绿竹生物
LUZHU BIOTECH

Beijing Luzhu Biotechnology Co., Ltd.
北京綠竹生物技術股份有限公司

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

Stock Code : 2480

2026
Interim Report

Contents

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. KONG Jian (孔健) *(Chairman)*
Ms. PENG Ling (彭玲) *(Vice Chairlady)*
Ms. ZHANG Yanping (張琰平)

Non-executive Directors

Mr. MA Biao (馬驫)
Mr. KONG Shuangquan (孔雙泉)

Independent non-executive Directors

Ms. HOU Aijun (侯愛軍)
(Lead independent non-executive Director)
Mr. LEUNG Wai Yip (梁偉業)
Mr. LIANG Yeshi (梁冶矢)

SUPERVISORS

Mr. CHEN Liang (陳亮) *(Chairman)*
Ms. KONG Xi (孔茜)
Ms. WANG Wei (王蔚)

COMPANY SECRETARY

Mr. LIU Siyu (劉斯宇)
Ms. YUEN Wing Yan, Winnie (袁頴欣) *(FCG, HKFCG (PE))*
(resigned with effect from March 18, 2026)
Ms. LAI Ho Yan (賴浩恩) *(ACG, HKACG)*
(appointed with effect from March 18, 2026 and resigned with effect from June 12, 2026)

AUTHORIZED REPRESENTATIVES

Mr. KONG Jian (孔健)
Ms. YUEN Wing Yan, Winnie (袁頴欣) *(FCG, HKFCG (PE))*
(resigned with effect from March 18, 2026)
Ms. LAI Ho Yan (賴浩恩) *(ACG, HKACG)*
(appointed with effect from March 18, 2026 and resigned with effect from June 12, 2026)
Mr. LIU Siyu (劉斯宇)
(appointed with effect from June 12, 2026)

AUDIT COMMITTEE

Ms. HOU Aijun (侯愛軍) *(Chairlady)*
Mr. KONG Shuangquan (孔雙泉)
Mr. LEUNG Wai Yip (梁偉業)

REMUNERATION COMMITTEE

Mr. LIANG Yeshi (梁冶矢) *(Chairman)*
Mr. KONG Jian (孔健)
Mr. LEUNG Wai Yip (梁偉業)

NOMINATION COMMITTEE

Mr. KONG Jian (孔健) *(Chairman)*
Mr. LIANG Yeshi (梁冶矢)
Ms. HOU Aijun (侯愛軍)

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
35/F, One Pacific Place
88 Queensway
Hong Kong

LEGAL ADVISORS

As to Hong Kong law
Eric Chow & Co. in Association with Commerce & Finance Law Offices
3401, Alexandra House
18 Chater Road, Central
Hong Kong

As to PRC law
Commerce & Finance Law Offices
12-14/F, China World Office 2
No. 1 Jianguomenwai Avenue
Beijing
PRC

PRINCIPAL BANKS

Agricultural Bank of China Limited Beijing Pilot Free Trade Zone Zhangjiawan Design Town Branch
No. 16 Guanghua Road
Zhangjiawan Town
Tongzhou District
Beijing
PRC

China Construction Bank Corporation Beijing Desheng Branch
Hesheng Fortune Plaza
No. 13 Dewai Street
Xicheng District
Beijing
PRC

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

No. 3 Guangtong Street
Industrial Development Zone
Tongzhou District
Beijing
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1922, 19/F, Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

REGISTERED OFFICE

No. 3 Guangtong Street
Industrial Development Zone
Tongzhou District
Beijing
PRC

H SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

STOCK CODE

2480

COMPANY'S WEBSITE

www.luzhubiotech.com

DATE OF LISTING

May 8, 2023

Financial and Operational Data Highlights

The following table summarizes our results of operations for the six months ended June 30, 2025 and 2026:

	For the six months ended June 30,		
	2026	2025	Change
	RMB'000	RMB'000	(%)
	(unaudited)	(unaudited)	(unaudited)
Other income	**6,762**	4,850	39.4
Other expenses	**(530)**	(585)	(9.4)
Other gains and losses, net	**(4,350)**	(3,036)	43.3
Administrative expenses	**(28,289)**	(25,801)	9.6
Research and development expenses	**(30,331)**	(50,273)	(39.7)
Finance costs	**(4,737)**	(2,725)	73.8
Share of loss of an associate	**(1)**	–	100.0
Loss before tax	**(61,476)**	(77,570)	(20.7)
Income tax expense	**(146)**	–	100.0
Loss and total comprehensive expense for the period	**(61,622)**	(77,570)	(20.6)
Loss per share	**RMB**	RMB	%
– Basic	**(0.31)**	(0.39)	(20.5)
– Diluted	**(0.31)**	(0.39)	(20.5)

	As of June 30, 2026	As of December 31, 2025
	RMB'000	RMB'000
	(unaudited)	(audited)
Non-current assets	**603,505**	601,082
Current assets	**392,471**	438,510
Current liabilities	**123,566**	118,466
Net current assets	**268,905**	320,044
Non-current liabilities	**273,913**	261,007
Net assets	**598,497**	660,119

OVERVIEW

The Company is a biotechnology company committed to developing innovative human vaccines and therapeutic biologics to prevent and control infectious diseases and treat cancer and autoimmune diseases.

Since its inception in 2001, the Group has focused on human medicine and has established technology platforms with its understanding of immunology and protein engineering, which empowers the Group to develop the recombinant vaccine and antibody product candidates with favorable efficiency, high purity and improved stability.

As of June 30, 2026, the Group's product pipeline consisted of two clinical-stage product candidates, including its Core Product, LZ901, and six pre-clinical-stage product candidates.

As of June 30, 2026, the Group had a total of seven invention patents in Russia, the PRC, Japan, Australia, the U.S., South Korea and Canada and one pending application relating to its Core Product in Europe. All of the registered patents and patent applications for the Core Product are related to the same set of patent claims filed to eight different jurisdictions to protect its intellectual property, given that in addition to the PRC and the U.S., the other jurisdictions are also the target markets or potential markets in the future for LZ901.

Management Discussion and Analysis

BUSINESS REVIEW

Research and development of product candidates

After two decades of research and development and introduction of technologies, the Group has established an innovative precision protein engineering platform empowering the full cycle of drug development, which provides a solid foundation for the development of the Group's human vaccines candidates and bispecific antibody product candidates.

The Group's innovative antigen presentation technology for vaccine development starts from the concept of enhancing the immunogenicity of a target antigen, then streamlines the design of a recombinant virus vaccine antigen while retaining the primary structure of the natural antigen to enhance immunogenicity, improve safety and patient vaccination experience. The Group has an internally developed next-generation bispecific antibody development platform, Fabite®, of which the Group owns intellectual property rights, has competitive advantages in the development of bispecific antibody products for the treatment of relapsed/refractory hematological malignancies. Fabite® has a fully controllable mechanism of action and mode of administration to ensure the safety of patients. It can be used in a variety of immunotherapies based on the activation of T cells to kill cancer cells. Fabite® optimizes the purification process of bispecific antibodies, achieving high purity of monomers. At the same time, the Group has developed several types of liquid formulations to address stability issues, resulting in bispecific antibody solutions that can be stable for more than three years in storage conditions of 2-8°C.

By employing the Fabite® technology platform and mammalian expression technology platform and leveraging its in-house biologics manufacturing infrastructure and capabilities, the Group established a diversified and advanced product pipeline covering human vaccine candidates and bispecific antibody product candidates.

PRODUCT CANDIDATES AT CLINICAL TRIAL STAGE

LZ901

LZ901, the independently developed recombinant herpes zoster vaccine candidate and Core Product of the Group, has become the world's first herpes zoster vaccine with a tetrameric molecular structure to prevent shingles caused by VZV. Its molecular structure has doubled the fragment crystallizable (Fc) regions for antigen presenting cells to bind to compared to naturally occurring VZV antigen. LZ901 actively presents VZV antigens to immune cells to trigger an immune response. In addition, LZ901 has demonstrated high immunogenicity, efficacy and safety profile in both the pre-clinical studies and the Phase I, Phase II and Phase III clinical trials in China, while inducing specific humoral and cellular immunity.

The Group initiated the multi-center, randomized, double-blind, placebo-controlled Phase III clinical trial for LZ901 in China in September 2023, and completed the subjects enrollment of a total of approximately 26,000 healthy subjects aged 40 years and older in January 2024. The clinical results of the Phase III clinical trial of LZ901 in China have been published on *Nature Communications* on August 7, 2026. Within one year post-vaccination, overall vaccine efficacy was 91.6% (95% CI: 86.3% to 95.3%) in subjects aged 40 years and older, and vaccine efficacy against PHN was 95.9% (95% CI: 63.9% to 99.9%). Within 30 days post-vaccination, 16.4% (2,137/13,011) of participants in the LZ901 vaccine group reported at least one adverse reaction, compared with 9.0% (1,167/13,008) in the placebo group ($p<0.001$), and the occurrence of grade 3 adverse reactions did not differ significantly between the LZ901 group (0.4%) and the placebo group (0.3%) ($p=0.672$). For further details, please refer to the announcement of the Company dated August 9, 2026.

