CARSGEN THERAPEUTICS

科濟藥業控股有限公司
CARSGEN THERAPEUTICS HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 2171.HK

2026
INTERIM REPORT

CONTENTS

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Dr. Zonghai LI *(Chairman)*
Dr. Huamao WANG
Dr. Hua JIANG

Non-executive Directors

Mr. Ronggang XIE
Mr. Huaqing GUO

Independent Non-executive Directors

Dr. Guangmei YAN
Dr. Wen ZHOU
Ms. Xiangke ZHAO

CORPORATE HEADQUARTERS

1F, Building 2, No. 466 Yindu Road
Xuhui District
Shanghai
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1918, 19/F, Lee Garden One
33 Hysan Avenue, Causeway Bay
Hong Kong

REGISTERED OFFICE

P.O. Box 31119
Grand Pavilion
Hibiscus Way
802 West Bay Road
Grand Cayman KY1-1205
Cayman Islands

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples Fund Services (Cayman) Limited
P.O. Box 1093, Boundary Hall
Cricket Square, Grand Cayman KY1-1102
Cayman Islands

LEGAL ADVISERS TO HONG KONG LAW

Davis Polk & Wardwell
10th Floor, The Hong Kong Club Building
3A Chater Road, Hong Kong

COMPANY SECRETARY

Mr. Wing Yat Christopher LUI

AUTHORIZED REPRESENTATIVES

Dr. Zonghai LI
Mr. Wing Yat Christopher LUI

AUDIT COMMITTEE

Ms. Xiangke ZHAO *(Chairman)*
Mr. Huaqing GUO
Dr. Wen ZHOU

REMUNERATION COMMITTEE

Dr. Wen ZHOU *(Chairman)*
Dr. Zonghai LI
Dr. Guangmei YAN

NOMINATION AND CORPORATE GOVERNANCE COMMITTEE

Dr. Zonghai LI *(Chairman)*
Dr. Guangmei YAN
Dr. Wen ZHOU

HONG KONG SHARE REGISTRAR

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

STOCK CODE

02171

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

COMPANY WEBSITE

www.carsgen.com

COMPLIANCE ADVISER

Rainbow Capital (HK) Limited
No. 710, 7/F, Wing On House
71 Des Voeux Road Central
Hong Kong

PRINCIPAL BANKER

Bank of Hangzhou Co., Ltd.
No. 46, Qingchun Road
Hangzhou
PRC

Financial Highlights

In May 2026, the Company successfully completed the Top-up Placing and raised gross proceeds of approximately RMB405 million. The Placing has introduced a number of independent institutional investors and will support the continued clinical development and commercialisation progress of the Company's product pipelines.

1. REVENUE

The Group's revenue was around RMB62 million for the six months ended June 30, 2026, mainly from zevorcabtagene autoleucel (an autologous BCMA CAR T-cell product), in which the primary revenue of zevorcabtagene autoleucel was calculated on the basis of ex-works price, rather than on the basis of end-of-market prices. Our revenue is recognized upon completion of ex-works delivery of products. Due to the inherent time cycle of CAR-T manufacturing, there is a discrepancy between the number of orders obtained from Huadong Medicine and the number of ex-works deliveries. Revenue increased to RMB62 million for the six months ended June 30, 2026, representing an increase of RMB11 million from RMB51 million for the six months ended June 30, 2025, primarily due to the sale volume increase in zevorcabtagene autoleucel.

2. GROSS PROFIT

The Group's gross profit was around RMB42 million for the six months ended June 30, 2026. In the commercialization stage, we are demonstrating a strong cost competitive advantage, which is mainly due to self-manufacturing of plasmids and vectors with stable output and high yield per batch. Gross profit increased to RMB42 million for the six months ended June 30, 2026, representing an increase of RMB13 million from RMB29 million for the six months ended June 30, 2025, primarily due to the sale volume increase in zevorcabtagene autoleucel.

3. NET LOSS

Our net loss was around RMB71 million for the six months ended June 30, 2026, representing a decrease of around RMB4 million from around RMB75 million for the six months ended June 30, 2025. The decrease was primarily due to (i) the recognition of gross profit of RMB42 million for the six months ended June 30, 2026 as compared to RMB29 million for the six months ended June 30, 2025; (ii) the increase in selling and distribution expenses of RMB11 million from RMB1 million for the six months ended June 30, 2025 to RMB12 million for the six months ended June 30, 2026; (iii) the decrease in administrative expenses of RMB5 million from RMB39 million for the six months ended June 30, 2025 to RMB34 million for the six months ended June 30, 2026; and (iv) the increase in other income of RMB2 million from RMB6 million for the six months ended June 30, 2025 to RMB8 million for the six months ended June 30, 2026.

Our adjusted net loss[(1)] was around RMB32 million for the six months ended June 30, 2026, representing a decrease of around RMB40 million from RMB72 million for the six months ended June 30, 2025. The decrease was primarily attributable to lower administrative expenses. Share-based compensation increased from RMB4 million for the six months ended June 30, 2025 to RMB39 million for the six months ended June 30, 2026, which affected the loss for the period but was excluded from adjusted net loss.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents were around RMB1,400 million as of June 30, 2026, representing an increase of around RMB277 million from around RMB1,123 million as of December 31, 2025. The increase was mainly due to new proceeds from the Top-up Placing of approximately RMB405 million in May 2026. Cash and cash equivalents at the end of 2026 are expected to be not less than RMB1,200 million. In light of operational factors such as the changes in operating cash flow, we expect to have adequate cash into 2030.

(1) Adjusted net loss and adjusted net loss per share are non-IFRS Accounting Standards measures. They exclude the impact of the adjusted items. For details of non-IFRS Accounting Standards measures, please refer to "Non-IFRS Accounting Standards Measures" subsection.

Business Highlights

As of the date of this report, we have made significant progress in advancing our technology innovations, product pipeline and business operations. A significant milestone was achieved in March 2026 with the inclusion of the Shares in the list of eligible shares for Southbound Trading of the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect programs.

Zevorcabtagene autoleucel (R&D code: CT053)

Zevorcabtagene autoleucel (zevor-cel) is an autologous fully human CAR T-cell product against B-cell maturation antigen (BCMA) approved by the National Medical Products Administration (NMPA) of China for the treatment of adult patients with relapsed/refractory multiple myeloma (R/R MM) who have progressed after at least 3 prior lines of therapy (including a proteasome inhibitor and an immunomodulatory agent) in 2024. CARsgen entered into a collaboration agreement with Huadong Medicine (Hangzhou) Co., Ltd., a wholly-owned subsidiary of Huadong Medicine Co., Ltd. (000963.SZ) ("**Huadong Medicine**") for the commercialization of zevor-cel in Chinese Mainland. From January 1, 2026 to June 30, 2026, we have received a total of 110 confirmed orders from Huadong Medicine. We anticipate that the growth of sales revenue of zevor-cel will further accelerate with continuous marketing activities and broader insurance coverage.

Satricabtagene autoleucel (R&D code: CT041)

Satricabtagene autoleucel (satri-cel) is an autologous humanized CAR T-cell product against Claudin18.2. The New Drug Application ("**NDA**") of satri-cel was approved by NMPA for the treatment of patients with Claudin18.2-positive, HER2-negative advanced gastric/gastroesophageal junction adenocarcinoma (G/GEJA) who have failed at least two prior lines of therapy in June 2026. This is the world's first and only approved CAR T-cell therapy product for the treatment of solid tumors. The long-term analysis research results of satri-cel, as sequential therapy after 1L treatment in patients with advanced G/GEJA, have been presented as a poster presentation at the 2026 American Society of Clinical Oncology (ASCO) Annual Meeting in May 2026. Amid a highly favorable competitive landscape with no direct peers and our global-first exclusive positioning, and the huge domestic unmet clinical needs for gastric cancer, the product is poised to capture considerable value. We have built a competitive in-house commercial team to independently lead domestic sales, with a targeted rollout across premium oncology institutions and cell therapy facilities nationwide to drive market adoption and expand sales. Following NMPA approval of satri-cel, the Company advances its global strategy. The Company will prioritize key regions with huge unmet clinical needs and accessible regulatory pathways, adopt diversified overseas development models, designate core overseas markets and major regional centers as top priorities for registration expansion, and conduct marketing authorization filings in an orderly manner in selected regional centers, leveraging their radiating and driving effects to lay a solid foundation for subsequent commercial launches across all regions.

Allogeneic CAR T-cell Products

CARsgen has been advancing differentiated allogeneic CAR T-cell products utilizing CARsgen's proprietary THANK-u Plus® platform, which can resist natural killer (NK) cells rejection and enhance expansion to potentially deliver superior efficacy and deeper remissions. Results for CT0596 (an allogeneic BCMA-targeted CAR T-cell product candidate) for the treatment of R/R MM and relapsed/refractory primary plasma cell leukemia (R/R pPCL) were presented as the poster presentation at the 2026 Annual Congress of the European Hematology Association (EHA). The IND clearance of CT0596 was received from NMPA in China for R/R MM. CT0596 will initiate a Phase I registrational trial. Results for CT1190B (an allogeneic CD19/CD20-targeted CAR T-cell product candidate) for the treatment of relapsed/refractory B-cell Non-Hodgkin's Lymphoma (R/R B-NHL) were presented as the poster presentation at the 2026 EHA. IND clearance of CT1190B was received from NMPA in China for relapsed/refractory large B-cell lymphoma (R/R LBCL). CT1190B will initiate a Phase I registrational trial.

In vivo CAR T-cell Products

CARsgen is developing a portfolio of differentiated *in vivo* CAR T-cell product candidates based on the proprietary CARvivo® platform, featuring self-developed, patent-protected viral envelopes and T-cell-specific promoters. The platform achieves exceptionally high transduction efficiency and robust cell-type specificity, which greatly reduces the risk of off-target transduction in tumor cells and lowers the incidence of antigen masking and therapeutic resistance. IIT for KJ-C2529 targeting CD19/CD20 for B-cell malignancies has been initiated.

