Hangzhou Jiuyuan Genetic Biopharmaceutical Co., Ltd.
杭州九源基因生物醫藥股份有限公司

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

(Stock code: 2566)

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

The board (the "**Board**") of directors (the "**Directors**") of Hangzhou Jiuyuan Genetic Biopharmaceutical Co., Ltd. (杭州九源基因生物醫藥股份有限公司) (the "**Company**", together with its subsidiary, the "**Group**") is pleased to announce the unaudited consolidated interim results of the Group for the six months ended June 30, 2026 (the "**Reporting Period**"), together with the comparative figures for the six months ended June 30, 2025 (the "**Corresponding Period**"). The consolidated interim financial statements of the Group for the Reporting Period have been reviewed by the Board and the Audit Committee.

In this announcement, "we", "us" and "our" refer to the Company and where the context otherwise requires, the Group. Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments or have been rounded to one or two decimal places, as appropriate. Any discrepancies in any table, chart or elsewhere totals and sums of amounts listed therein are due to rounding.

FINANCIAL SUMMARY

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

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

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

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

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

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

Product Pipeline

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

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

Innovative Drug

Project Name	Product Candidate/Product	Product Type	Dosage Form	Target/MoA	Indications	Pre-clinical / IND / Phase I / Phase II / Phase III / NDA / Commercialization	Next Milestone (Expected Time)
JY54	Amylin analog	Peptide	Subcutaneous injection	DACRAs receptor agonist	Metabolism (obesity and overweight)		Phase I clinical trial
JY54-2	Amylin analog	Peptide	Subcutaneous injection	DACRAs receptor agonist	Metabolism (obesity and overweight)		IND application (2026H2)
JY57	long-acting FGF21 receptor agonist	Fusion protein	Subcutaneous injection	FGF21 receptor	Metabolism (MASH)		IND application (2026Q4)
JY47	SIRPα monoclonal antibody	Monoclonal antibody	Intravenous injection	CD47-SIRPα inhibitor	Solid tumors		Phase I clinical trial
JY47-2	SIRPα monoclonal antibody	Monoclonal antibody	Intravenous injection	CD47-SIRPα inhibitor	Metabolism (MASH)		–

Innovative Drug-Device

Project Name	Product Candidate/Product	Product Type	Dosage Form	Target/MoA	Indications	Research Stage / Registration Inspection / Clinical Trials / Registration Submission	Next Milestone (Expected Time)
JY23	Multipotent biological bone containing rhBMP-2	Drug-device combination	Bone graft	Bone Morphogenetic Proteins and Biomaterials	Bone repair		Pending approval for marketing
JY23-2	Injectable rhBMP-2-integrated bone repairmaterial	Innovative drug-device combination	Bone graft	Bone Morphogenetic Proteins and Biomaterials	Bone repair		Registration inspection (2026Q4)

Biosimilar Drug

Project Name	Product Candidate/Product	Product Type	Dosage Form	Target/MoA	Indications	Pre-clinical / IND / Phase I / Phase II / Phase III / NDA / Commercialization	Next Milestone (Expected Time)
JY29-2吉優泰®	Semaglutide	Peptide	Subcutaneous injection	Glucagon-like peptide-1(GLP-1) receptor agonist	Metabolism (T2DM)		Pending approval for marketing[1] (2027Q2)
JY29-2吉可親®					Metabolism (obesity and overweight)		Pending approval for marketing (2027Q3)
JY29-2 (Oral)			Tablets		Metabolism (obesity and overweight)		Process development
JY41	Romosozumab	Monoclonal antibody	Subcutaneous injection	Sclerostin inhibitor	Osteoporosis		Process development
JY43	Daratumumab	Monoclonal antibody	Intravenous injection	CD38 inhibitor	Multiple myeloma		Phase I clinical trial
JY43-2	Daratumumab (with hyaluronidase)	Monoclonal antibody	Subcutaneous injection	CD38 inhibitor with hyaluronidase	Multiple myeloma		IND application (2026Q4)
JY56	Emicizumab	Bispecific antibody	Subcutaneous injection	Bridging coagulation factor IX and coagulation factor	Hemophilia		Process development

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

Innovative Drug Products

- In April 2026, the Company's self-developed Class I innovative drug JY54 (amylin analog) received the Drug Clinical Trial Approval Notice issued by the NMPA, officially entering the clinical development stage. By binding to amylin receptors, it inhibits glucagon secretion, delays gastric emptying and reduces appetite, and is intended for weight management.