The Group also launched a head-to-head clinical trial of LZ901 and HZ/su vaccine (Shingrix®), a recombinant glycoprotein E subunit vaccine, in November 2023, which was successfully completed during the first half of 2025. Results of the comparison study showed that LZ901 induced superior cellular immunogenicity and exhibited a better safety profile than HZ/su vaccine in adults aged 50 or above.

Based on the interim analysis of the Phase III clinical trial, a BLA for LZ901 was submitted to the NMPA in January 2025, which was subsequently accepted in February 2025. In the third quarter of 2025, the NMPA completed procedures including the clinical trial on-site inspection and the production site inspection. Up to the date of this report, the NMPA is still reviewing the BLA for LZ901, and the Group currently expects to commercialize LZ901 in the PRC in the first half of 2027.

In addition, the Group has received IND approval from the FDA in July 2022 for LZ901. The Phase I clinical trial of LZ901 in the U.S. was initiated in February 2023, and is a randomized, double-blind, placebo-controlled and dose escalation study for evaluating the safety and tolerability of LZ901 in healthy subjects aged 50 to 70 years inclusive. A total of 66 subjects were enrolled in the Phase I clinical trial of LZ901 in the U.S..

According to the results of the Phase I clinical trial of LZ901 in the U.S. which finished in September 2025, both the high-dose group and low-dose group of the LZ901 vaccine demonstrated good safety and immunogenicity profile as compared to the placebo group. The primary research objective of this clinical trial is to verify the safety of the vaccine and only the low-dose group of the LZ901 vaccine experienced vaccine related mild adverse reactions (4.35%), while no vaccine-related adverse reactions were observed in the high-dose group of the LZ901 vaccine or the placebo group.

K193

K193 is an independently developed bispecific antibody injection (B-lymphocyte antigen CD19 ("**CD19**") – cluster of differentiation 3 ("**CD3**")) product candidate of the Group for the treatment of B cell leukemia and lymphoma. K193 is the world's first bispecific antibody against CD19/CD3 with an asymmetric structure. K193 has an innovative molecular structure that was developed based on the internally developed bispecific antibody development platform of the Group, Fabite®, and the Group's mammalian expression technology platform, which makes it less prone to polymerization and decreased activity compared to other similar products in the market. During pre-clinical studies, K193 displayed high *in vivo and in vitro* anti-tumor activity, and its optimized formulation is stable and convenient to use. K193's unique mechanism of action endows it with a strong ability to treat various types of B cell leukemia and lymphoma. The safe and controllable administration of K193 also reduces the impact of patient stress caused by medication administration. In December 2019, the Group initiated a Phase I clinical trial of K193 in China and expects to complete the Phase I clinical trial as early as 2027.

UPDATES ON OTHER PRE-CLINICAL PRODUCT CANDIDATES

The Group had a total of six pre-clinical stage product candidates as of June 30, 2026, namely, recombinant varicella vaccine, recombinant RSV vaccine, recombinant HSV-1 vaccine, recombinant HSV-2 vaccine, K333 bispecific antibody for the treatment of myeloid leukemia and K1932 bispecific antibody for the treatment of lymphoma.

Recombinant RSV vaccine is an independently developed recombinant vaccine product candidate of the Group that targets LRTD caused by RSV. It is a liquid formation with an aluminum adjuvant. Through the introduction of covalent disulfide bonds into the recombinant RSV vaccine, the fusion (F) protein is stabilized in its pre-fusion (preF) conformation, thereby preserving the key neutralizing epitopes of F protein.

The F protein, located on the surface of the RSV virus, is the primary target antigen for RSV vaccines. Prior to viral entry into host cells, the F protein is in its preF conformation, and exposes potent neutralizing epitopes. However, such F protein will be transitioned from the preF to post-fusion (postF) conformation during viral fusion, resulting in the loss of the neutralizing epitopes. The covalent disulfide bonds of the recombinant RSV vaccine stabilize the F protein in its preF conformation, which is required for eliciting strong neutralizing immune responses. Such stabilization of F protein in preF conformation also enables the recombinant RSV vaccine to address key industry pain points for RSV vaccines, such as protein instability and formulation limitations. The IND application for the recombinant RSV vaccine was accepted by the Center for Drug Evaluation of the NMPA on July 22, 2026. The recombinant RSV vaccine is currently at the pre-IND stage, and it has demonstrated good immunogenicity in pre-clinical studies. Phase I clinical trial of the recombinant RSV vaccine in China is expected to commence in late 2026 or early 2027.

Recombinant varicella vaccine, a recombinant vaccine that targets chickenpox caused by VZV, is currently in the pre-clinical stage.

Recombinant HSV-1 vaccine, a recombinant vaccine that targets oral herpes or cold sores caused by HSV-1, the Group expects it enter the pre-IND stage as early as 2027.

Recombinant HSV-2 vaccine, a recombinant vaccine that targets genital herpes caused by HSV-2, the Group expects it enter the pre-IND stage as early as late 2026 to early 2027.

K333, one kind of bispecific antibody injection (CD33-CD3) product candidate for the treatment of myeloid leukemia, is a bispecific antibody that binds to human CD33 and CD3.

K1932, one kind of bispecific antibody injection (CD19-CD3) product candidate for the treatment of B cell lymphoma, is based on the molecular structure of K193. Compared with K193, K1932 has a much longer half-life in the human body.

The following diagram summarizes the status of the product pipeline of the Group as of June 30, 2026:

Product Type	Product Pipeline	Indications	Pre-Clinical	Clinical Trials I	Clinical Trials II	Clinical Trials III	BLA
			Vaccine Pipeline				
Recombinant Vaccine	LZ901[1]	Herpes zoster	China				
		Herpes zoster	U.S.				
Recombinant Vaccine	Varicella Vaccine	Varicella	China				
Recombinant Vaccine	RSV Vaccine	LRTD caused by RSV	China				
Recombinant Vaccine	HSV-1 Vaccine	Oral herpes or cold sores caused by HSV-1	China				
	HSV-2 Vaccine	Genital herpes caused by HSV-2	China				
			Antibody Pipeline				
Bispecific Antibody	K193[2]	r/r B-cell lymphoma/leukemia	China				
Bispecific Antibody	K333	Myeloid leukemia	China				
Bispecific Antibody	K1932	r/r B-cell lymphoma	China				

Notes:

(1) Core Product.

(2) K193 is used for serious life-threatening diseases for which there are no effective treatment. The Group may obtain conditional approval and conduct the Phase III clinical trial afterwards in accordance with the Drug Registration Regulation《藥品註冊管理辦法》.

THE COMPANY MAY NOT BE ABLE TO SUCCESSFULLY DEVELOP AND/OR MARKET THE CORE PRODUCT, OR ANY OTHER PRODUCT CANDIDATES.

Research and development

The in-house R&D team of the Group is involved in all stages of novel vaccine and biologic therapeutic candidates development, from pre-clinical studies, laboratory research to clinical trials, regulatory filing and manufacturing process development, and the Group has thereby established a full range of in-house product discovery capabilities, including recombinant protein design and optimization, amplification, cultivation and harvesting. As of June 30, 2026, the in-house R&D team of the Group consisted of 132 personnel. With its R&D capabilities, the Group now possesses a diversified and advanced product pipeline covering human vaccine candidates and bispecific antibody product candidates.

Manufacturing and quality assurance

The Group has R&D and manufacturing facilities in both Beijing and Zhuhai. A new R&D facility in Yizhuang, Beijing commenced operations in August 2025, and a new manufacturing facility in the same location is expected to commence trial operations in the second half of 2026. The Group provides training to its manufacturing team to ensure that each team member possesses the skill sets and techniques required in the relevant product process, and complies with the quality control requirements, as well as applicable laws and regulations. As of June 30, 2026, the manufacturing team of the Group consisted of 53 personnel.

The Group also has a quality management system designed to adhere to national standards, including the GMP standards, covering substantially every aspect of the operations including product design, raw materials and manufacturing, among others. As of June 30, 2026, the Group had an experienced quality control team consisting of 61 personnel, all of whom had received professional training in regulations, GMP standards and quality control analysis methods.

Future and outlook

The Group plans to implement the following strategies to achieve the goals and visions of the Group:

- actively promote the clinical development and registration filing of the Group's pipeline candidates, in particular the core product LZ901;

- develop and implement commercialization strategies to facilitate the domestic and international commercialization process of LZ901;

- advance the development of the other pre-clinical product candidates of the Group, including recombinant varicella vaccine, recombinant RSV vaccine, recombinant HSV-1 vaccine, recombinant HSV-2 vaccine, K333 and K1932; and

- expand the product pipeline of the Group through independent development and/or collaboration.