Management Discussion & Analysis

I. OVERVIEW

CARsgen is a biopharmaceutical company focusing on developing innovative CAR T-cell therapies to address the unmet clinical needs including but not limited to hematologic malignancies, solid tumors and autoimmune diseases. CARsgen has established end-to-end capabilities for CAR T-cell research and development covering target discovery, preclinical research, product clinical development, and commercial-scale production. CARsgen has developed novel in-house technologies and a product pipeline with global rights to address challenges faced by existing CAR T-cell therapies. Efforts include improving safety profile, enhancing the efficacy in treating solid tumors, and reducing treatment costs, etc. CARsgen's mission is to be a global biopharmaceutical leader that provides innovative and differentiated cell therapies for patients worldwide and makes cancer and other diseases curable.

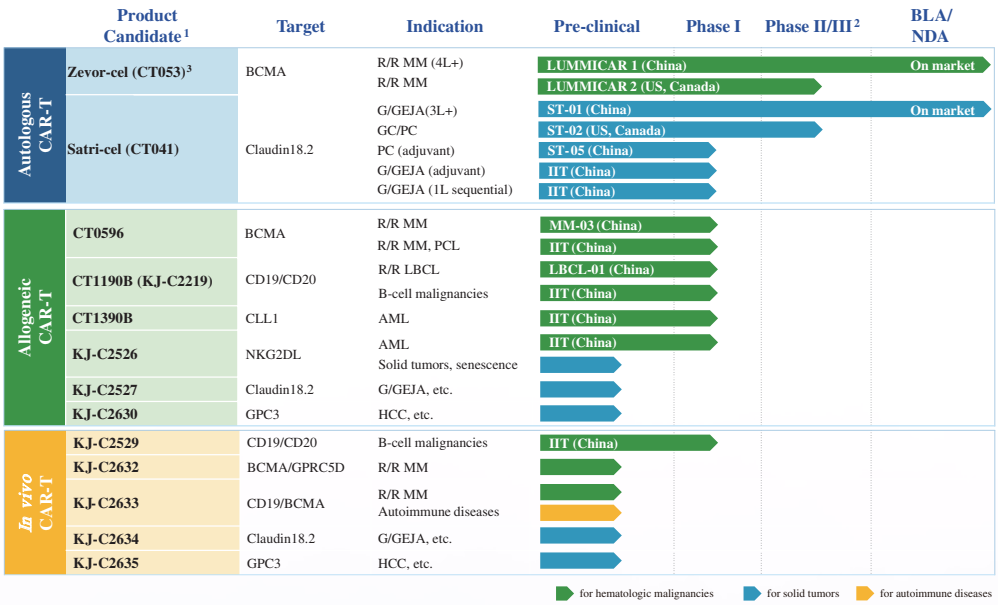
II. BUSINESS REVIEW

Our Products and Product Pipeline

Leveraging comprehensive capabilities and innovative technology platforms, CARsgen remains committed to pioneering advancements in CAR T-cell therapies. The Company continuously optimizes the strategic priorities and business framework to dynamically adapt to the evolving global industry landscape and market demands. We focus on developing breakthrough CAR T-cell products that address critical unmet medical needs for patients. Through regular pipeline evaluations, we prioritize projects with differentiated clinical and commercial value. Looking ahead, we anticipate collaborating with more partners to build an open ecosystem, fostering value co-creation through forward-looking strategic partnerships and jointly exploring broader development opportunities.

The Company's current strategy comprises two core directions. First, the Company will advance the commercialization of its two approved autologous CAR T-cell products (zevor-cel and satri-cel) to generate robust, recurring revenue and sustainable cash flow. Second, the Company will consolidate its clinical and regulatory resources to synchronously develop the allogeneic THANK-u Plus® technology platform and the *in vivo* CARvivo® platform. These platforms aim to substantially reduce production costs, improve patient accessibility, deliver enhanced clinical value, and transform the treatment landscape for relevant indications. As regards pipeline progress, clinical data for CT0596 and CT1190B were presented at 2026 EHA. An IND clearance for CT0596 for the treatment of R/R MM was received from NMPA in China. An IND clearance for CT1190B for the treatment of R/R LBCL was received from NMPA in China. The IIT for *in vivo* CAR T-cell product KJ-C2529 has been initiated.

CARsgen is the only CAR-T company globally with commercialized pipelines covering solid tumors and hematological malignancies. The chart below summarizes the development status of our pipeline as of the date of this report.



R/R MM: relapsed/refractory multiple myeloma; G/GEJA: gastric/gastroesophageal junction adenocarcinoma; GC: gastric cancer; PC: pancreatic cancer; PCL: plasma cell leukemia; AML: acute myeloid leukemia; HCC: hepatocellular carcinoma

Notes:

1. All product candidates are self-developed with global rights.
2. Phase II trials of some indications are pivotal studies.
3. Core Product. Commercial rights in Chinese Mainland have been granted to Huadong Medicine (SZ: 000963).

Zevorcabtagene autoleucel (R&D code: CT053) – Fully Human BCMA CAR T

Zevorcabtagene autoleucel (zevor-cel) is a fully human, autologous BCMA CAR T-cell product for the treatment of R/R MM. It incorporates a CAR construct with a fully human BCMA-specific single-chain variable fragment (scFv) with low immunogenicity and increased stability that overcomes T-cell exhaustion by reducing the self-activation of CAR T cells in the absence of tumor-associated targets.

Zevor-cel was approved by NMPA in 2024 for the treatment of adult patients with R/R MM who have progressed after at least 3 prior lines of therapy (including a proteasome inhibitor and an immunomodulatory agent). It is our Company's first product commercialized in Chinese Mainland. It has been included in China's Commercial Health Insurance Innovative Drug Catalogue (2025) for the treatment of R/R MM. In January 2023, CARsgen and Huadong Medicine (Hangzhou) Co., Ltd. entered into an agreement for the exclusive right to commercialization of zevor-cel in Chinese Mainland. In addition to the RMB200 million upfront payment, CARsgen received a regulatory milestone payment of RMB75 million. CARsgen is eligible to receive regulatory and commercial milestone payments up to RMB1,025 million under the terms of the agreement. CARsgen continues to be responsible for the

development, regulatory approval, and manufacturing of zevor-cel in Chinese Mainland. In terms of commercialization, Huadong Medicine has established a dedicated, professional, and comprehensive commercial team to promote the use of zevor-cel and has been utilizing China's multi-layered insurance system to improve patient accessibility. From January 1, 2026 to June 30, 2026, certification and regulatory filings for zevor-cel have been completed in more than 20 provinces or cities and we have received a total of 110 confirmed orders from Huadong Medicine.

Huadong Medicine has extensive commercialization experience and a large-scale sales network in Chinese Mainland. Huadong Medicine's strategic goal of being a leader in the oncology therapeutic area created the opportunity for a strong partnership between the two companies. We believe that the partnership with Huadong Medicine will maximize commercial success of zevor-cel in Chinese Mainland. Since reaching the agreement, teams from CARsgen and Huadong Medicine have been working together closely to implement commercialization strategy and ensure optimal product access.

The updated long-term follow-up results of Phase I clinical trial of zevor-cel have been presented as a poster at the 22nd International Myeloma Society Annual Meeting in September 2025 and published in *Blood Advances* in October 2025. The poster and the article were titled "Long term Follow-up of Zevor-cel in Patients with Relapsed/Refractory Multiple Myeloma".

The updated data of Phase II clinical trial, involving 102 patients with a median follow-up of 20 months, were published in *Experimental Hematology & Oncology* in September 2025. The article was titled "Phase II study of zevorcabtagene autoleucel, a fully human BCMA-targeting CAR T cell therapy, in patients with relapsed/refractory multiple myeloma".

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that zevorcabtagene autoleucel will ultimately be successfully developed and marketed (outside Chinese Mainland) by the Company. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

Satricabtagene autoleucel (R&D code: CT041) – Humanized Claudin18.2 CAR T

Satricabtagene autoleucel (satri-cel) is a world's first-in-class autologous CAR T-cell product against protein Claudin18.2. Satri-cel targets the treatment of Claudin18.2-positive solid tumors with a primary focus on G/GEJA and pancreatic cancer (PC). Claudin18.2 is expressed in a range of solid tumors, including G/GEJA, PC, colorectal, lung, and ovarian cancers. Leveraging our in-depth understanding in CAR T-cell therapy, as well as our integrated antibody platform, we were, to our knowledge, the first in the world to successfully identify, validate and report Claudin18.2 as a solid tumor-associated antigen and viable target for CAR T-cell therapy. To further address the challenges of CAR T-cell therapies in treating solid tumors, we developed an innovative, patent-protected preconditioning FNC regimen, featuring the addition of low-dose nab-paclitaxel to the conventional lymphodepletion regimen comprising cyclophosphamide and fludarabine, to be administered prior to infusion of satri-cel.

Building on these foundational research and development breakthroughs, the NDA of satri-cel, our proprietary autologous humanized Claudin18.2 CAR T-cell therapy, was approved by NMPA for patients with Claudin18.2-positive, HER2-negative advanced G/GEJA who have failed at least two prior lines of therapy in June 2026.

This is the world's first and only approved CAR T-cell therapy product for the treatment of solid tumors.

