with the Listing
"GMP"	Good Manufacturing Practice

DEFINITION AND GLOSSARY

"Group," "our Group," "we," "us," or "our"	our Company and our subsidiaries from time to time, or any one of them as the context may require or, where the context refers to any time prior to its incorporation, the business which its predecessors or the predecessors of its present subsidiaries, or any one of them as the context may require, were or was engaged in and which were subsequently assumed by it
"HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"HKSE" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited
"H Share(s)"	ordinary share(s) in the share capital of our Company, with a nominal value of RMB0.20 each, which are subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
"IND"	investigational new drug or investigational new drug application, also known as clinical trial application in China
"Interim Results Announcement"	the interim results announcement for the period ended June 30, 2026 of the Company dated August 28, 2026
"Independent Third Party"	a person or entity who is not a connected person of our Company under the Listing Rules
"Listing"	the listing of the H Shares on the Main Board of the Stock Exchange
"Listing Date"	December 10, 2025
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
"Main Board"	the Main Board of the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
"Mr. Tan"	Mr. Tan Jingwei (譚靖偉), director of internal control of the Company and one of the Controlling Shareholders
"Ms. Wang"	Ms. Wang Zheng (王徵), the co-founder of the Group, an executive Director and Chief Executive Officer of the Company and one of the Controlling Shareholders
"NDA"	new drug application

"Ningbo Hongsheng"	Ningbo Hongsheng Enterprise Management Partnership (Limited Partnership) (寧波鴻晟企業管理合夥企業(有限合夥)), a limited liability partnership established in the PRC on December 8, 2020, one of our Share Incentive Platforms
"NMPA"	the National Medical Products Administration of the PRC (國家藥品監督管理局), successor to the China Food and Drug Administration or CFDA (國家食品藥品監督管理總局)
"Nomination Committee"	the nomination committee of our Board
"Pre-IPO Share Incentive Plans"	the pre-IPO share incentive plans of our Company adopted on August 16, 2023
"R&D"	research and development
"Reporting Period"	the six months ended June 30, 2026
"RMB"	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
"Shanghai Luojun"	Shanghai Luojun Management Consulting Partnership (Limited Partnership) (上海羅君管理諮詢合夥企業(有限合夥)), a limited liability partnership established in the PRC on August 9, 2023, one of our Share Incentive Platforms
"Shanghai Luoxu"	Shanghai Luoxu Management Consulting Partnership (Limited Partnership) (上海羅旭管理諮詢合夥企業(有限合夥)), a limited liability partnership established in the PRC on September 2, 2020, one of our Share Incentive Platforms
"Share(s)"	ordinary share(s) in the share capital of our Company with a nominal value of RMB0.20 each upon the completion of the Share Subdivision, comprising Unlisted Share(s) and H Share(s); before the completion of the Share Subdivision, ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each
"Share Incentive Platforms"	Shanghai Luojun, Shanghai Luoxu and Ningbo Hongsheng, or any one of them as the context may require
"Share Subdivision"	the Share Subdivision immediately prior to the Listing, pursuant to which each of our Share with par value of RMB1.00 was subdivided into five Shares with par value of RMB0.20 each

DEFINITION AND GLOSSARY

"Shareholder(s)"	shareholder(s) of the Company
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"Supervisor(s)"	member(s) of our Supervisory Committee
"Supervisory Committee"	the supervisory committee of our Company
"treasury shares"	has the meaning as defined under the Listing Rules
"Unlisted Shares"	ordinary share(s) issued by our Company with a nominal value of RMB0.2 each which is/are not listed on any stock exchange
"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
"USD"	United States dollars, the lawful currency of the United States