FINANCIAL REVIEW

The following table summarizes the Group's results of operations for the six months ended June 30, 2026 and 2025:

	For the six months ended June 30,		
	2026	2025	Change
	RMB'000	RMB'000	(%)
	(unaudited)	(unaudited)	(unaudited)
Other income	**6,762**	4,850	39.4
Other expenses	**(530)**	(585)	(9.4)
Other gains and losses, net	**(4,350)**	(3,036)	43.3
Administrative expenses	**(28,289)**	(25,801)	9.6
Research and development expenses	**(30,331)**	(50,273)	(39.7)
Finance costs	**(4,737)**	(2,725)	73.8
Share of loss of an associate	**(1)**	–	100.0
Loss before tax	**(61,476)**	(77,570)	(20.7)
Income tax expense	**(146)**	–	100.0
Loss and total comprehensive expense for the period	**(61,622)**	(77,570)	(20.6)
Loss per share	**RMB**	RMB	%
– Basic	**(0.31)**	(0.39)	(20.5)
– Diluted	**(0.31)**	(0.39)	(20.5)

Other income

Other income of the Group increased by approximately 39.4% from approximately RMB4.9 million for the six months ended June 30, 2025 to approximately RMB6.8 million for the six months ended June 30, 2026, which was primarily due to the increase in government grants and rental income, partially offset by a decrease in interest income and income from the sales of immunoassay kits.

Set out below are the components of other income for the periods indicated:

	For the six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Income from sales of immunoassay kits	**787**	1,473
Government grants related to		
• Release of deferred government grants	**3,355**	2,842
• Others	**2,096**	155
Interest income on bank balances and term deposits	**273**	370
Interest income from rental deposits	**12**	10
Rental income from property	**239**	–
Total	**6,762**	4,850

Other expenses

Other expenses of the Group decreased by approximately 9.4% from approximately RMB0.6 million for the six months ended June 30, 2025 to approximately RMB0.5 million for the six months ended June 30, 2026, which was primarily due to a decrease in costs resulting from reduced sales of immunoassay kits.

Other gains and losses, net

Net other losses of the Group increased by approximately 43.3% from approximately RMB3.0 million for the six months ended June 30, 2025 to approximately RMB4.4 million for the six months ended June 30, 2026, which was primarily attributable to the fair value losses on U.S. dollar-denominated funds resulting from exchange rate and market fluctuations.

Set out below are the components of net other losses for the periods indicated:

	For the six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Fair value (losses) gains on financial assets at fair value through profit or loss	**(2,853)**	3,531
Foreign exchange losses, net	**(1,497)**	(1,126)
Impairment losses recognized on property, plant and equipment	**–**	(5,441)
Total	**(4,350)**	(3,036)

Administrative expenses

Administrative expenses of the Group increased by approximately 9.6% from approximately RMB25.8 million for the six months ended June 30, 2025 to approximately RMB28.3 million for the six months ended June 30, 2026, which was primarily due to the increase in staff costs resulting from an increase in the number of employees.

Research and development expenses

Research and development expenses of the Group decreased by approximately 39.7% from approximately RMB50.3 million for the six months ended June 30, 2025 to approximately RMB30.3 million for the six months ended June 30, 2026, which was primarily due to the correlation between research and development expenses and the progress of the research and development pipeline; as the majority of the pipeline product candidates are at the pre-clinical stage, the recognized research and development expenses are relatively low.

Finance costs

Finance costs of the Group increased by approximately 73.8% from approximately RMB2.7 million for the six months ended June 30, 2025 to approximately RMB4.7 million for the six months ended June 30, 2026, primarily due to the expensing of interest upon the transfer of construction in progress to fixed assets.

Loss before tax

As a result of the foregoing, the loss before tax of the Group decreased by approximately 20.7% from approximately RMB77.6 million for the six months ended June 30, 2025 to approximately RMB61.5 million for the six months ended June 30, 2026.

Income tax expenses

The Hong Kong profit tax paid by the Group's subsidiaries in Hong Kong was approximately RMB0.1 million for the six months ended June 30, 2026 (for the six months ended June 30, 2025: nil), which was primarily attributable to the disposal of certain financial products by the subsidiary in Hong Kong.

Under the law of the PRC on Enterprise Income Tax (the "**EIT Law**") and implementation regulations of the EIT Law, the basic tax rate of the Company and the PRC subsidiaries of the Group is 25%. As the Group was loss-making for the six months ended June 30, 2025 and 2026, no income tax expenses were incurred.

Liquidity and capital resources

The bank balances and cash (inclusive of term deposits) increased by approximately RMB30.7 million from approximately RMB97.0 million as of December 31, 2025 to approximately RMB127.7 million as of June 30, 2026, which was primarily due to the continuous decline in the interest rates of bank wealth management products leading to the Group's replacement of bank wealth management products with bank products such as large-denomination certificates of deposit.

As of June 30, 2026, the Group had bank borrowings of approximately RMB299.8 million (December 31, 2025: approximately RMB259.6 million), of which approximately RMB60.1 million would be payable within one year (December 31, 2025: approximately RMB37.0 million). Such bank borrowings are denominated in RMB with term from one to five years, and bear interest rates from 2.15% to 3.50% per annum with such interest being payable on a quarterly basis. Such bank borrowings are secured by the properties of the Group and/or guaranteed by Mr. KONG and Ms. ZHANG, the executive Directors and Controlling Shareholders. For the avoidance of doubt, the personal guarantee given by Mr. KONG and Ms. ZHANG is on normal commercial terms or better and is not secured by the assets of the Group. Therefore, such guarantee is fully exempt under Rule 14A.90 of the Listing Rules. As of June 30, 2026, approximately RMB338.4 million of the bank facilities secured by the Group remained unutilized.

There had been no breach of loan agreement by the Group during the six months ended June 30, 2026.

Pledge of assets

As of June 30, 2026, properties comprising of offices, laboratories and manufacturing facility of the Group as well as construction in progress, had been pledged to secure the bank borrowings and bank facility of the Group. Save as disclosed above, the Group had no other pledge of assets as of June 30, 2026.

Contingent liabilities

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

Gearing ratio

The gearing ratio is calculated using the Group's total liabilities divided by its total assets. As of June 30, 2026, the Group's gearing ratio was 39.9% (December 31, 2025: 36.5%).

Capital expenditure

The Group regularly incurs capital expenditures to expand and enhance its research and development facilities, establish manufacturing capacities and increase operating efficiency. The capital expenditures of the Group during the six months ended June 30, 2026 primarily consisted of expenditures on construction in progress.

The Group's capital commitments decreased from approximately RMB8.6 million as of December 31, 2025 to approximately RMB1.8 million as of June 30, 2026, which was primarily attributable to the substantial completion of the Group's construction projects.

Foreign exchange

Foreign currency risk refers to the risk of loss resulting from changes in foreign currency exchange rates. Fluctuations in exchange rates between RMB and other currencies in which the Group conducts business may affect its financial condition and results of operation. The Group mainly operates in the PRC and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Hong Kong dollars. The conversion of foreign currencies into RMB, including Hong Kong dollars, has been based on rates set by the People's Bank of China. The Group seeks to limit the exposure to foreign currency risk by closely monitoring and minimizing its net foreign currency position. During the six months ended June 30, 2026, the Group did not enter into any currency hedging transactions.

Significant investments, material acquisitions and disposals

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

Future plans for material investments or capital assets

As of June 30, 2026, save for the "Future Plans and Use of Proceeds" disclosed in the Prospectus and as disclosed in this report, the Group had no concrete plans for material capital expenditure, investments or capital assets. The Company will make further announcement(s) in accordance with the Listing Rules, where applicable, if any investments and acquisition opportunities materialize.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended June 30, 2026 (for the six months ended June 30, 2025: nil).

USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

The H Shares were listed on the Stock Exchange on May 8, 2023. The aggregate net proceeds received by the Company from the global offering of its H Shares (the "**Global Offering**") after deducting underwriting commissions and other expenses payable by the Company in connection with the Global Offering, amounted to approximately HK$241.6 million (the "**Net Proceeds**"). In such connection, the over-allotment option as described in the Prospectus had not been exercised. For details of the Global Offering, please refer to the Prospectus, the allotment results announcement of the Company dated May 5, 2023 and the announcement of the Company dated May 28, 2023 in relation to, among others, lapse of the over-allotment option.

As disclosed in the announcement of the Company dated April 23, 2026, the circular of the 2026 annual general meeting dated May 18, 2026 and the poll results announcement of the 2026 annual general meeting held on June 12, 2026 dated June 12, 2026, the unutilized portion of the Net Proceeds amounted to approximately HK$104.0 million, and the Board and the Shareholders resolved to re-allocate part of the unutilized Net Proceeds originally allocated for the clinical development and manufacturing of K3 and the construction of the second-phase commercial manufacturing facility in Zhuhai (the "**Subject Net Proceeds**"), which amounts to approximately HK$53.5 million to the following uses: (i) approximately 37.4% of the Subject Net Proceeds (amounting to approximately HK$20.0 million) to be primarily used for pre-clinical R&D, clinical trial applications, clinical studies and R&D team development for the recombinant RSV vaccine; (ii) approximately 51.6% of the Subject Net Proceeds (amounting to approximately HK$27.6 million) to be primarily used for clinical trial related expenses for LZ901; and (iii) approximately 11.0% of the Subject Net Proceeds (amounting to approximately HK$5.9 million) for the Group's working capital and other general corporate purposes.