The approval is supported by confirmatory Phase II trial (CT041-ST-01, NCT04581473) data, published in *The Lancet* and presented as an oral presentation at the 2025 ASCO Annual Meeting in June 2025. The article in *The Lancet* was titled "Claudin-18 isoform 2-specific CAR T-cell therapy (satri-cel) versus treatment of physician's choice for previously treated advanced gastric or gastro-oesophageal junction cancer (CT041-ST-01): a randomised, open-label, phase 2 trial". The oral presentation at the 2025 ASCO Annual Meeting was titled "Claudin18.2-specific CAR T cells (Satri-cel) versus treatment of physician's choice (TPC) for previously treated advanced gastric or gastroesophageal junction cancer (G/GEJC): Primary results from a randomized, open-label, phase II trial (CT041-ST-01)". Among all 108 patients who received satri-cel infusion (88 patients in satri-cel arm and 20 patients in treatment of physicians' choice (TPC) arm (one of apatinib, paclitaxel, docetaxel, irinotecan or nivolumab), the median overall survival (mOS) reached 9.17 months, while the mOS of 28 patients in TPC arm who did not receive satri-cel treatment was only 3.98 months (HR 0.288; 95% CI: 0.169-0.492). Satri-cel demonstrated significant progression-free survival (PFS) improvement and a clinically meaningful overall survival benefit with a manageable safety profile in Claudin18.2 positive G/GEJA patients with failure to at least 2 prior lines of treatment, compared to standard therapy. It is worth noting that randomized controlled trials (RCTs) for autologous CAR-T products present differences and significant challenges in efficacy evaluation compared to single-arm trials. In single-arm trials, the baseline is the pre-lymphodepletion imaging, and the first tumor assessment compares post-CAR-T infusion results with pre-lymphodepletion imaging, allowing for a more intuitive demonstration of actual efficacy. In RCTs, both arms use pre-randomization imaging as the baseline. Due to the time interval between randomization and lymphodepletion, tumor burden worsens in more than half of the patients before CAR-T infusion. As a result, the first tumor assessment (comparing post-CAR-T infusion imaging with pre-randomization imaging) often leads to an underestimation of the true therapeutic effect. Furthermore, since CAR-T cell manufacturing requires time, factors such as disease progression during the waiting period may prevent some patients from receiving CAR-T cell infusion but these patients are still included in the final efficacy analysis.

The latest clinical data of a case report on long-term peritoneal metastasis control in 3 patients with advanced gastric cancer treated with satri-cel monotherapy has been published in the *Journal of Hematology & Oncology* in July 2026. All patients achieved both clinical and radiographic benefits post-treatment, with durable control of peritoneal disease observed. The maximum follow-up period reached 48 months, significantly outperforming the historical survival data for patients with gastric cancer and peritoneal metastasis and demonstrating remarkable potential to fundamentally alter the natural course of the disease.

To translate this landmark clinical value into commercial impact, we have established a competitive in-house commercial team to lead domestic sales. During the two weeks after approval, Beijing Gaobo Hospital has issued the very first clinical prescription of satri-cel nationwide, Zhongshan Hospital of Fudan University has successfully completed the world's first patient leukapheresis procedure for satri-cel therapy, Jiahui International Cancer Center (JICC) has announced the completion of the first leukapheresis from an expatriate patient. Backed by deep oncology domain expertise and proven clinical promotion experience, the team is well positioned to drive efficient hospital access and product commercialization. In the early commercialization phase, we will prioritize satri-cel rollout across leading oncology hospitals and cell therapy centers at top-tier general hospitals nationwide. Leveraging expert collaborations, we will rapidly set clinical benchmarks and build market recognition. Satri-cel has been included in 2026 China Society of Clinical Oncology (CSCO) Guidelines for Diagnosis and Treatment of Gastric Cancer issued by CSCO, and China Anti-Cancer Association (CACA) Guidelines for Commercial Insurance Application of Innovative Oncology Diagnosis and Treatment Technology issued by the CACA. Satri-cel also passed preliminary formal review for 2026 National Commercial Insurance

Innovative Drug Catalogue. The multi-payment system is to be established to reduce the financial burden of Chinese patients. Following initial domestic uptake, we will advance global expansion by creating a global commercial framework anchored in China with overseas growth drivers to maximize the product's long-term commercial value and global influence.

Building on its proven clinical benefit in later-line populations, satri-cel is being actively advanced into earlier lines of therapy and perioperative care to unlock deeper therapeutic value. The Company is actively expanding satri-cel application in early-line treatment and perioperative treatment of cancer: including an ongoing Phase I clinical trial for PC adjuvant therapy in China (CT041-ST-05, NCT05911217), an IIT for consolidation treatment following adjuvant therapy in patients with resected G/GEJA (CT041-CG4010, NCT06857786) and an IIT for sequential therapy following first-line treatment for G/GEJA (CT041-CG4011, NCT07179484). After satri-cel received marketing approval from NMPA, the Company persistently pushes forward its global development strategy. Prioritizing key regions with high unmet medical needs and accessible regulatory pathways, the Company will adopt diversified overseas development models, with core overseas markets and major regional hubs listed as the top priorities for registration expansion. The Company plans to conduct well-planned marketing authorization filings in selected regional hub markets, aiming to harness the radiating advantages of these hubs to establish a firm foundation for commercial launches in various regions going forward.

Promising data for early line treatment have been presented at top global oncology congresses. The long-term analysis results of satri-cel, as sequential therapy after first-line treatment in patients with advanced G/GEJA, have been presented as a poster presentation at the 2026 ASCO Annual Meeting. The poster was titled "Long-term Follow-up of Satricabtagene autoleucel (satri-cel) as Sequential Therapy After First-Line Treatment for Advanced Gastric Cancer – a subgroup analysis". Two patients received satri-cel infusions following first-line sequential therapy and subsequently underwent surgery; one had an OS of more than 58 months, and the other had an OS of more than 51 months.

The research results of the Phase Ib registrational clinical trial of satri-cel for PC adjuvant therapy in China (CT041-ST-05, NCT05911217) have been presented as a poster session at the European Society for Medical Oncology Congress in October 2025. The poster was titled "Adjuvant Therapy with Claudin18.2-specific CAR T Cells (Satri-cel) in High-Risk Pancreatic Cancer (CT041-ST-05)". The trial represents the world's first proof-of-concept (POC) study exploring CAR T-cell therapy for the adjuvant treatment of solid tumors. One patient who has completed 52-week follow-up post infusion is still under follow-up without disease recurrence.

These early clinical signals further strengthen our confidence that early intervention with CAR T-cell therapy for tumors may yield substantially superior clinical benefits and even potential curative outcomes. Two patients with advanced hepatocellular carcinoma (HCC) have achieved decade-long disease-free survival to date. Their clinical case data were previously published in *Cancer Communications*. In earlier disease stages with lower tumor burden and preserved immune function, CAR T-cell therapy is positioned to deliver deeper, more durable remissions and even curative potential. We believe satri-cel has tremendous room for value growth as it moves into earlier lines of care, with the potential to redefine standard of care and bring long-term survival benefits to a wider patient population.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that satricabtagene autoleucel will ultimately be successfully developed and marketed by the Company (outside Chinese Mainland). Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

Allogeneic CAR T-cell Product

In addition to autologous products, CARsgen has also been advancing differentiated allogeneic CAR-T-cell products utilizing the THANK-u Plus® platform, an updated version of THANK-uCAR® technology platform. Data of CT0590 (an allogeneic BCMA-targeted CAR T-cell product utilizing THANK-uCAR® platform) were presented at 2024 ASH. Among patients achieving stringent complete response (sCR), the duration of response reached 20 months and more than 23 months, respectively.

CT0596 is a BCMA-targeting allogeneic CAR T-cell product candidate deploying our THANK-u Plus® technology. IITs have been initiated in China to evaluate the safety and efficacy of CT0596 for the treatment of R/R MM and PCL. The IND clearance was achieved from NMPA in China for R/R MM. CT0596 will initiate a Phase I registrational trial. Updated IIT results have been presented at the 2026 EHA in June 2026. The poster was titled "First-in-human study of CT0596, an allogeneic BCMA CAR T In relapsed/refractory multiple myeloma and primary plasma cell leukemia: safety, efficacy, and pharmacokinetic at recommended dose".

CT1190B (KJ-C2219) is an allogeneic CAR T-cell product candidate targeting CD19/CD20 deploying our THANK-u Plus® technology, for B-cell malignancies. IITs for R/R B-NHL have been initiated. The IND clearance was achieved from NMPA in China for the treatment of patients with R/R LBCL who have failed at least two prior lines of standard therapy. CT1190B will initiate a Phase I registrational trial. Updated IIT results have been presented at the 2026 EHA in June 2026. The poster was titled "First in Human Study of CT1190B, An Allogeneic Anti-CD19/CD20 CAR T-cell Therapy, in Patients with Relapsed or Refractory B-cell Non-Hodgkin Lymphoma".

CT1390B is an allogeneic CAR T-cell product candidate against CLL1 deploying our THANK-u Plus® technology, for AML.

KJ-C2526 is an allogeneic CAR T-cell product candidate against NKG2DL deploying our THANK-u Plus® technology, for AML, other malignancies and senescence.

KJ-C2527 is an allogeneic CAR T-cell product candidate against Claudin18.2 deploying our THANK-u Plus® technology for the treatment of G/GEJA, etc.

KJ-C2630 is an allogeneic CAR T-cell product candidate against GPC3 deploying our THANK-u Plus® technology, for HCC, etc.

UCARsgen is a China-based new drug discovery biotechnology company focused on allogeneic CAR T-cell therapies for the treatment of hematologic malignancies, with the Company holding 92% share. UCARsgen has secured the exclusive rights in Chinese Mainland for the research, development, manufacture, and commercialization of the following allogeneic CAR T-cell products from the Company: the BCMA-targeted allogeneic CAR-T cell therapy for the treatment of multiple myeloma and plasma cell leukemia and the CD19/CD20 dual-targeted allogeneic CAR T-cell therapy for the treatment of B-cell malignancies (excluding indications for the treatment of autoimmune diseases). UCARsgen secured new investor Zhuhai Hengqin SB Xinchuang Equity Investment Management Enterprise (Limited Partnership) ("**Zhuhai SB Xinchuang**") in February 2025.