- During the Reporting Period, the Company's self-developed Class I innovative drug JY54-2 (amylin analog) completed pilot-scale process development and entered the non-clinical safety evaluation (toxicology) study stage. The product is a new-generation long-acting amylin analog that is stable at neutral pH, with the potential to be developed into combination formulations with other metabolic drugs such as GLP-1.

- During the Reporting Period, the Company's self-developed Class I innovative drug JY57 (long-acting FGF21 receptor agonist) completed pilot-scale process development and entered the non-clinical safety evaluation (toxicology) study stage. JY57 is a long-acting FGF21 receptor agonist (long-acting monthly formulation). By activating the fibroblast growth factor 21 (FGF21) signaling pathway, it regulates glucose and lipid metabolism, improves insulin sensitivity and reduces hepatic fat accumulation, and is intended for metabolic dysfunction-associated steatohepatitis (MASH).

Innovative Drug-Device Combination Products

- In March 2026, the product registration application for the Company's self-developed Class III medical device JY23 (multipotent biological bone containing rhBMP-2) was formally accepted by the NMPA and passed the registration inspection. Existing study results have demonstrated that the product has stable process quality and exhibits good efficacy and safety profiles.

- During the Reporting Period, the Company's self-developed Class III medical device JY23-2 (injectable rhBMP-2-integrated bone repair material) completed product finalization and process development, and entered the pilot-scale production stage. JY23-2 is the Company's new-generation bone repair product featuring an injectable formulation design, which delivers the product to bone defect sites through a minimally invasive injection approach. While maintaining osteoinductive, bone-filling and osteoconductive functions, it also provides structural support, and is intended for bone defect repair and other indications.

- During the Reporting Period, the national key R&D program special project "Diagnostic and Therapeutic Equipment and Biomedical Materials (診療裝備與生物醫用材料)" (Project No.: 2025YFC243500), in which the Company participates, was officially launched. As a key participating entity, the Company has undertaken the R&D tasks for two sub-projects.

- During the Reporting Period, the national key R&D program project "Research on Clinical Application Solutions for OLIF Based on Highly Osteoinductive Materials (基於高誘導成骨活性材料的OLIF臨床應用解決方案研究)" (Project No.: 2022YFC2407200), in which the Company participates, was implemented. The Company has been conducting regular activities to disseminate cutting-edge technologies and promote clinical standardization, unifying the clinical diagnostic and treatment standards for Oblique Lateral Interbody Fusion (OLIF), and helping to enhance the homogeneity of diagnostic and treatment capabilities across hospitals at all levels.

Biosimilars

- In February 2026, the marketing application for the Company's product candidate Jikeqin® was accepted by the NMPA and passed the registration inspection and registration testing. Jikeqin® is a semaglutide biosimilar, a long-acting glucagon-like peptide-1 (GLP-1) receptor agonist, which exerts multiple mechanisms of action by mimicking the physiological effects of endogenous GLP-1 hormones, including promoting insulin secretion, inhibiting glucagon release, suppressing appetite and delaying gastric emptying, thereby improving glycemic control and achieving weight management.

- During the Reporting Period, the Company's self-developed JY43-2 (daratumumab subcutaneous injection formulation) completed industrial-scale-up production studies and entered the non-clinical evaluation preparation stage. The Company is continuously advancing process development, quality studies and preparations for registration submission. JY43-2 is a subcutaneous-administered biosimilar of daratumumab containing recombinant human hyaluronidase, and is intended for indications including multiple myeloma.