The following table sets forth the use of the net proceeds from the Global Offering as of June 30, 2026:

Use of Proceeds	Original allocation of the Net Proceeds from the Global Offering as disclosed in the Prospectus *(HK$ million)*	Unutilized amount as of December 31, 2025 *(HK$ million)*	Revised allocation of the Net Proceeds from the Global Offering *(HK$ million)*	Utilized amount as of June 30, 2026 *(HK$ million)*	Unutilized amount as of June 30, 2026[1] *(HK$ million)*	Expected timeline for full utilization of the remaining Net Proceeds from the Global Offering as of June 30, 2026
For clinical development, manufacturing and commercialization of the Core Product, LZ901.	140.7	46.0	73.6	–	73.6	Expected to be fully utilized by the end of 2027
To fund ongoing and planned clinical trials in China and the U.S. for LZ901	97.0	2.3	29.9	–	29.9	Expected to be fully utilized by the end of 2027
To fund commercial manufacturing of LZ901	14.6	14.6	14.6	–	14.6	Expected to be fully utilized by the end of 2027
To fund marketing and sales activities	29.1	29.1	29.1	–	29.1	Expected to be fully utilized by the end of 2027

Use of Proceeds	Original allocation of the Net Proceeds from the Global Offering as disclosed in the Prospectus *(HK$ million)*	Unutilized amount as of December 31, 2025 *(HK$ million)*	Revised allocation of the Net Proceeds from the Global Offering *(HK$ million)*	Utilized amount as of June 30, 2026 *(HK$ million)*	Unutilized amount as of June 30, 2026[1] *(HK$ million)*	Expected timeline for full utilization of the remaining Net Proceeds from the Global Offering as of June 30, 2026
For clinical development and manufacturing of K3.	53.4	53.4	–	–	–	–
To fund planned clinical trials for K3	38.8	38.8	–	–	–	–
To fund commercial manufacturing of K3	14.6	14.6	–	–	–	–
For clinical development and manufacturing of recombinant RSV vaccine.	–	–	20.0	–	20.0	Expected to be fully utilized by the end of 2027
For construction of the second-phase commercial manufacturing facility in Zhuhai.	38.8	0.1	–	–	–	–
For working capital and other general corporate purposes.	8.7	5.0	10.4	0.9	9.5	Expected to be fully utilized by the end of 2027
Total	**241.6**	**104.5**	**104.0**	**0.9**	**103.1**	

Note:

(1) As of June 30, 2026, the unutilized net proceeds were deposited with licensed bank(s) in Hong Kong or the PRC.

The Company currently expects that the net proceeds from the Global Offering will be fully utilized by the end of 2027.

EMPLOYEE AND REMUNERATION POLICY

As of June 30, 2026, the Group employed 213 full-time employees. The Group has designed an evaluation system to assess the performance of its employees periodically. Such system forms the basis of the Group's determinations of whether an employee should receive a salary raise, bonus, or promotion. The Group believes that the salaries and bonuses the employees received are competitive with market rates.

The following table sets forth the number of our employees for each function as of June 30, 2026:

Function	Number of Employees	Percentage (%)
Management and General Administrative (including Financial Department)	42	19.8
R&D (including Manufacturing Department and Quality Management Department)	132	62.0
Medical Affairs and Clinical Operations	9	4.2
Engineering	15	7.0
Commercialization	15	7.0
Total	213	100.0

The Group places strong emphasis on providing training to its employees in order to enhance their technical and product knowledge. The Group designs and offers different training programmes for its employees in various positions.

The Group makes contributions to the social insurance and housing provident fund for all of its employees in the PRC.

FUNDING AND TREASURY POLICY

The Group adopts a stable, conservative approach in its finance and treasury policy, aiming to maintain an optimal financial position, the most economic finance costs, and minimal financial risks. Cash and cash equivalents are normally placed at financial institutions that the Group considers the credit risk to be low. The Group regularly reviews its funding requirements to maintain adequate financial resources in order to support its business operations as well as its research and development, future investments and expansion plans.

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As of June 30, 2026, the interests and short positions of the Directors, Supervisors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, are set out as follows:

(i) Interest in Shares and underlying Shares

Name of Directors/Supervisors	Nature of Interest	Number of H Shares[1]	Approximate percentage of shareholding in the total issued Shares[8][9]
Mr. KONG	Beneficial interest	58,294,513	28.79%
	Interest of spouse[2]	20,200,000	9.98%
	Interest in controlled corporation[3]	11,709,700	5.78%
	Interest in treasury Shares[4]	3,535,800	1.75%
Ms. PENG Ling	Interest in controlled corporation[5]	11,709,700	5.78%
Ms. ZHANG	Beneficial interest	20,200,000	9.98%
	Interest of spouse[2]	73,540,013	36.33%
Mr. MA Biao	Interest in controlled corporation[6][7]	51,708,996	25.54%
Ms. KONG Xi	Beneficial interest	550,000	0.27%
Mr. CHEN Liang	Beneficial interest	400	0.0002%

Notes:

(1) All interests stated are long positions.

(2) Mr. KONG and Ms. ZHANG are the spouse of each other. Accordingly, they are deemed to be interested in the same number of Shares that the other person is interested in for the purpose of the SFO.

(3) As of June 30, 2026, Mr. KONG was the sole general partner of Hengqin Luzhu LP. Therefore, Mr. KONG is deemed to be interested in the Shares held by Hengqin Luzhu LP under the SFO.

(4) As of June 30, 2026, there were 3,535,800 Shares repurchased by our Company and in treasury. Mr. KONG, one of the Controlling Shareholders and Directors, would be taken to have an interest in such treasury Shares held by our Company.

(5) Hengqin Luzhu LP was owned as to 40.71% by Beijing Luzhu Kangrui Enterprise Management Partnership (Limited Partnership) (北京綠竹康瑞企業管理合夥企業(有限合夥)) ("**Beijing Luzhu Kangrui**"), and Ms. PENG Ling was the general partner of Beijing Luzhu Kangrui. Accordingly, under the SFO, (i) Beijing Luzhu Kangrui is deemed to be interested in the Shares held by Hengqin Luzhu LP; and (ii) Ms. PENG Ling is deemed to be interested in the Shares in which Beijing Luzhu Kangrui is interested.

(6) As of June 30, 2026, (i) E-town Sun was the general partner and fund manager of Beijing Yizhuang and Beijing Yizhuang II, and in turn E-town Sun was owned as to approximately 34.00% and 46.00% by Saiding Fangde and Saide Ruibo, respectively; and (ii) Mr. MA Biao and Mr. MA Jianan (馬嘉楠) (the son of Mr. MA Biao) were the respective general partner of Saiding Fangde and Saide Ruibo, holding approximately 60.00% and 80.00% partnership interest thereof, respectively. Further, Saiding Fangde and Saide Ruibo have confirmed that they are acting in concert with respect to their shareholdings in E-town Sun. Accordingly, under the SFO, (i) E-town Sun is deemed to be interested in the Shares held by Beijing Yizhuang and Beijing Yizhuang II; (ii) Saiding Fangde and Saide Ruibo are deemed to be interested in the Shares in which E-town Sun is interested; (iii) Mr. MA Biao is deemed to be interested in the Shares in which Saiding Fangde is interested; and (iv) Mr. MA Jianan is deemed to be interested in the Shares in which Saide Ruibo is interested.

(7) Mr. MA Biao is the Actual Controller of Beijing Science Sun and held approximately 49.51% of the issued shares of Beijing Science Sun as of June 30, 2026. Mr. MA Biao is therefore deemed to be interested in the Shares held by Beijing Science Sun under the SFO.

(8) As of June 30, 2026, the total issued Shares were 202,449,032 H Shares (inclusive of 3,535,800 H Shares held by the Company in treasury).

(9) The Shares that are held by the Company in treasury are included for the purpose of calculating the percentage of shareholding.

(ii) Interest in associated corporations

To the best knowledge of the Directors, as of June 30, 2026, none of the Directors, Supervisors or chief executives of the Company had interests or short positions in the shares, underlying shares or debentures of the associated corporations of the Company.

Save as disclosed above, as of June 30, 2026, none of the Directors, Supervisors or chief executives of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO); or which were required to be recorded in the register to be kept by the Company pursuant to section 352 of the SFO; or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As of June 30, 2026, to the best knowledge of the Directors, the following persons (other than the Directors, Supervisors or chief executives of the Company as disclosed above) had interests or short positions in the Shares or underlying Shares which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and recorded in the register of the Company maintained under Section 336 of the SFO, or otherwise disclosed to the Company:

Name of Shareholders	Nature of interest	Number of H Shares(1)	Approximate percentage of shareholding in the total issued Shares(6)(7)
Hengqin Luzhu LP	Beneficial interest	11,709,700	5.78%
Beijing Luzhu Kangrui	Interest in controlled corporation(2)	11,709,700	5.78%
E-town Sun	Interest in controlled corporation(3)	37,969,696	18.76%
Saiding Fangde	Interest in controlled corporation(3)	37,969,696	18.76%
Saide Ruibo	Interest in controlled corporation(3)	37,969,696	18.76%
Mr. MA Jianan (馬嘉楠)	Interest in controlled corporation(3)	37,969,696	18.76%
Beijing Science Sun	Beneficial interest	13,739,300	6.79%
Beijing Yizhuang	Beneficial interest	19,645,000	9.70%
Beijing Yizhuang II	Beneficial interest	18,324,696	9.05%
CCB International Capital Management (Tianjin) Ltd. (建銀國際資本管理(天津)有限公司) ("**CCB Capital**")	Beneficial interest	11,329,875	5.60%
CCB International (China) Limited (建銀國際(中國)有限公司) ("**CCB China**")	Interest in controlled corporation(4)	11,329,875	5.60%
CCB International (Holdings) Limited (建銀國際(控股)有限公司) ("**CCB Holdings**")	Interest in controlled corporation(4)	11,329,875	5.60%
CCB Financial Holdings Limited (建行金融控股有限公司) ("**CCB Financial**")	Interest in controlled corporation(4)	11,329,875	5.60%
CCB International Group Holdings Limited (建行國際集團控股有限公司) ("**CCB Group**")	Interest in controlled corporation(4)	11,329,875	5.60%
China Construction Bank Corporation (中國建設銀行) ("**China Construction Bank**")	Interest in controlled corporation(4)	11,329,875	5.60%