***In vivo* CAR T-cell Product**

In addition to autologous and allogeneic CAR-T products, the Company is also developing *in vivo* CAR T-cell products. Transduction efficiency is a key determinant of clinical success for *in vivo* CAR-T therapies, particularly in highly aggressive disease settings. To address this, CARsgen has developed a proprietary and patent-protected fusogen with enhanced fusogenic capacity. This design enables significantly higher transduction efficiency, even at low multiplicity of infection (MOI), while maintaining strong cell-type specificity. The CARvivo® platform also incorporates our proprietary T cell-specific promoter, CARpro. This promoter restricts CAR expression to T cells, minimizing the risk of off-target transduction in tumor cells and reducing the potential for antigen masking or therapeutic resistance.

KJ-C2529 is an *in vivo* CAR T-cell product candidate against CD19/CD20 deploying our CARvivo® platform for the treatment of B-cell lymphoma. An IIT has been initiated in 2026 for the treatment of R/R B-NHL.

Other *in vivo* CAR T-cell products currently being developed include KJ-C2632 against BCMA/GPRC5D for R/R MM; KJ-C2633 against CD19/BCMA for R/R MM and autoimmune diseases; KJ-C2634 against Claudin18.2 for G/GEJA, etc.; KJ-C2635 against GPC3 for HCC, etc.

Continuous Discovery and Technology Development

Despite the approval of some CAR T-cell products for the last-line treatment of solid tumor and hematologic malignancies, significant challenges remain, such as limited efficacies against solid tumors, undesirable safety concerns, and high manufacturing and treatment costs. We strive to explore and develop innovative technology platforms to address these challenges to generate better cell therapy products for cancer patients globally.

We have established an integrated research and development platform covering the full CAR T development cycle including target discovery, vector design, manufacturing, quality assurance, and quality control. Our integrated cell therapy platform is composed of target discovery, immune cell function evaluation platform, plasmid and lentiviral vector preparation platforms, cell therapy process development platform, analytical platforms with molecular, flow cytometry, biochemical, physical-chemical, and cell-based analytical capabilities, biological samples tests platform, clinical-scale and commercial-scale CAR T manufacturing platform, and platform for clinical studies.

We continue to dedicate ourselves to advancing innovative technologies to address remaining challenges in the CAR-T industry:

(1) *In vivo* CAR-T CARvivo®:

In vivo CAR-T eliminates the need for lymphodepleting preconditioning chemotherapy and reduces manufacturing costs, thereby improving patient accessibility. We developed a novel platform, referred to as CARvivo®, for *in vivo* CAR-T cell generation utilizing an engineered redirected lentiviral vector. This platform rationally designed fusogen and binder moieties for immune cell specific targeting. To circumvent lentivirus's extensive tropism, the virus envelope glycoprotein was mutated without disrupting its fusogenic potential. For ensuring retargeting specificity, the vector was modified with high-affinity binder molecules, enabling it to target specific cells. In preclinical studies, the redirected modified lentiviral vector showed superior targeting specificity and high T cells transduction efficiency both in vitro and *in vivo*. And following intravenous administration,

it can efficiently generate functional CAR-T cells and eliminate B-cell lymphoma xenograft tumor cells in human PBMC reconstituted mice. These data demonstrate the potential of our CARvivo® platform to generate functional CAR-T cells *in vivo*, laying a foundation for expanding its application to other types of cancers.

(2) Better patient access with allogeneic CAR-T:

To reduce the cost and increase accessibility of CAR T-cell therapies, we continue to develop our market-differentiating allogeneic THANK-uCAR® technology. THANK-uCAR® is our proprietary technology to generate allogeneic CAR T cells with improved expansion and persistence by modifying donor-derived T cells. To minimize graft versus host disease (GvHD) and host versus graft response (HvGR) from allogeneic T cells, we disrupt the genomic loci encoding TRAC and beta-2 microglobulin (B2M) to eliminate surface expression of the TCR or the human leukocyte antigen class I (HLA-I), an approach that has been validated by previous research. However, natural killer (NK) cells attack T cells without HLA-I expression, which then limits the expansion and persistence of the allogeneic CAR T cells. To protect the allogeneic CAR T cells from the patient's NK cells' attacks, we arm these TRAC-/B2M-T cells with a CAR that recognizes NKG2A to hinder the NKG2A-positive NK cell rejection of the CAR T cells and therefore allow the THANK-uCAR T cells to resist the attack by NK cells. Our *in vitro* and *in vivo* studies demonstrated that armoring the TRAC-/B2M-T cells with the anti-NKG2A CAR resulted in improved expansion in the presence of NK cells. Based on the clinical data, it is found that baseline NKG2A expression levels on NK cells may be related to treatment outcomes. To leverage this finding, we developed THANK-u Plus® platform.

CARsgen has developed the THANK-u Plus® platform as an enhanced version of its proprietary THANK-uCAR® allogeneic CAR-T technology to address the potential impact of NKG2A expression levels on therapeutic efficacy by adding an NK inhibitory signaling element (NKi binder). THANK-u Plus® demonstrates sustained expansion regardless of varying NKG2A expression levels on NK cells and exhibits significantly improved expansion compared to THANK-uCAR®. Preclinical studies show that THANK-u Plus® delivers superior antitumor efficacy in the presence of NK cells compared to THANK-uCAR®. Allogeneic BCMA or dual-targeting CD19/CD20 CAR-T cells developed using this platform exhibit robust antitumor activity in the presence of NK cells, indicating that THANK-u Plus® has broad potential for developing diverse allogeneic CAR-T therapies. We are developing allogeneic CAR T-cell products using THANK-u Plus® platform, which we believe could increase CAR T cell expansion, persistence and efficacy.

(3) Target availability:

In development of cancer therapies, the expression of tumor-associated antigens in normal tissues poses a significant challenge, as this expression pattern leads to on-target off-tumor toxicities. To resolve the challenge with target availability, we continue to explore innovative technologies to enhance drug target availability and therefore turn undruggable antigens into promising targets. We developed LADAR® technology (local action driven by artificial receptor), in which an artificial receptor is triggered by a LADAR ligand to induce the transcription of the gene(s) of interest (e.g., the tumor antigen-targeted CAR, plus any cytokines or other therapeutic mediators). Through the LADAR® artificial receptor, the antitumor CAR transcription is only triggered when the LADAR binds to a LADAR ligand, making it possible to precisely control when and where immune cells act against cancer cells.

The LADAR-CAR signaling circuits require both antigens for LADAR® and CAR recognition to kill target cells, thus reducing on-target off-tumor effects when these two antigens are not simultaneously expressed in the same normal tissues. In our in vitro studies, the LADAR® system induced strong therapeutic gene expression in response to antigen engagement and, importantly, negligible leakage expression in resting cells. LADAR-CAR T cells executed killing function only if both antigens were present.

We are also working on other applications of LADAR® system, such as LADAR-cytokine circuits. We believe that the establishment of LADAR® system is the key step to developing CAR T cells with powerful and precise killing of cancer.

To develop effective CAR T-cell products for more cancer types and further enhance the antitumor effect, we have been expanding our research to more promising oncology targets for cell therapies. In addition, leveraging our proprietary antibody platforms, we have successfully developed humanized or fully human antibodies against these targets, such as B7-H3, etc. These antibodies, together with our CAR T-cell technology platforms, will help further enhance the product pipeline.

(4) Enhance efficacy in solid tumors:

To enhance efficacy against solid tumors, we developed CycloCAR® which features the co-expression of cytokine IL-7 and chemokine CCL21 in CAR T cells to potentially improve clinical efficacy and reduce the requirement of lymphodepletion conditioning. Preclinical results showed that IL-7 enhanced the proliferation and survival of CAR T cells and inhibited the apoptosis of CAR T cells, and CCL21 could drive infiltration of T cells and dendritic cells into tumor sites. The preclinical CycloCAR T cells improved the therapeutic effects against solid tumors in mice compared to conventional CAR T cells. Moreover, even without preconditioning chemotherapy, the CycloCAR T cells could potently suppress the tumor growth with a significantly better efficacy than CAR T cells co-expressing IL-7 and CCL19 (7×19 CAR T, a previously reported design by other researchers). Our studies demonstrated that, independent of lymphodepletion chemotherapy, CycloCAR T cells exerted potent antitumor effects which were facilitated by infiltration of T cells and dendritic cells into tumor tissues, CycloCAR T cells exhibited increased survival, and potential anti-angiogenesis effect. We are using CycloCAR® to develop CAR T-cell therapies against several targets including Claudin18.2, GPC3, and mesothelin. We continue to explore potential combination approaches to boost the therapeutic effects of single agents and identify new targets and approaches to tackle new indications.

The Company continues investigating combinatorial approaches to enhance clinical outcomes of CAR-T therapies. For example, our collaboration with Moderna to explore satricabtagene autoleucel in combination with Claudin18.2 encoding mRNA vaccines to help boost T cell activation, proliferation and persistence.

These technologies are currently being developed in-house with global rights and can be used alone or in combination to upgrade our existing products or generate future products.

Empowered by these technologies, we strive to further enrich our pipeline and advance these pipeline products to clinical and commercial stage.

As of June 30, 2026, we had more than 300 patents of which 152 patents had been issued globally including China, the United States, Europe, and Japan, representing an increase of 3 issued patents and 12 patent applications compared with that of December 31, 2025. Our R&D activities are expected to continue to generate substantial intellectual property in our areas of expertise.

Manufacturing

We have established in-house GMP-compliant manufacturing capabilities to support vertically integrated CAR T manufacturing, including plasmids, lentiviral vectors, and CAR T-cell production. The vertically integrated production contributes to increased efficiency and enhanced control, resulting in improved drug product consistency and aiming for faster turnaround times for patients. The integrated manufacturing is also expected to help significantly reduce costs and improve margins for more advantageous commercialization. We have also developed a robust process platform for allogeneic CAR T-cell products to support the IND filing and upcoming clinical manufacturing.