Intellectual Property

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

- For the Class I innovative drug JY54-2 (long-acting amylin analog): one new PCT international patent application was filed, covering the core compound molecular structure and its application in the treatment of metabolic diseases.

- For the Class III medical device JY23-2 (injectable rhBMP-2-integrated bone repair material): one new PCT international patent application was filed, covering the device, its preparation and uses.

- For the Class I new drug JY57 (long-acting FGF21 receptor agonist): one new PCT international patent application was filed, covering the core compound molecular structure, preparation method and therapeutic use.

Internationalization Progress

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

Production and Quality

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

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

Future and Outlook

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

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

FINANCIAL REVIEW

Revenue

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

Sale of Goods

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

Pharmaceutical Services

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

Cost of Sales

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

Gross Profit and Gross Profit Margin

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

Other Income and Gains

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

Selling and Marketing Expenses

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

Administrative Expenses

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

Research and Development Costs

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

Other Expenses

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

Finance Costs

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

Income Tax Expense

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

Liquidity and Capital Resources

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

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

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

Charges on Company Assets

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

Significant Investments, Material Acquisition and Disposal

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

Future Plans for Material Investments or Capital Assets

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

Contingent Liabilities

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

Employee Remuneration and Relations

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

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

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

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

Particulars of the Shares repurchased are summarized as follows:

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

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

H SHARE FULL CIRCULATION

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

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

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

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

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

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

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

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

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

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

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

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

REVIEW OF INTERIM RESULTS BY THE AUDIT COMMITTEE

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

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

EVENTS AFTER THE REPORTING PERIOD

During the period from July 2, 2026 to July 15, 2026 and as of the date of this announcement, the Company had repurchased a total of 348,200 H Shares on the Stock Exchange for a total consideration of HK$2,186,780.2. All such repurchased H Shares were held by the Company as treasury Shares. The repurchases were made with a view to increasing the net asset value per Share and earnings per Share.

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

INTERIM DIVIDENDS

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

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

This results announcement is published on the Company's website (www.china-gene.com) and the website of the Hong Kong Stock Exchange (www.hkexnews.hk). The 2026 interim report of the Company containing all relevant information required under the Listing Rules will be dispatched to the Shareholders (if requested) and published on the afore-mentioned websites in due course.

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

For the six months ended 30 June 2026

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

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

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

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. BASIS OF PREPARATION

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

2. CHANGES IN ACCOUNTING POLICIES

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

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

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

(a) Amendments to HKFRS 9 and HKFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. Prior to the initial application of the amendments, the Group derecognised trade payables that were settled by cheques upon the issuance of cheques to creditors. Upon applying the amendments, trade payables that were settled by cheques are derecognised on the settlement date which is the date when the cheques are cleared by banks. The change in accounting policy did not have a material impact on the Group's interim condensed consolidated financial information. The change in accounting policy will be reflected in the Group's consolidated financial statements for the year ending 31 December 2026.

(b) Amendments to HKFRS 9 and HKFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

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

3. OPERATING SEGMENT INFORMATION

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

Geographical information

(a) Revenue from external customers

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

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

(b) Non-current assets

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

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

Information about major customers

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

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

4. REVENUE

An analysis of revenue is as follows:

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

Revenue from contracts with customers

Disaggregated revenue information

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

5. PROFIT BEFORE TAX

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

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

6. INCOME TAX

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

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

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

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

7. DIVIDENDS

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

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

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

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

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

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

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

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

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

9. PROPERTY, PLANT AND EQUIPMENT

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

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

10. TRADE AND BILLS RECEIVABLES

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

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

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

11. TRADE PAYABLES

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

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

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

12. COMMITMENTS

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

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

13. EVENTS AFTER THE REPORTING PERIOD

During the period from July 2, 2026 to July 15, 2026 and as of the date of this announcement, the Company had repurchased a total of 348,200 H Shares on the Stock Exchange for a total consideration of HK$2,186,780.2. All such repurchased H Shares were held by the Company as treasury Shares.