Name of Shareholders	Nature of interest	Number of H Shares[1]	Approximate percentage of shareholding in the total issued Shares[6][7]
Central Huijin Investment Ltd. ("**Central Huijin**")	Interest in controlled corporation[4]	11,329,875	5.60%
Herui Venture Capital Fund Management (Shenzhen) Co., Ltd. (和瑞創業投資基金管理(深圳)有限公司) ("**Herui VC**")	Interest in controlled corporation[5]	10,000,744	4.94%
Mr. CHEN Ruolin (陳若霖)	Interest in controlled corporation[5]	10,000,744	4.94%
Mr. WANG Zhixian (王智顯)	Interest in controlled corporation[5]	10,000,744	4.94%

Notes:

(1) All interests stated are long positions.

(2) As of June 30, 2026, Hengqin Luzhu LP was owned as to approximately 40.71% by Beijing Luzhu Kangrui, and Ms. PENG Ling was the general partner of Beijing Luzhu Kangrui. Accordingly, under the SFO, (i) Beijing Luzhu Kangrui is deemed to be interested in the Shares held by Hengqin Luzhu LP; and (ii) Ms. PENG Ling is deemed to be interested in the Shares in which Beijing Luzhu Kangrui is interested.

(3) As of June 30, 2026, (i) E-town Sun was the general partner and fund manager of Beijing Yizhuang and Beijing Yizhuang II, and in turn E-town Sun was owned as to approximately 34.00% and 46.00% by Saiding Fangde and Saide Ruibo, respectively; and (ii) Mr. MA Biao and Mr. MA Jianan (the son of Mr. MA Biao) were the respective general partner of Saiding Fangde and Saide Ruibo, holding approximately 60.00% and 80.00% partnership interest thereof, respectively. Further, Saiding Fangde and Saide Ruibo have confirmed that they are acting in concert with respect to their shareholdings in E-town Sun. Accordingly, under the SFO, (i) E-town Sun is deemed to be interested in the Shares held by Beijing Yizhuang and Beijing Yizhuang II; (ii) Saiding Fangde and Saide Ruibo are deemed to be interested in the Shares in which E-town Sun is interested; (iii) Mr. MA Biao is deemed to be interested in the Shares in which Saiding Fangde is interested; and (iv) Mr. MA Jianan is deemed to be interested in the Shares in which Saide Ruibo is interested.

(4) As of June 30, 2026, (i) CCB Capital was wholly-owned by CCB China, and in turn CCB China was wholly-owned by CCB Holdings; (ii) CCB Holdings was wholly-owned by CCB Group via CCB Financial; and (iii) CCB Group was wholly-owned by China Construction Bank. China Construction Bank is a listed company on the Shanghai Stock Exchange (stock code: 601939) and was owned as to approximately 57.11% by Central Huijin. Accordingly, each of CCB China, CCB Holdings, CCB Financial, CCB Group, China Construction Bank and Central Huijin is deemed to be interested in the Shares in which CCB Capital is interested under the SFO.

(5) As of June 30, 2026, (i) Herui VC was the general partner and fund manager of Jinjiang Zhenrui Equity Investment Partnership (Limited Partnership) (晉江禎睿股權投資合夥企業(有限合夥)) ("**Jinjiang Zhenrui**") and Jinjiang Xuanhong No.1 Equity Investment Partnership (Limited Partnership) (晉江軒弘壹號股權投資合夥企業(有限合夥)) ("**Jinjiang Xuanhong**"); and (ii) Herui VC was owned as to approximately 40.00%, 40.00% and 20.00% by Mr. Chen Ruolin (陳若霖), Mr. WANG Zhixian (王智顯) and Mr. LIN Bei (林貝), respectively. Jinjiang Zhenrui and Jinjiang Xuanhong respectively held 7,776,050 Shares and 2,224,694 Shares as of June 30, 2026. Accordingly, under the SFO (i) Herui VC is deemed to be interested in the Shares held by Jinjiang Zhenrui and Jinjiang Xuanhong; and (ii) each of Mr. Chen Ruolin and Mr. WANG Zhixian is deemed to be interested in the Shares in which Herui VC is interested.

(6) As of June 30, 2026, the total issued Shares was 202,449,032 H Shares (inclusive of 3,535,800 H Shares held by the Company in treasury).

(7) The Shares that are held by the Company in treasury are included for the purpose of calculating the percentage of shareholding.

Save as disclosed above, to the best knowledge of the Directors, as of June 30, 2026, there was no other person (other than the Directors, the Supervisors or chief executives of the Company) who had interests or short positions in the Shares or underlying Shares which would be required to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO or to be recorded in the register maintained under Section 336 of the SFO.

EMPLOYEE INCENTIVE SCHEMES

Employee incentive scheme adopted prior to the Listing

The Company adopted an employee incentive scheme (the "**Employee Incentive Scheme**") on December 15, 2021 prior to the Listing. The Employee Incentive Scheme does not involve the grant of new Shares, nor options to subscribe for new Shares. Instead, eligible participants, being employees and consultants of the Group, are granted interests in Hengqin Luzhu LP, the Group's employee incentive platform. All interests under the Employee Incentive Scheme had been granted and vested prior to the Listing. Please refer to "B. Further Information about the business of our Company – 3. Employee Incentive Scheme" in Appendix VII to the Prospectus for a summary of the principal terms of the Employee Incentive Scheme.

2025 Share Award Scheme

On June 12, 2025, the adoption of the 2025 Share Award Scheme was approved by the Shareholders, and the 2025 Share Award Scheme became effective on June 13, 2025. The purposes of the 2025 Share Award Scheme are to provide the selected participants an opportunity to obtain a proprietary interest in the Company, to provide incentives to such selected participants to contribute to the Company and to enable the Company to recruit and retain high-caliber employees and attract human resources that are valuable to the Group. Eligible participants of the 2025 Share Award Scheme include but are not limited to the Directors (but excluding independent non-executive Directors) and employees of the Group. Unless otherwise cancelled or amended, the 2025 Share Award Scheme will remain in force for ten years. As of the date of this report, the 2025 Share Award Scheme has a remaining life of approximately 8.5 years. Please refer to the circular of the Company dated May 20, 2025 for a summary of the principal terms of the 2025 Share Award Scheme.

During the six months ended June 30, 2026 and up to the Latest Practicable Date, no awards had been granted under the 2025 Share Award Scheme. The number of Shares available for grant under the 2025 Share Award Scheme as of June 13, 2025 (the effective date of the 2025 Share Award Scheme), December 31, 2025 and June 30, 2026 remained at 19,922,983 H Shares. Accordingly, there were no Shares that might be issued in respect of awards granted under the 2025 Share Award Scheme during the six months ended June 30, 2026.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Group is committed to maintaining a high standard of corporate governance to safeguard the interests of the Shareholders, and the Directors recognize the importance of good corporate governance. The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code contained in Appendix C1 to the Listing Rules (in effect as of June 30, 2026) and the Company has adopted the Corporate Governance Code as its own code of corporate governance. The Corporate Governance Code has been applicable to the Company with effect from the Listing Date.

Pursuant to Code Provision C.2.1 of the Corporate Governance Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairman and the chief executive should be segregated and should not be performed by the same individual. Mr. KONG currently serves as both the chairman of the Board and the general manager of the Company. While this will constitute a deviation from Code Provision C.2.1 of the Corporate Governance Code, the Board believes that this structure will not impair the balance of power and authority between the Board and the management of the Company, given that (i) the Board consists of three independent non-executive Directors, and the Directors believe that there is sufficient check and balance in the Board to protect the interests of the Group and the Shareholders; (ii) Mr. KONG is a Controlling Shareholder, the Directors are of the view that vesting both roles on him helps to maintain the continuity of the policies and the stability of the operations of the Company. The Board will continue to review the effectiveness of the corporate governance structure of the Group from time to time in order to assess whether separation of the roles of chairman and general manager is necessary.

Save as disclosed above, the Company has complied with all applicable code provisions of the Corporate Governance Code up to June 30, 2026. The Board will periodically review and enhance its corporate governance practices to ensure that the Company continues to meet the requirements of the Corporate Governance Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules to regulate all dealings by Directors, Supervisors and relevant employees in securities of the Company and other matters covered by the Model Code.

Specific enquiry has been made to each Director and Supervisor, and all Directors and Supervisors have confirmed that they have complied with the applicable standards set out in the Model Code up to June 30, 2026. No incident of non-compliance of the Model Code by the relevant employees was noted by the Company.