With the GMP-compliant commercial manufacturing facility in Jinshan District, Shanghai ("**Jinshan Manufacturing Facility**"), which has a designed capacity to support autologous CAR T-cell therapy for up to 2,000 patients annually, we can produce the lentiviral vectors and CAR T cells in-house to support clinical trials and CAR T-cell products commercialization in China. By scaling up lentiviral vector production, we can significantly reduce CAR-T manufacturing costs. Through establishing vertically integrated production capabilities, we anticipate substantially enhancing manufacturing sustainability, reducing costs, and shortening the time from vein to vein.

The Company is actively preparing for capacity expansion, enhancing the manufacturing capabilities for CAR T-cell therapies that meet international standards to support the commercialization of multiple products and strengthen its global competitiveness. On February 12, 2026, the Company, through its indirectly wholly-owned subsidiary CARsgen Diagnostics Co., Ltd., has entered into the strategic cooperation agreements with Shanghai Jingong Enterprise Development Co., Ltd., which is a key platform enterprise in the Bay Area High-Tech Zone of Jinshan District, Shanghai (上海市金山區灣區高新區). With a total investment amount not exceeding RMB370 million, the Company will establish an advanced commercial manufacturing base for CAR T-cell products in Jinshan District, Shanghai ("**Jinshan Manufacturing Base**"). This indicates that the project is highly in line with national and local policies on the biopharmaceutical industry and has received high attention and strong support from the government. This strategic partnership will further consolidate the Company's leading position in the global CAR T-cell therapy industry while creating long-term value for Shareholders.

Industry Overview

As a revolutionary therapeutic modality for oncology, CAR T-cell therapy has achieved remarkable global commercial progress to date, with seven products approved by the U.S. FDA and nine by China's NMPA. Despite these advances, the global CAR-T industry is undergoing two defining paradigm shifts. The first is the expansion of therapeutic indications from well-established hematologic malignancies to refractory solid tumors, an area with substantial unmet clinical need. The second is the technological evolution from conventional autologous CAR-T to next-generation allogeneic and in vivo CAR-T platforms. Industry participants are channeling significant R&D resources into developing allogeneic and *in vivo* CAR T-cell product candidates, with the aim of overcoming the inherent limitations of autologous therapies, lowering production costs, and expanding treatment access to a broader population of cancer patients worldwide. In line with these prevailing industry trends, the Company has built a differentiated pipeline of allogeneic and *in vivo* CAR T-cell product candidates underpinned by its proprietary core technology platforms, to improve patient access and address unmet clinical needs across both hematologic malignancies and solid tumors.

Future and Outlook

With CARsgen's mission of "making cancer curable", we devote ourselves to developing innovative products for the treatment of cancer patients worldwide. Building on the milestones we have achieved, the Company will continue to focus on the commercialization of zevorcabtagene autoleucel and satricabtagene autoleucel, and plan to expand these products into earlier-line treatment settings. Leveraging our profound expertise and continuous iteration of innovative CAR-T technologies in the CAR-T field, the Company is committed to developing next-generation CAR-T therapies that are more effective, more innovative, and more accessible. The Company will continue to develop allogeneic and *in vivo* CAR-T cell therapies and advance the R&D pipeline of other products in clinical and preclinical stages, fully unlock the potential of its innovative technology platforms. The Company plans to continuously expand its manufacturing capacity in China to provide solid support for the clinical trials and future commercialization of both autologous and allogeneic products. We will continue to establish additional external partnerships with leading research institutes and pharmaceutical companies on technology and product licensing as a means to maximize the application of our technology platform and the value of our product, bringing more innovative cell therapy products to cancer patients worldwide and ultimately creating more value for our investors and the society.

III. FINANCIAL REVIEW

Overview

We had one product, zevorcabtagene autoleucel, approved on February 23, 2024 for commercial sale and have generated revenue from product sales. We have not been profitable and have incurred operating losses in every year since inception, with operating losses of RMB71 million and RMB77 million for the six months ended June 30, 2026 and 2025, respectively. Substantially all of our operating losses resulted from selling and distribution expenses, research and development expenses, and administrative expenses for the six months ended June 30, 2026.

Loss for the Period

Net loss was RMB71 million for the six months ended June 30, 2026, representing a decrease of RMB4 million from RMB75 million for the six months ended June 30, 2025. The decrease was primarily due to the increase in revenue and gross profit.

Non-IFRS Accounting Standards Measures

To supplement the Group's consolidated net loss and net loss per share which are presented in accordance with the IFRS Accounting Standards, the Company has provided adjusted net loss and adjusted net loss per share as additional financial measures, which are not required by, or presented in accordance with, the IFRS Accounting Standards.

Adjusted net loss for the periods and adjusted net loss per share for the periods represent the net loss and net loss per share respectively excluding the effect of a non-cash item, namely the share-based compensation. The terms adjusted net loss and adjusted net loss per share are not defined under the IFRS Accounting Standards.

The table below sets forth a reconciliation of the loss to adjusted loss during the periods indicated:

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss for the periods	**(70,840)**	(75,483)
Add:		
Share-based compensation	**38,913**	3,684
Adjusted net loss	**(31,927)**	(71,799)

	Six months ended June 30,	
	2026	2025
	RMB	*RMB*
	(Unaudited)	(Unaudited)
Loss per share for the periods	**(0.13)**	(0.14)
Add:		
Share-based compensation per share	**0.07**	0.01
Adjusted net loss per share	**(0.06)**	(0.13)

The Company believes that the adjusted non-IFRS Accounting Standards measures are useful for understanding and assessing the underlying business performance and operating trends, and that the Company's management and investors may benefit from referring to these adjusted financial measures in assessing the Group's financial performance by eliminating the impact of certain unusual, non-recurring, non-cash and/or non-operating items that the Group does not consider indicative of the performance of the Group's core business. These non-IFRS Accounting Standards measures, as the management of the Group believes, are widely accepted and adopted in the industry in which the Group is operating. However, the presentation of these non-IFRS Accounting Standards measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with the IFRS Accounting Standards. Shareholders and potential investors should not view the adjusted results on a stand-alone basis or as a substitute for results under IFRS Accounting Standards, and these non-IFRS Accounting Standards measures may not be comparable to similarly-titled measures represented by other companies.

Revenue

	Six months ended June 30,	
	2026 ***RMB'000*** **(Unaudited)**	2025 *RMB'000* (Unaudited)
Revenue	**61,919**	50,961
Total	**61,919**	50,961

Revenue increased to RMB62 million for the six months ended June 30, 2026, representing an increase of RMB11 million from RMB51 million for the six months ended June 30, 2025, primarily due to the sale volume increase in zevorcabtagene autoleucel.

Gross Profit

	Six months ended June 30,	
	2026 ***RMB'000*** **(Unaudited)**	2025 *RMB'000* (Unaudited)
Gross profit	**42,019**	29,369
Total	**42,019**	29,369

Gross profit increased to RMB42 million for the six months ended June 30, 2026, representing an increase of RMB13 million from RMB29 million for the six months ended June 30, 2025, primarily due to the sale volume increase in zevorcabtagene autoleucel.

Research and Development Expenses

	Six months ended June 30,	
	2026 ***RMB'000*** **(Unaudited)**	2025 *RMB'000* (Unaudited)
Employee benefit expenses	**75,570**	68,170
Testing and clinical expenses	**25,086**	28,514
Depreciation of property, plant and equipment	**8,518**	8,019
Research and development consumables	**13,135**	14,607
Utilities	**5,418**	5,619
Amortization of intangible assets	**260**	910
Short-term lease and low-value lease expenses	**727**	1,030
Travelling and transportation expenses	**718**	807
Depreciation of right-of-use assets	**1,519**	1,221
Office and other expenses	**1,510**	1,324
Total	**132,461**	130,221

Research and development expenses increased to RMB132 million for the six months ended June 30, 2026, representing an increase of RMB2 million from RMB130 million for the six months ended June 30, 2025, primarily due to (i) the increase in employee benefit expenses by RMB7 million; (ii) the decrease in testing and clinical expenses by RMB3.5 million; and (iii) the decrease in research and development consumables by RMB1.5 million.

Administrative Expenses

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Employee benefit expenses	**20,456**	21,620
Professional service fees	**5,783**	5,816
Depreciation of property, plant and equipment	**357**	533
Depreciation of right-of-use assets	**171**	204
Office expenses	**1,749**	1,689
Travelling and transportation expenses	**172**	642
Auditors' remuneration	**1,998**	2,130
– audit service	**1,890**	1,916
– non-audit service	**108**	214
Utilities	**475**	475
Amortization of intangible assets	**240**	60
Short-term lease and low-value lease expenses	**461**	510
Other expenses	**2,603**	5,350
Total	**34,465**	39,029

Administrative expenses are RMB34 million for the six months ended June 30, 2026, representing a decrease of RMB5 million from RMB39 million for the six months ended June 30, 2025, primarily due to (i) the decrease in other expenses by RMB3 million; (ii) the decrease in employee benefit expenses by RMB1.2 million; and (iii) the decrease in traveling and transportation expenses by RMB0.5 million.

Selling and distribution expenses

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Employee benefit expenses	**7,225**	–
Marketing service fees	**3,718**	612
Travelling and transportation expenses	**548**	7
Depreciation of right-of-use assets	**75**	–
Other expenses	**695**	323
Total	**12,261**	942

Selling and distribution expenses are RMB12 million for the six months ended June 30, 2026, representing an increase of RMB11 million from RMB1 million for the six months ended June 30, 2025, primarily due to (i) the increase in employee benefit expenses by RMB7.2 million as a result of recruitment of our in-house commercialization team; (ii) the increase in traveling and transportation expenses by RMB0.5 million; and (iii) the increase in marketing service fees by RMB3.1 million.

Details of employee benefit expenses and share-based payments included in the above administrative, research and development and selling and distribution expenses are as below:

Employee benefit expenses

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Wages and salaries	**50,225**	65,036
Pension costs	**5,748**	7,546
Share-based compensation	**37,763**	3,644
Other employee benefits	**9,515**	13,564
Total	**103,251**	89,790
Amount included in research and development expenses	**75,570**	68,170
Amount included in administrative expenses	**20,456**	21,620
Amount included in selling and distribution expenses	**7,225**	–

The increase in employee benefit expenses was mainly due to the increase in share-based compensation.