DEFINITIONS

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

"Articles of Association"	the articles of association of the Company, as amended, supplemented or otherwise modified from time to time
"Audit Committee"	the audit committee of the Board
"Board"	the board of directors of the Company
"CG Code"	Corporate Governance Code set out in Appendix C1 to the Listing Rules
"Chairman" or "Chairman of the Board"	the chairman of the Board
"China" or the "PRC"	the People's Republic of China, but for the purpose of this announcement and for geographical reference only, unless the context otherwise requires, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Company," "our Company," or "the Company"	Hangzhou Jiuyuan Genetic Biopharmaceutical Co., Ltd. (杭州九源基因生物醫藥股份有限公司) (formerly known as Hangzhou Jiuyuan Gene Engineering Co., Ltd. (杭州九源基因工程股份有限公司)), a limited liability company established under the laws of the PRC on December 31, 1993 and converted into a joint stock company with limited liability on December 5, 2023
"Corresponding Period"	for the six months ended June 30, 2025
"Director(s)"	the director(s) of our Company
"DIP"	diagnosis intervention packet, a complete management system established by using the advantages of big data, exploring the common characteristics of "disease diagnosis + treatment mode" to objectively classify the case data, and forming a standardized positioning of each disease and treatment combination in the full-sample case data within a certain area, objectively reflecting the severity of the disease, the complex state of treatment, the level of resource consumption and the norms of clinical behavior, which can be applied to medical insurance payment, fund supervision and hospital management

"DRG"	diagnosis-related group, a case-mix complexity system implemented to categorize patients with similar clinical diagnoses in order to better control hospital costs and determine payor reimbursement rates
"Group," "our Group," "we," "us," or "our"	the Company and its subsidiaries from time to time
"H Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are traded in Hong Kong dollars and listed on the Stock Exchange
"HK$" or "HKD"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"NMPA"	National Medical Products Administration (國家藥品監督管理局), the Chinese regulatory body responsible for the supervision and administration of pharmaceuticals, medical devices, and cosmetics in China
"R&D"	research and development
"Reporting Period"	for the six months ended June 30, 2026
"RMB" or "Renminbi"	the lawful currency of the PRC
"Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each
"Shareholder(s)"	shareholder(s) of the Company
"Stock Exchange" or "Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited

"Supervisor(s)"	member(s) of the Supervisory Committee prior to its abolishment on June 15, 2026
"Supervisory Committee"	the supervisory committee of the Company, which was abolished with effect from June 15, 2026
"treasury Shares"	the meaning as defined under the Listing Rules
"T2DM"	type 2 diabetes mellitus, a metabolic disorder marked by insulin resistance and relative insulin deficiency, often associated with obesity and lifestyle factors
"U.S." or "United States"	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
"US$"	United States dollar, the lawful currency of the United States
"%"	per cent

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

APPRECIATION

The Board would like to express its sincere gratitude to the Shareholders, management team, employees, business partners and customers of the Group for their support and contribution to the Group.

By order of the Board
Hangzhou Jiuyuan Genetic Biopharmaceutical Co., Ltd.
杭州九源基因生物醫藥股份有限公司
FU Hang
Chairman of the Board, Executive Director and General Manager

Hangzhou, the PRC, August 19, 2026

As of the date of this announcement, the Board comprises (i) Mr. Fu Hang (傅航) and Mr. Zhou Wei (周偉) as executive directors; (ii) Mr. Wu Shihang (吳詩航), Mr. Albert Esteve Cruella, Mr. Fei Junjie (費俊傑) and Ms. Yan Weiting (嚴瑋婷) as non-executive directors; (iii) Mr. Zhou Zhihui (周智慧), Ms. Ho Mei Yi (何美儀), Dr. Zhou Demin (周德敏) and Dr. Huang Wenli (黃文禮) as independent non-executive directors; and (iv) Mr. Xu Feihu (徐飛虎) as an employee representative director.