MATERIAL LITIGATION AND ARBITRATION

During the six months ended June 30, 2026, the Group did not have any material litigation or arbitration.

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

As of June 30, 2026, the Company held a total of 3,535,800 H Shares in treasury (as of December 31, 2025: 3,535,800). The Company may use such treasury Shares to fund the 2025 Share Award Scheme.

Save as disclosed above, during the Reporting Period and up to the Latest Practicable Date, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL REPORT

The Audit Committee consists of three members, namely Ms. HOU Aijun, Mr. KONG Shuangquan and Mr. LEUNG Wai Yip, with Ms. HOU Aijun being the chairlady of the committee and Mr. LEUNG Wai Yip possessing the appropriate accounting or related financial management expertise in compliance with the requirements under Rules 3.10(2) and 3.21 of the Listing Rules.

The primary duties of the Audit Committee are to provide the Board with an independent review of the effectiveness of the financial reporting process, internal control and risk management system of the Group, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board.

The Audit Committee has reviewed the Company's unaudited consolidated interim results for the six months ended June 30, 2026, and confirmed that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made. The interim results for the six months ended June 30, 2026 is unaudited, but has been reviewed by Deloitte Touche Tohmatsu, the independent auditor of the Company, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Hong Kong Institute of Certified Public Accountants.

CHANGES TO DIRECTORS' AND SUPERVISORS' INFORMATION

As of June 30, 2026, there had been no change in the Directors' and the Supervisors' biographical details which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

CHANGES TO JOINT COMPANY SECRETARY AND AUTHORIZED REPRESENTATIVE

Ms. YUEN Wing Yan, Winnie ("**Ms. YUEN**") resigned as a joint company secretary of the Company (the "**Joint Company Secretary**"), an authorized representative (the "**Authorized Representative**") of the Company under Rule 3.05 of the Listing Rules, and an authorized representative in Hong Kong of the Company for the purpose of Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and an authorized person of the Company to accept service of process and notice in Hong Kong under Rule 19A.13(2) of Listing Rules (the "**Process Agent**"), with effect from March 18, 2026.

Following Ms. YUEN's resignation, Ms. LAI Ho Yan ("**Ms. LAI**") was appointed as the Joint Company Secretary, the Authorized Representative and the Process Agent with effect from March 18, 2026.

On May 18, 2026, the Stock Exchange has confirmed that Mr. LIU Siyu ("**Mr. LIU**") meets the qualification to act as the company secretary of the Company under Rules 3.28 and 8.17 of the Listing Rules. Ms. LAI resigned as the Joint Company Secretary and the Authorized Representative, with effect from June 12, 2026. Ms. LAI continues to serve as the Process Agent. Following Ms. LAI's resignation, Mr. LIU continues to serve as the sole company secretary of the Company and was appointed as the Authorized Representative with effect form June 12, 2026.

For further details, please refer to the announcements of the Company dated March 18, 2026 and June 12, 2026.

DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

No arrangement has been made by the Company or any of its subsidiaries for any Director or Supervisor to acquire benefits by means of the acquisition of Shares in, or debentures of, the Company or any other body corporate, and no rights to any share capital or debt securities of the Company or any other body corporate were granted to any Director or Supervisor or their respective spouse or children under 18 years of age, nor were any such rights exercised during or at the end of the six months ended June 30, 2026.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this report, there was no important event affecting the Group which occurred after June 30, 2026 and up to the date of this report.

Report on Review of Condensed Consolidated Financial Statements

Deloitte. 德勤

TO THE BOARD OF DIRECTORS OF BEIJING LUZHU BIOTECHNOLOGY CO., LTD.
(北京綠竹生物技術股份有限公司)
(incorporated in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Beijing Luzhu Biotechnology Co., Ltd. (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages 29 to 44, which comprise the condensed consolidated statement of financial position as of June 30, 2026 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. 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 these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion 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" ("HKSRE 2410") as issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements 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 condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
August 26, 2026

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended June 30, 2026

	NOTES	For the six months ended June 30, 2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Other income	*5*	**6,762**	4,850
Other expenses		**(530)**	(585)
Other gains and losses, net	*6*	**(4,350)**	(3,036)
Administrative expenses		**(28,289)**	(25,801)
Research and development expenses		**(30,331)**	(50,273)
Finance costs	*7*	**(4,737)**	(2,725)
Share of loss of an associate		**(1)**	–
Loss before tax		**(61,476)**	(77,570)
Income tax expense	*8*	**(146)**	–
Loss and total comprehensive expense for the period	*9*	**(61,622)**	(77,570)
Loss per share ("RMB")	*11*		
Basic		**(0.31)**	(0.39)
Diluted		**(0.31)**	(0.39)

Condensed Consolidated Statement of Financial Position

At June 30, 2026

	NOTES	June 30, 2026 RMB'000 (unaudited)	December 31, 2025 RMB'000 (audited)
NON-CURRENT ASSETS			
Right-of-use assets		**92,396**	94,765
Property, plant and equipment	*12*	**499,705**	493,532
Intangible assets		**8,018**	8,187
Prepayments, deposits and other receivables	*13*	**1,369**	2,589
Investment in an associate		**994**	995
Term deposits		**1,023**	1,014
		603,505	601,082
CURRENT ASSETS			
Materials		**6,123**	3,649
Prepayments, deposits and other receivables	*13*	**18,755**	15,400
Financial assets at fair value through profit or loss ("FVTPL")	*18*	**240,892**	323,515
Cash and cash equivalents		**126,701**	95,946
		392,471	438,510
CURRENT LIABILITIES			
Advance payments received and other payables	*14*	**59,011**	78,360
Lease liability		**3,275**	1,598
Bank borrowings	*15*	**60,147**	37,008
Deferred government grants	*16*	**987**	1,500
Income taxes payable		**146**	–
		123,566	118,466
NET CURRENT ASSETS		**268,905**	320,044
TOTAL ASSETS LESS CURRENT LIABILITIES		**872,410**	921,126
NON-CURRENT LIABILITIES			
Lease liabilities		**10,502**	11,784
Deferred government grants	*16*	**23,775**	26,617
Bank borrowings	*15*	**239,636**	222,606
		273,913	261,007
NET ASSETS		**598,497**	660,119
CAPITAL AND RESERVES			
Share capital	*17*	**202,450**	202,450
Reserves		**396,047**	457,669
TOTAL EQUITY		**598,497**	660,119

The condensed consolidated financial statements on pages 29 to 44 were approved and authorized for issue by the board of directors on August 26, 2026 and are signed on its behalf by:

Kong Jian
DIRECTOR

Zhang Yanping
DIRECTOR

Condensed Consolidated Statement of Changes in Equity

For the six months ended June 30, 2026

	Share capital RMB'000	Share premium RMB'000	Treasury shares RMB'000	Accumulated losses RMB'000	Total RMB'000
At January 1, 2026 (audited)	**202,450**	**2,621,518**	**(75,422)**	**(2,088,427)**	**660,119**
Loss and total comprehensive expense for the period	**–**	**–**	**–**	**(61,622)**	**(61,622)**
At June 30, 2026 (unaudited)	**202,450**	**2,621,518**	**(75,422)**	**(2,150,049)**	**598,497**
At January 1, 2025 (audited)	202,450	2,621,518	(32,305)	(1,938,072)	853,591
Loss and total comprehensive expense for the period	–	–	–	(77,570)	(77,570)
Repurchase of shares	–	–	(36,890)	–	(36,890)
At June 30, 2025 (unaudited)	202,450	2,621,518	(69,195)	(2,015,642)	739,131

Condensed Consolidated Statement of Cash Flows

For the six months ended June 30, 2026

	For the six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
NET CASH USED IN OPERATING ACTIVITIES	**(45,608)**	(75,285)
INVESTING ACTIVITIES		
Interest received	**443**	365
Purchase of property, plant and equipment	**(37,453)**	(49,082)
Purchases of intangible assets	**(409)**	(1,216)
Purchase of financial assets at FVTPL	**(183,110)**	(441,646)
Proceeds from disposal of financial assets at FVTPL	**262,880**	416,555
Placement of term deposits with original maturity over three months	**–**	(1,000)
Investment in an associate	**–**	(1,000)
Withdraw of term deposits with original maturity over three months	**55,441**	–
NET CASH FROM (USED IN) INVESTING ACTIVITIES	**97,792**	(77,024)
FINANCING ACTIVITIES		
New bank borrowing raised	**45,880**	152,288
Interest paid	**(4,318)**	(2,870)
Repayment of borrowings	**(5,735)**	–
Payment on repurchase of shares	**–**	(36,890)
NET CASH FROM FINANCING ACTIVITIES	**35,827**	112,528
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**88,011**	(39,781)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**40,187**	140,126
Effect of foreign exchange rate changes	**(1,497)**	(1,126)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**126,701**	99,219

1. GENERAL INFORMATION

Beijing Luzhu Biotechnology Co., Ltd. (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") are principally engaged in research, development and production of vaccines and therapeutic biologics in the People's Republic of China (the "**PRC**").

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

2. BASIS OF PREPARATION

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

The Group recorded continuing losses and negative operating cash flows during the current period. Based on the working capital projection for the next twelve months, the directors of the Company consider that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the going concern basis of accounting is adopted in preparing the condensed consolidated financial statements.