Share-based payments

Expenses for the share-based compensation have been charged to the consolidated statements of comprehensive income as follows:

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Administrative expenses	**6,366**	779
Research and development expenses	**30,391**	2,865
Selling and distribution expenses	**1,006**	–
Cost of sales	**1,150**	40
Total	**38,913**	3,684

Liquidity and Capital Resources

Management monitors and maintains a level of cash and cash equivalents deemed adequate to finance our operations and mitigate the effects of fluctuations. In addition, management monitors our borrowings and, from time to time, evaluates operations to renew our borrowings upon expiry based on our actual business requirements. We rely on equity financing and debt financing as our major sources of liquidity.

The following table sets forth our cash flows for the periods indicated:

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Net cash used in operating activities	**(130,010)**	(196,308)
Net cash (used in)/generated from investing activities	**(3,631)**	1,715
Net cash generated from/(used in) financing activities	**417,404**	(29,635)
Net increase/(decrease) in cash and cash equivalents	**283,763**	(224,228)
Cash and cash equivalents at beginning of the period	**1,123,414**	1,479,058
Exchange (losses)/gains on cash and cash equivalents	**(7,382)**	5,963
Cash and cash equivalents at end of the period	**1,399,795**	1,260,793

Net Cash Used in Operating Activities

During the Reporting Period, we incurred negative cash flows from operations, and substantially all of our operating cash outflows resulted from selling and distribution expenses, research and development expenses and administrative expenses.

Our net cash used in operating activities was RMB130 million and RMB196 million for the six months ended June 30, 2026 and 2025, respectively.

We had two products, zevor-cel and satri-cel, approved by NMPA on February 23, 2024 and in June 2026, respectively. Revenue in the first half of 2026 primarily comes from zevor-cel. Satri-cel is expected to generate revenue in the second half of 2026. We believe our pipeline products have promising global market potential in the future. We intend to continue investing in our research and development efforts and aim to obtain marketing approvals for our product candidates as soon as feasible. As we launch and commercialize our product candidates, we expect to generate operating income and improve our net operating cash outflow position.

Net Cash (Used in)/Generated from Investing Activities

Our cash used in investing activities mainly reflects our cash used for our purchase of term deposits with original maturity between three and twelve months, property, plant and equipment and our cash generated from investing activities mainly reflects our net cash receipts from term deposits with original maturity between three and twelve months.

For the six months ended June 30, 2026, our net cash used in investing activities was RMB3.6 million, which was primarily attributable to purchase of property, plant and equipment, and intangible assets. For the six months ended June 30, 2025, our net cash generated from investing activities was RMB1.7 million, which was primarily attributable to interest receipts from term deposit with original maturity between three and twelve months.

Net Cash Generated from/(Used in) Financing Activities

For the six months ended June 30, 2026, our net cash generated from financing activities was RMB417 million primarily attributable to new proceeds from issue of ordinary shares of RMB405 million. For the six months ended June 30, 2025, our net cash used in financing activities was RMB30 million primarily attributable to repayment of bank borrowings of RMB89 million, capital injection from the investor of a subsidiary of RMB80 million, payments for ordinary share repurchase of RMB31 million, proceeds from issue of shares to employees under Employee Incentive Schemes of RMB18 million and payment of lease expenses of RMB8 million.

Cash and Cash Equivalents

	As at June 30, 2026 ***RMB'000*** **(Unaudited)**	As at December 31, 2025 *RMB'000* (Audited)
Cash at banks		
– RMB	**1,365,143**	1,032,696
– USD	**17,554**	37,341
– HKD	**17,098**	53,377
Subtotal	**1,399,795**	1,123,414

The Group's cash and cash equivalents as at June 30, 2026 were RMB1,400 million, representing an increase of RMB277 million compared to RMB1,123 million as at December 31, 2025. The increase was mainly due to the gross proceeds of RMB405 million from the Top-up Placing.

Borrowing and Gearing Ratio

The Group's total borrowings, including interest-bearing borrowings, as at June 30, 2026 were RMB18.5 million, representing an increase of RMB18.5 million compared to nil as at December 31, 2025.

The gearing ratio (calculated by dividing the sum of borrowings and lease liabilities by total equity) of the Group as at June 30, 2026 was 6.58%, compared to 7.85% as at December 31, 2025.

Lease Liabilities

The Group leases offices and dormitory. Leases of offices and dormitory were measured at net present value of the lease payments to be paid during the lease terms.

Lease liabilities were discounted at incremental borrowings rates of the Group.

Our lease liabilities decreased to RMB54 million as at June 30, 2026 from RMB61 million as at December 31, 2025, mainly because the lease contract of No. 4021 Stirrup Creek Drive Suite 350, Durham, NC, USA expired on June 30, 2026.

Significant Investments

As at June 30, 2026, we did not hold any significant investments (including any investment in an investee company) with a value of 5% or more of the Group's total assets.

Material Acquisitions and Disposals

During the six months ended June 30, 2026, we did not have material acquisitions or disposals of subsidiaries, associates and joint ventures.

Foreign Exchange Risk

The Group has entities operating in the United States and in the People's Republic of China and there are certain cash and cash equivalents, other receivables, accruals and other payables denominated in a currency that is not the functional currency of the relevant group entities. As at June 30, 2026, the Group had no foreign exchange hedging instruments and foreign currency hedging policy. However, our management constantly monitors the economic situation and our Group's foreign exchange exposure and will consider appropriate hedging measures in the future should the need arise.

Capital Expenditure

For the six months ended June 30, 2026, the Group's total capital expenditure amounted to approximately RMB6.1 million, which was mostly used in purchase of property, plant and equipment, and software.

Charge on Assets

As at June 30, 2026 and December 31, 2025, the Group did not have any charge on assets.

Contingent Liability

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

Employees and Remuneration Policies

As of June 30, 2026, we had a total of 424 employees, compared to 362 employees at December 31, 2025.

In compliance with the applicable labor laws, we enter into standard confidentiality and employment agreements with our key management and research staff. The contracts with our key personnel typically include a standard non-compete agreement that prohibits the employee from competing with us, directly or indirectly, during his or her employment and for up to two years after the termination of his or her employment. The agreements also typically include undertakings regarding assignment of inventions and discoveries made during the course of his or her employment.

During the Reporting Period, we did not experience any strikes, labor disputes or industrial action which had a material effect on our business. We believe we have not experienced any significant difficulty in recruiting staff for our operations. We have established a labor union that represents employees with respect to the promulgation of bylaws and internal protocols in China.

Our employees' remuneration consists of salaries, bonuses, share-based incentive plans, social insurance contributions and other welfare payments. In accordance with applicable laws, we have made contributions to social insurance funds (including pension plan, unemployment insurance, work-related injury insurance, medical insurance and maternity insurance, as applicable) and housing funds for our employees. During the Reporting Period, we had complied with all statutory social insurance fund obligations applicable to us under PRC & US laws in all material aspects, and housing fund obligations applicable to us under PRC laws.

To remain competitive in the labor market, we provide various incentives and benefits to our employees. We invest in continuing education and training programs, including internal and external training, for our management staff and other employees to upgrade their skills and knowledge. We also provide competitive salaries, project and stock incentive plans to our employees, especially key employees.

Future Investment Plans and Expected Funding

The Group will continue to expand its markets in the PRC and globally in order to tap its internal potential and maximize Shareholders' interest. The Group will continue to grow through self-development, mergers and acquisitions, and other means. We will employ a combination of financing channels to finance capital expenditures, including but not limited to internal funds, capital markets and bank loans. Currently, the bank credit lines available to the Group are adequate.

IV. PRINCIPAL RISKS AND UNCERTAINTIES

Risks Relating to Our Financial Position and Need for Additional Capital

- We have incurred significant net losses and net operating cash outflows since our inception, and we anticipate that we will continue to incur net losses and net operating cash outflows for the foreseeable future and may never become profitable;
- We have net operating cash outflow during the Reporting Period;
- We may need additional capital to meet our operating cash requirements, and financing may not be available on terms acceptable to us, or at all;
- We have a limited operating history, which may make it difficult to evaluate our current business and predict our future performance. The risks involved in our business may cause potential investors to lose substantially all of their investment in our business;
- We may need to obtain additional financing to fund our operations, and if we are unable to obtain such financing, we may be unable to complete the development and commercialization of our primary drug candidates; and
- Raising additional capital may cause dilution to our shareholders, restrict our operations or require us to relinquish rights to our technologies or drug candidates.

Risks Relating to Our Business

- Our marketed products may fail to meet profitability targets due to suboptimal commercialization execution;
- Most of our product candidates are in pre-clinical or clinical development. If we are unable to successfully complete clinical development, obtain regulatory approval and commercialize our product candidates, or experience significant delays in doing so, our business will be materially harmed;
- We operate in a rapidly changing industry and we face substantial competition, which may result in others discovering, developing or commercializing competing products before or more successfully than we do, or developing product candidates or treatments that are safer, more effective, more effectively marketed or cost less than ours, or receive regulatory approval or reach the market earlier. As a result, our product candidates may not achieve the sales we anticipate and could be rendered non-competitive or obsolete;
- Clinical development of biopharmaceutical products involves a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results;

- If clinical trials of our product candidates fail to demonstrate safety and efficacy to the satisfaction of regulatory authorities or do not otherwise produce positive results, we may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development and commercialization of our product candidates;

- We may not be successful in our efforts to build or in-license a pipeline of new product candidates. If we fail to do so, our commercial opportunity will be limited; and

- We may expend our limited resources to pursue a particular product candidate or indication and fail to capitalize on product candidates or indications that may be more profitable or have a greater likelihood of success.