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values.

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

Application of amendments to IFRS Accounting Standard

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

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

3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

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

4. SEGMENT INFORMATION

For the purposes of resources allocation and performance assessment, the executive directors of the Company, being the chief operating decision makers, review the consolidated results when making decisions about allocating resources and assessing performance of the Group as a whole and hence, the Group has only one operating and reportable segment and no further analysis of this single segment is presented.

The Group did not record any revenue for the six months ended June 30, 2026 (six months ended June 30, 2025: nil). As at June 30, 2026, the Group's all non-current assets excluding financial instruments are located in the Chinese Mainland and accordingly, no analysis of geographical information is presented.

5. OTHER INCOME

	For the six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Income from sales of immunoassay kits	**787**	1,473
Government grants related to		
– Release of deferred government grants *(Note 16)*	**3,355**	2,842
– Others *(Note)*	**2,096**	155
Interest income on bank balances and term deposits	**273**	370
Interest income from rental deposits	**12**	10
Rental income from property	**239**	–
Total	**6,762**	4,850

Note: These government grants are unconditional government subsidies received by the Group from relevant government bodies for the purpose of giving immediate financial support to the Group's operation.

6. OTHER GAINS AND LOSSES, NET

	For the six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Fair value (losses) gains on financial assets at FVTPL	**(2,853)**	3,531
Foreign exchange losses, net	**(1,497)**	(1,126)
Impairment losses recognized on property, plant and equipment	**–**	(5,441)
Total	**(4,350)**	(3,036)

7. FINANCE COSTS

	For the six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interest on bank borrowings	**4,342**	2,814
Interest on lease liabilities	**395**	373
Total borrowing costs	**4,737**	3,187
Less: amounts capitalized in construction in progress	**–**	(462)
	4,737	2,725

8. INCOME TAX EXPENSE

	For the six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Hong Kong	**146**	–
Current PRC enterprise income tax	**–**	–
	146	–

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

Provision for Hong Kong profits tax has been recognized amounting to RMB146,000 in respect of the interim period (six months ended June 30, 2025: nil), as the Group's Hong Kong subsidiary generated estimated assessable profits subject to Hong Kong profits tax, arising from the gain on disposal of certain financial products.

As at June 30, 2026, the Group had estimated unused tax losses of approximately RMB1,007,188,000 (December 31, 2025: RMB928,277,000) which are available for offset against future profits. Deferred tax asset has been recognized in respect of approximately RMB14,829,000 (December 31, 2025: RMB16,667,000) of such losses as at June 30, 2026. The company had taxable income of RMB1,069,000 for the current period prior to offsetting accumulated prior year losses. No deferred tax asset has been recognized in respect of the remaining approximately RMB991,290,000 (December 31, 2025: RMB911,610,000) due to the unpredictability of future profit streams as at June 30, 2026.

As at June 30, 2026, the Group recognized deferred tax liabilities of RMB3,707,000 and deferred tax assets of RMB3,707,000, respectively. For the purpose of presentation in the consolidated statement of financial position, these deferred tax assets and deferred tax liabilities have been offset.

9. LOSS FOR THE PERIOD

	For the six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Loss for the period has been arrived at after charging:		
Staff costs, including directors' and supervisors' remuneration		
– salaries and other allowances	**18,997**	15,544
– retirement benefits	**2,143**	1,814
Total staff costs	**21,140**	17,358
Depreciation of right-of-use assets	**2,369**	2,369
Depreciation of property, plant and equipment	**16,356**	11,645
Amortization of intangible assets	**578**	123
Less: capitalized in construction in process	**–**	(429)
Total depreciation and amortization	**19,303**	13,708
Impairment losses recognized on property, plant and equipment	**–**	5,441
Short-term lease expenses	**32**	16
Cost of materials included in research and development expenses	**1,851**	3,448
Sub-contracting costs included in research and development expenses	**4,690**	23,882

10. DIVIDENDS

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

11. LOSS PER SHARE

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

	For the six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Loss		
Loss for the period attributable to owners of the Company	**(61,622)**	(77,570)

	For the six months ended June 30,	
	2026	2025
	'000	'000
	(unaudited)	(unaudited)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	**198,913**	200,406

The denominators used are the same as those detailed above for both basic and diluted loss per share. The Company repurchased 2,075,800 of its own ordinary shares in May and July 2025. The weighted average number of ordinary shares outstanding during the period is the number of shares outstanding at the beginning of the year, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time-weighting factor.

12. PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the Group's construction in progress increased by RMB21,908,000 (six months ended June 30, 2025: RMB54,164,000) and RMB60,000 (six months ended June 30, 2025: RMB7,924,000) respectively for the research and development and commercial manufacturing facility located in Beijing and the commercial manufacturing facility located in Zhuhai.

13. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	June 30, 2026 RMB'000 (unaudited)	December 31, 2025 RMB'000 (audited)
Value added tax recoverable	13,777	8,450
Prepayments for purchase of property, plant and equipment	896	2,217
Prepayments to suppliers and service providers	3,691	5,118
Rental deposits	384	372
Receivables from detection kits	98	371
Others	1,278	1,461
Total	20,124	17,989

	June 30, 2026 RMB'000 (unaudited)	December 31, 2025 RMB'000 (audited)
Analyzed as:		
Non-current	1,369	2,589
Current	18,755	15,400
Total	20,124	17,989

14. ADVANCE PAYMENTS RECEIVED AND OTHER PAYABLES

	June 30, 2026 RMB'000 (unaudited)	December 31, 2025 RMB'000 (audited)
Payables for acquisition of property, plant and equipment	**29,796**	46,041
Payables for research and development activities	**14,392**	25,197
Guarantee deposits received *(Note)*	**10,288**	–
Accrued salaries and other allowances	**2,945**	6,016
Payables for intangible assets	**520**	520
Other tax payables	**963**	261
Others	**107**	325
	59,011	78,360
Advance payments received and other payables denominated in:		
RMB	**58,838**	78,014
United States dollars	**173**	284
Hong Kong dollars	**–**	62
	59,011	78,360

Note: Performance guarantee deposits received from other service providers serve to regulate market promotion, stipulate promotion territories and relevant services, and ensure fulfilment of promotion and payment collection services.

15. BANK BORROWINGS

	June 30, 2026 RMB'000 (unaudited)	December 31, 2025 RMB'000 (audited)
Bank borrowings:		
Secured *(Note)*	**299,783**	259,614
Carrying amounts repayable:		
Within one year	**60,147**	37,008
Between one to two years	**63,985**	36,190
Between two to five years	**175,651**	186,416
	299,783	259,614
Less: Amounts due within one year shown under current liabilities	**(60,147)**	(37,008)
	239,636	222,606

Note: The borrowings at June 30, 2026 of RMB299,783,000 (December 31 2025: RMB259,614,000) are guaranteed by the executive directors of the Company, Mr. Kong Jian and/or his spouse, Ms. Zhang Yanping. RMB264,251,000 of such borrowings are additionally secured by the Group's pledged leasehold land, property and construction in progress located in Beijing and Zhuhai (December 31, 2025: RMB233,364,000).

During the current period, the Group drew bank borrowings totalling RMB45,880,000 in principal and repaid principal of RMB5,735,000. Interest charged on the bank borrowings for the period amounted to RMB4,342,000, of which RMB4,318,000 was settled in cash.

The exposure of the Group's bank borrowings are as follows:

	June 30, 2026 RMB'000 (unaudited)	December 31, 2025 RMB'000 (audited)
Bank borrowings:		
Fixed-rate borrowings	**150,138**	118,072
Variable-rate borrowings	**149,645**	141,542
	299,783	259,614

15. BANK BORROWINGS (CONTINUED)

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's bank borrowings are as follows:

	June 30, 2026 (unaudited)	December 31, 2025 (audited)
Effective interest rate:		
Fixed-rate borrowings	**2.15%-3.50%**	2.15%-3.50%
Variable-rate borrowings	**2.85%-2.95%**	2.85%-2.95%

16. DEFERRED GOVERNMENT GRANTS

	June 30, 2026 RMB'000 (unaudited)	December 31, 2025 RMB'000 (audited)
Non-current	**23,775**	26,617
Current	**987**	1,500

Movements in deferred government grants

	Deferred government grants related to			
	Plant and machinery RMB'000	Right-of-use assets RMB'000	Research and development activities RMB'000	Total RMB'000
At January 1, 2026 (audited)	**25,283**	**1,334**	**1,500**	**28,117**
Release of deferred government grants to profit or loss	**(1,508)**	**(1,334)**	**(513)**	**(3,355)**
At June 30, 2026 (unaudited)	**23,775**	**–**	**987**	**24,762**
At January 1, 2025 (audited)	28,298	4,004	–	32,302
Release of deferred government grants to profit or loss	(1,507)	(1,335)	–	(2,842)
At June 30, 2025 (unaudited)	26,791	2,669	–	29,460

Government grants include subsidies from local PRC governments which are specifically for (i) compensations of the capital expenditure incurred for purchase of plant and machinery and right-of-use assets, which are recognized over the useful life of the related assets and (ii) the research and development activities, which are recognized upon compliance with the attached conditions.

17. SHARE CAPITAL/TREASURY SHARES

Share capital

	Number of shares '000	Share capital RMB'000
At January 1, 2025, June 30, 2025, January 1, 2026 and June 30, 2026	202,450	202,450

Treasury shares

During the period ended June 30, 2026, the Company repurchased nil of its own ordinary shares through the Stock Exchange. All repurchased 3,535,800 (year ended December 31, 2025: 3,535,800) shares were maintained as treasury shares at the end of the reporting period.

18. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Some of the Group's financial instruments are measured at fair value for financial reporting purposes. In estimating the fair value, the Group use market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group determine the appropriate valuation techniques and inputs for fair value measurements.

Except for financial assets at FVTPL as set out below, there is no financial instrument measured at fair value on a recurring basis.

Financial assets

	Fair value as at			
	June 30, 2026 RMB'000 (unaudited)	December 31, 2025 RMB'000 (audited)	**Fair value hierarchy**	**Valuation techniques and key inputs**
Financial assets at FVTPL *(Note)*	**240,892**	323,515	Level 2	Redemption value quoted by financial institutions.

Note: The Group invested in certain financial products managed by banks and financial institutions which can be redeemed at any time or at maturity within one year. There is no predetermined or guaranteed return for each product. Such financial products are accounted for as financial assets at FVTPL under IFRS 9 *Financial Instruments*.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities measured at amortized cost in the condensed consolidated financial statements approximate their respective fair values at the end of the reporting period.

19. RELATED PARTY BALANCES AND TRANSACTIONS

a. Compensation of key management personnel

The emoluments of key management during the reporting period were as follows:

	For the six months ended June 30, 2026 RMB'000 (unaudited)	For the six months ended June 30, 2025 RMB'000 (unaudited)
Salaries and other allowances	**2,837**	2,038
Retirement benefits	**224**	175
	3,061	2,213

b. Guarantee provided by related parties

As disclosed in Note 15, the bank borrowings outstanding as at June 30, 2026 were guaranteed by the executive directors of the Company, Mr. Kong Jian and/or his spouse, Ms. Zhang Yanping.

20. CAPITAL COMMITMENTS

	June 30, 2026 RMB'000 (unaudited)	December 31, 2025 RMB'000 (audited)
Capital expenditure in respect of the acquisition of equipment and machineries and construction projects contracted for but not provided in the condensed consolidated financial statements	**1,834**	8,561

Definitions and Glossary of Technical Terms

"2025 Share Award Scheme"	the 2025 share award scheme of the Company which was adopted by Shareholders on June 12, 2025 and became effective on June 13, 2025
"Actual Controller"	the individual or entity that can control the behavior of a company by way of investment, contract or other arrangements according to the Listing Rules of the Shenzhen Stock Exchange《深圳證券交易所股票上市規則》published and as amended from time to time by the Shenzhen Stock Exchange, where Beijing Science Sun is listed
"Audit Committee"	the audit committee of the Board
"Articles of Association"	the articles of association of the Company (as amended, supplemented or otherwise modified from time to time)
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Beijing Science Sun"	Beijing Science Sun Pharmaceutical Co., Ltd. (北京賽升藥業股份有限公司), a joint stock company established in the PRC on May 20, 1999 and listed on the ChiNext board of the Shenzhen Stock Exchange (stock code: 300485)
"Beijing Yizhuang"	Beijing Yizhuang Biological Medicine Investment Center (Limited Partnership) (北京亦莊生物醫藥併購投資中心(有限合夥)), one of the pre-IPO investors of the Company
"Beijing Yizhuang II"	Beijing Yizhuang II Biological Medical Industry Investment Fund (Limited Partnership) (北京亦莊二期生物醫藥產業投資基金(有限合夥)), one of the pre-IPO investors of the Company
"BLA"	biologics license application
"Board" or "Board of Directors"	the board of directors of the Company
"CI"	confidence interval
"Corporate Governance Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"China", "Chinese Mainland" or "the PRC"	the People's Republic of China, excluding, for the purpose of this report, Hong Kong, Macau Special Administration Region and Taiwan
"Company", "the Company", or "Luzhu Biotechnology"	Beijing Luzhu Biotechnology Co., Ltd. (北京綠竹生物技術股份有限公司), a joint stock company established in the PRC with limited liability on July 19, 2013, the H Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2480)
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"Controlling Shareholders"	has the meaning ascribed to it under the Listing Rules and, in the context of this report, refers to Mr. KONG, Ms. ZHANG and Hengqin Luzhu LP
"Core Product"	has the meaning ascribed to it in Chapter 18A of the Listing Rules and in this context, the Core Product refers to LZ901

"Director(s)"	the director(s) of the Company
"E-town Sun"	Beijing E-town Sun Fund Management Co., Ltd. (北京屹唐賽盈基金管理有限公司), a company established in the PRC with limited liability on May 25, 2016
"FDA"	U.S. Food and Drug Administration, the U.S. federal agency responsible for regulating food and drugs
"GMP"	good manufacturing practice, and in the context of PRC laws and regulations, refers to guidelines and regulations from time to time issued pursuant to the PRC Drug Administration Law (中華人民共和國藥品管理法) as part of quality assurance which aims to minimise the risks of contamination, cross contamination, confusion, and errors during the manufacturing process of pharmaceutical products and to ensure that pharmaceutical products subject to these guidelines and regulations are consistently produced and controlled in conformity to quality and standards appropriate for their intended use
"Group"	the Company and its subsidiaries
"Hengqin Luzhu LP"	Zhuhai Hengqin Luzhu Enterprise Management Partnership (LP) (珠海橫琴綠竹企業管理合夥企業(有限合夥)), a limited partnership established in the PRC on January 14, 2021, and an employee incentive platform of the Group
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Luzhu"	Luzhu Biologics (Hong Kong) Co., Limited (綠竹生物製品(香港)有限公司), a company incorporated in Hong Kong with limited liability on December 20, 2021, and a direct wholly-owned subsidiary of the Company
"HSV-1"	herpes simplex virus type 1
"HSV-2"	herpes simplex virus type 2
"H Share(s)"	ordinary share(s) with a nominal value of RMB1.00 each and listed on the Main Board of the Stock Exchange
"IND"	investigational new drug or investigational new drug application, also known as clinical trial application in China
"Latest Practicable Date"	August 26, 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this report prior to its publication

"Listing" or "IPO"	the listing of the H Shares on the Main Board of the Stock Exchange on May 8, 2023
"Listing Date"	May 8, 2023, being the date on which the H Shares were listed on the Main Board
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
"LRTD"	lower respiratory tract disease
"LZ901"	the recombinant herpes zoster vaccine candidate, a herpes zoster vaccine with a tetrameric molecular structure and the Core Product
"Main Board"	the Main Board of the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
"Mr. KONG"	Mr. KONG Jian (孔健), the executive Director, general manager, chairman of the Board, one of the promoters of the Company and one of the Controlling Shareholders
"Ms. ZHANG"	Ms. ZHANG Yanping (張琰平), the executive Director, one of the promoters of the Company and one of the Controlling Shareholders
"NMPA"	the National Medical Products Administration of the People's Republic of China
"PHN"	post-herpetic neuralgia
"Prospectus"	the prospectus issued by the Company dated April 25, 2023
"R&D"	research and development
"Reporting Period"	the six-month period from January 1, 2026 to June 30, 2026
"Renminbi" or "RMB"	Renminbi Yuan, the lawful currency of China
"RSV"	Respiratory Syncytial Virus
"Saide Ruibo"	Tianjin Saide Ruibo Asset Management Center (Limited Partnership) (天津賽德瑞博資產管理中心), a limited liability partnership established in the PRC on December 1, 2015, with Mr. MA Jianan (馬嘉楠) (the son of Mr. MA Biao) as its general partner holding approximately 80.00% partnership interest, and Ms. MA Li (馬麗) (the sister of Mr. MA Biao) as its limited partner holding approximately 20.00% partnership interest to the best knowledge of the Company, and is a connected person of the Company

"Saiding Fangde"	Tianjin Saiding Fangde Asset Management Center (Limited Partnership) (天津賽鼎方德資產管理中心), a limited liability partnership established in the PRC on December 1, 2015, with (i) Mr. MA Biao (馬驫) as its general partner holding approximately 60.00% partnership interest; and (ii) Mr. WANG Xuefeng (王雪峰), Mr. MA Jianan (馬嘉楠) (the son of Mr. MA Biao) and Ms. MA Li (馬麗) (the sister of Mr. MA Biao) as its limited partners, holding approximately 10.00%, 10.00% and 20.00% partnership interest, respectively, to the best knowledge of the Company, and is a connected person of the Company
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the capital of the Company with a nominal value of RMB1.00 each, comprising H Shares
"Shareholder(s)"	holder(s) of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"Supervisor(s)"	member(s) of the board of supervisors of the Company
"U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"VZV"	Varicella-zoster virus
"%"	per cent

In this report, capitalized terms used shall have the same meanings as those defined in the Prospectus, and the terms "associate", "close associate", "connected person", "core connected person", "connected transaction", "subsidiaries", "substantial shareholder" and "treasury shares" shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

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

For ease of reference, the names of the PRC established companies or entities, laws or regulations have been included in this document in both the Chinese and English languages; in the event of any inconsistency, the Chinese versions shall prevail.