Risks Relating to Extensive Government Regulation

- All material aspects of the research, development, manufacturing and commercialization of biopharmaceutical products are heavily regulated. Any failure to comply with existing regulations and industry standards, or any adverse actions by the NMPA or other comparable regulatory authorities against us, could negatively impact our reputation and our business, financial condition, results of operations and prospects;

- The regulatory approval processes of the NMPA and other comparable regulatory authorities are lengthy, time-consuming and inherently unpredictable. If we are ultimately unable to obtain, or experience delays in obtaining, regulatory approval for our product candidates, our business will be substantially harmed;

- Changes in government regulations or in practices relating to the pharmaceutical and biopharmaceutical industries, including healthcare reform in China, and compliance with new regulations may result in additional costs; and

- Even if we are able to commercialize any approved product candidates, the products may become subject to unfavorable pricing regulations, or to unfavorable changes in national or third-party reimbursement practices, which could harm our business.

Risks Relating to Manufacturing of Our Product Candidates

- Our product candidates are cell therapies. The manufacture of our product candidates is complex, and we may encounter difficulties in production, particularly with respect to development or scaling-out of our manufacturing capabilities. If we encounter such difficulties, our ability to provide supply of our product candidates for clinical trials or our products for patients, if approved, could be delayed or stopped, or we may be unable to maintain a commercially viable cost structure.

Risks Relating to Commercialization of Our Product Candidates

- The market opportunities for our product candidates may be limited to those patients who are ineligible for or have failed prior treatments and may be small, and our projections regarding the size of the addressable market may be incorrect;

- We are currently in the process of constructing our marketing and sales organizational mechanism. However, as a company, we have no experience in independently launching and marketing products before. If we are unable to establish marketing and sales capabilities to market and sell our candidate products, we may be unable to successfully commercialise any future candidate products and may prove ineffective in establishing, scaling and managing a sustainable sales network;

- Product liability claims or lawsuits could cause us to incur substantial liabilities, and our insurance coverage may be inadequate to protect us from all the liabilities we may incur; and

- The increasing use of social media platforms presents new risks and challenges.

Risks Relating to Our Intellectual Property Rights

- If we are unable to obtain and maintain adequate patent and other intellectual property protection for our product candidates and other intellectual property, or if the scope of such intellectual property rights obtained is not sufficiently broad, third parties could develop and commercialize products and technologies similar or identical to ours and compete directly against us, and our ability to successfully develop and commercialize any of our product candidates or technologies may be adversely affected;

- If we determine that our intellectual property rights (including rights in-licensed from third parties) or other intangible assets are impaired, our results of operations and financial condition may be adversely affected; and

- Even if we are able to obtain patent protection for our product candidates, the life of such protection, if any, is limited, and third parties could be able to circumvent our patents by developing similar or alternative products and technologies in a non-infringing manner, or develop and commercialize products and technologies similar or identical to ours and compete directly against us after the expiration of our patent rights, if any, and our ability to successfully commercialize any product or technology would be materially adversely affected.

For further details, please refer to the section headed "Risk Factors" in the Prospectus.

Corporate Governance and Other Information

I. INTERIM DIVIDEND

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

II. COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Insider Dealing Policy (the "**Policy**"), with terms no less exacting than the Model Code as its own securities dealing policy to regulate all dealings of the securities of the Company by Directors and employees who, because of his/her office or employment, is likely to possess inside information in relation to the Group or the Company's securities.

Specific enquiries have been made to all Directors and the Directors have confirmed that they have complied with the Policy throughout the Reporting Period.

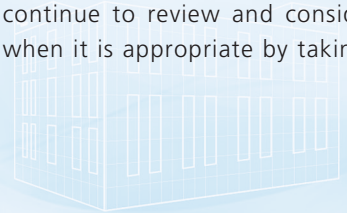
No incident of non-compliance of the Policy by the employees was noted by the Company for the Reporting Period.

III. COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company recognizes the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the Shareholders as a whole. The Company has adopted and applied the principles and code provisions as set out in the Part 2 of Corporate Governance Code as its own code of corporate governance practices.

For the Reporting Period, the Company has complied with all the applicable code provisions as set out in the Corporate Governance Code, except for code provision C.2.1 described in the paragraph below. The Board will continue to review and monitor the code of corporate governance practices of the Company with an aim to maintaining a high standard of corporate governance.

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 roles of chairman and chief executive should be separate and should not be performed by the same individual. We do not have separate Chairman of the Board and Chief Executive Officer ("**CEO**"). Dr. Zonghai LI ("**Dr. LI**"), the Chairman of our Board and CEO, currently performs these two roles. Our Board believes that, in view of his experience, personal profile and his roles in our Company as mentioned above, Dr. LI is the Director best suited to identify strategic opportunities and focus of the Board due to his extensive understanding of our business as our CEO. Our Board also believes that the combined role of Chairman of the Board and CEO can promote the effective execution of strategic initiatives and facilitate the flow of information between management and the Board. Our Board will continue to review and consider splitting the roles of Chairman of the Board and the CEO at a time when it is appropriate by taking into account the circumstances of our Group as a whole.



IV. AUDIT COMMITTEE

The Audit Committee has three members comprising Ms. Xiangke ZHAO (chairman), Mr. Huaqing GUO and Dr. Wen ZHOU, with terms of reference in compliance with the Listing Rules.

The Audit Committee has reviewed and agreed with the accounting principles and practices adopted by the Group and has discussed matters in relation to internal controls and financial reporting with the management, including the review of the unaudited condensed consolidated interim financial results of the Group for the six months ended June 30, 2026. The Audit Committee considers that the interim financial results for the six months ended June 30, 2026 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

V. CHANGE IN INFORMATION OF DIRECTORS AND CHIEF EXECUTIVE UNDER RULE 13.51B(1) OF THE LISTING RULES

There were no changes in the information of Directors and chief executive of the Company which shall be subject to disclosure according to Rule 13.51B(1) of the Listing Rules since the date of publication of the 2025 annual report of the Company.

VI. DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

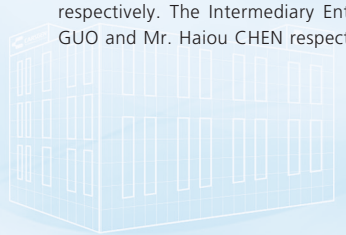
As at June 30, 2026, the interests or short positions of the Directors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO), which (a) were required to be notified to the Company and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

Long Position in the Shares and Underlying Shares of the Company

Name of Director/ Chief Executive	Capacity	Number/ Nature of Shares	Approximate Percentage of Interest in the Company *(Note 3)*
Dr. Zonghai LI *(Note 1) (Note 2)*	Beneficial owner, interest of controlled corporations and interest of party acting in concert	226,169,730/ Long position	37.54%
Dr. Huamao WANG *(Note 1) (Note 2)*	Beneficial owner, interest of controlled corporations and interest of party acting in concert	226,169,730/ Long position	37.54%
Mr. Huaqing GUO *(Note 1) (Note 2)*	Beneficial owner, interest of controlled corporations and interest of party acting in concert	226,169,730/ Long position	37.54%
Dr. Hua JIANG	Beneficial owner	3,633,156/ Long position	0.60%

Notes:

(1) YIJIE Biotech (BVI) holds 198,139,536 Shares of our Company, representing 32.89% of interest of our Company as at June 30, 2026. YIJIE Biotech (BVI) is owned as to 69.00%, 10.20%, 10.00%, 10.00% and 0.80% by CART Biotech Limited, Redelle Holding Limited, He Xi Holdings Limited, Candock Holdings Limited and Accure Biotech Limited (collectively, the "**Intermediary Entities**") respectively. The Intermediary Entities are wholly-owned by Dr. Zonghai LI, Ms. Xiaojing GUO, Dr. Huamao WANG, Mr. Huaqing GUO and Mr. Haiou CHEN respectively.



(2) Dr. Zonghai LI, Mr. Bingsen GUO, Dr. Huamao WANG, Mr. Huaqing GUO, Mr. Haiou CHEN, the Intermediary Entities, Ms. Xuehong YANG, Yeed Holdings, Ms. Xiaojing GUO and Quanzhou Dingwo (LP) entered into the Concert Party Agreement on February 22, 2021 and each party is deemed to be interested in the Shares that the other parties are interested in under section 317 of the SFO. Each of Dr. Zonghai LI, Ms. Xiaojing GUO, Dr. Huamao WANG, Mr. Huaqing GUO and Mr. Haiou CHEN, through the Intermediary Entities and YIJIE Biotech (BVI), are interested in 198,139,536 Shares of our Company, representing 32.89% of interest in our Company as at June 30, 2026. Ms. Xuehong YANG is interested in 8,888,888 Shares, representing 1.48% of interest in our Company through Yeed Holdings as at June 30, 2026. Ms. Xiaojing GUO is interested in 5,555,556 Shares, representing 0.92% of interest in our Company through Quanzhou Dingwo (LP) as of June 30, 2026. Mr. Huaqing GUO is beneficially interested in 2,479,000 Shares, representing 0.41% of interest in our Company as at June 30, 2026. In addition, Dr. Zonghai LI, Dr. Huamao WANG and Mr. Haiou CHEN were granted share awards (including Options and/or RSUs, as the case may be) equivalent to 100,000 Shares, 100,000 Shares, and 3,357,750 Shares respectively subject to vesting or exercising under share schemes of the Company, of which 0 Option/RSU, 0 Option/RSU and 248,977 Options/RSUs have been vested as of June 30, 2026. The parties acting in concert collectively control over one-third of the voting power of the Company, therefore each of them is deemed to be interested in 7,818,000 treasury Shares held by the Company, representing 1.30% of interest in our Company as at June 30, 2026. Therefore, Dr. Zonghai LI, Ms. Xiaojing GUO, Dr. Huamao WANG, Mr. Huaqing GUO, Mr. Haiou CHEN, the Intermediary Entities, Ms. Xuehong YANG, Yeed Holdings, Ms. Xiaojing GUO and Quanzhou Dingwo (LP) are deemed to be interested in a total of 226,169,730 Shares, representing 37.54% of interest in our Company as at June 30, 2026.

(3) As at June 30, 2026, the total issued share capital of the Company was 602,493,998 Shares (including 7,818,000 treasury Shares).

Save as disclosed above, as at June 30, 2026, none of the Directors and chief executive of the Company had or was deemed to have any interest or short position 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 was 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 under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

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

As at June 30, 2026, to the best knowledge of our Company and the Directors after making reasonable inquiries, the following persons (other than the Directors and chief executives of our Company as disclosed above) have interests or short positions in Shares or underlying Shares which would be required to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and recorded in the register required to be maintained by our Company under Section 336 of the SFO:

Long Position in the Shares and Underlying Shares of the Company

Name of Shareholders	Capacity	Number/ Nature of Shares	Approximate percentage of interest in the Company *(Note 5)*
CART Biotech Limited *(Note 1) (Note 2)*	Interest of controlled corporations and interest of party acting in concert	226,169,730/ Long position	37.54%
Redelle Holding Limited *(Note 1) (Note 2)*	Interest of controlled corporations and interest of party acting in concert	226,169,730/ Long position	37.54%
He Xi Holdings Limited *(Note 1) (Note 2)*	Interest of controlled corporations and interest of party acting in concert	226,169,730/ Long position	37.54%
CANDOCK Holdings Limited *(Note 1) (Note 2)*	Interest of controlled corporations and interest of party acting in concert	226,169,730/ Long position	37.54%
Mr. Haiou CHEN *(Note 1) (Note 2)*	Beneficial interest, interest of controlled corporations and interest of party acting in concert	226,169,730/ Long position	37.54%
Accure Biotech Limited *(Note 1) (Note 2)*	Interest of controlled corporations and interest of party acting in concert	226,169,730/ Long position	37.54%
Ms. Xuehong YANG *(Note 2) (Note 3)*	Interest of controlled corporations and interest of party acting in concert	226,169,730/ Long position	37.54%
Yeed Holdings *(Note 2) (Note 3)*	Beneficial interest, interest of controlled corporations and interest of party acting in concert	226,169,730/ Long position	37.54%
Ms. Xiaojing GUO *(Note 2) (Note 4)*	Interest of controlled corporations and interest of party acting in concert	226,169,730/ Long position	37.54%

Name of Shareholders	Capacity	Number/ Nature of Shares	Approximate percentage of interest in the Company *(Note 5)*
Quanzhou Dingwo (LP) *(Note 2) (Note 4)*	Beneficial interest, interest of controlled corporations and interest of party acting in concert	226,169,730/ Long position	37.54%
YIJIE Biotech (BVI) *(Note 1)*	Beneficial interest, interest of controlled corporations and interest of party acting in concert	226,169,730/ Long position	37.54%

Notes:

(1) YIJIE Biotech (BVI) holds 198,139,536 Shares of our Company, representing 32.89% of interest of our Company as at June 30, 2026. YIJIE Biotech (BVI) is owned as to 69.00%, 10.20%, 10.00%, 10.00% and 0.80% by the Intermediary Entities respectively. The Intermediary Entities are wholly-owned by Dr. Zonghai LI, Ms. Xiaojing GUO, Dr. Huamao WANG, Mr. Huaqing GUO and Mr. Haiou CHEN respectively.

(2) Dr. Zonghai LI, Mr. Bingsen GUO, Dr. Huamao WANG, Mr. Huaqing GUO, Mr. Haiou CHEN, the Intermediary Entities, Ms. Xuehong YANG, Yeed Holdings, Ms. Xiaojing GUO and Quanzhou Dingwo (LP) entered into the Concert Party Agreement on February 22, 2021 and each party is deemed to be interested in the Shares that the other parties are interested in under section 317 of the SFO. Each of Dr. Zonghai LI, Ms. Xiaojing GUO, Dr. Huamao WANG, Mr. Huaqing GUO and Mr. Haiou CHEN, through the Intermediary Entities and YIJIE Biotech (BVI), are interested in 198,139,536 Shares of our Company, representing 32.89% of interest in our Company as at June 30, 2026. Ms. Xuehong YANG is interested in 8,888,888 Shares, representing 1.48% of interest in our Company through Yeed Holdings as at June 30, 2026. Ms. Xiaojing GUO is interested in 5,555,556 Shares, representing 0.92% of interest in our Company through Quanzhou Dingwo (LP) as of June 30, 2026. Mr. Huaqing GUO is beneficially interested in 2,479,000 Shares, representing 0.41% of interest in our Company as at June 30, 2026. In addition, Dr. Zonghai LI, Dr. Huamao WANG and Mr. Haiou CHEN were granted share awards (including Options and/or RSUs, as the case may be) equivalent to 100,000 Shares, 100,000 Shares, and 3,357,750 Shares respectively subject to vesting or exercising under share schemes of the Company, of which 0 Option/RSU, 0 Option/RSU and 248,977 Options/RSUs have been vested as of June 30, 2026. The parties acting in concert collectively control over one-third of the voting power of the Company, therefore each of them is deemed to be interested in 7,818,000 treasury Shares held by the Company, representing 1.30% of interest in our Company as at June 30, 2026. Therefore, Dr. Zonghai LI, Mr. Bingsen GUO, Dr. Huamao WANG, Mr. Huaqing GUO, Mr. Haiou CHEN, the Intermediary Entities, Ms. Xuehong YANG, Yeed Holdings, Ms. Xiaojing GUO and Quanzhou Dingwo (LP) are deemed to be interested in a total of 226,169,730 Shares, representing 37.54% of interest in our Company as at June 30, 2026.

(3) Yeed Holdings holds 8,888,888 Shares in our Company, representing 1.48% of interest in our Company as at June 30, 2026. Yeed Holdings is wholly-owned by Ms. Xuehong YANG, the wife of our late non-executive Director, Mr. Bingsen GUO.

(4) Quanzhou Dingwo (LP) holds 5,555,556 Shares in our Company, representing 0.92% of interest in our Company as at June 30, 2026. The general partner of Quanzhou Dingwo (LP) is Ms. Xiaojing GUO, the daughter of our late non-executive Director, Mr. Bingsen GUO.

(5) As at June 30, 2026, the total issued share capital of the Company was 602,493,998 Shares (including 7,818,000 treasury Shares).

Save as disclosed above and to the best knowledge of the Directors, as at June 30, 2026, the Company is not aware of any other person (other than the Directors or the chief executive of the Company) who had an interest or short position in the Shares or underlying Shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

VIII. RIGHTS OF DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this report, as of the end of the Reporting Period, none of the Directors or their respective spouses or minor children under the age of 18 years were granted with rights, or had exercised any such rights, to acquire benefits by means of purchasing Shares or debentures of the Company. Neither the Company nor any of its subsidiaries was a party to any arrangements to enable the Directors or their respective spouses or minor children under the age of 18 years to acquire such rights from any other body corporates.

IX. LEGAL PROCEEDINGS

As of June 30, 2026, as far as the Company is aware, the Company and its subsidiaries were not involved in any material litigation or arbitration and no material litigation or claim of material importance was pending or threatened against or by the Company.

X. ISSUE OF SHARES UNDER TOP-UP PLACING

On May 15, 2026 (before trading hours), (i) the Company, the Vendor and the Joint Placing Agents entered into the Placing Agreement, pursuant to which the Vendor has agreed to sell, and the Joint Placing Agents have agreed to act as the agents of the Vendor to procure, on a best effort basis, not less than six Placees to purchase, up to 23,700,000 Placing Shares at the Placing Price of HK$19.84 for each Placing Share, and (ii) the Company and the Vendor entered into the Subscription Agreement, pursuant to which the Vendor has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue to the Vendor, the Subscription Shares at a price which is equivalent to the Placing Price of HK$19.84 for each Placing Share under the general mandate passed at the annual general meeting of the Company held on May 22, 2025.

The Placing took place on May 19, 2026, where an aggregate of 23,700,000 Placing Shares were successfully placed by the Joint Placing Agents to not less than six placees. To the best of the knowledge, information and belief of the Directors, each of the Joint Placing Agents, the placees and their respective ultimate beneficial owners are independent third parties of the Company.

As all conditions for the completion of the Subscription had been fulfilled (including the waiver under Note 6 on dispensations from Rule 26 of the Takeovers Code), the Company allotted and issued 23,700,000 Subscription Shares to the Vendor at HK$19.84 per Subscription Share on May 26, 2026, with the aggregate nominal value of US$5.925.

The Directors consider that the Placing and the Subscription represent an opportunity to support the Group's long-term development strategy, raise capital for the Company for future business opportunities as well as broaden the Shareholder base of the Company. Upon the completion of the Placing and the Subscription, the proceeds raised will further enhance the Group's financial strength, market competitiveness and comprehensive strength, and promote the long-term healthy and sustainable development of the Group.

The closing price of Shares quoted on the Stock Exchange on May 15, 2026, being the date on which the terms of Placing Agreement and Subscription Agreement were fixed, was HK$21.92 per Share. The net Subscription Price (after deducting related costs and expenses to be borne by the Company) is approximately HK$19.49 per Subscription Share. For details of the proceeds from the Top-up Placing, please refer to the section headed "Use of Proceeds from the Top-up Placing" in this report.

For further details of the Placing and the Subscription, please refer to the announcements of the Company dated May 15, 2026 and May 26, 2026.

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

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury Shares (as defined under the Listing Rules)).

As of June 30, 2026, there were 7,818,000 treasury Shares (as defined under the Listing Rules) held by the Company and 455,000 Shares repurchased but pending cancellation. In July 2026, such 7,818,000 treasury Shares and 455,000 Shares repurchased but pending cancellation have been cancelled by the Company.

Subsequent to the Reporting Period, a total of 711,000 Shares were repurchased by the Company in July 2026 and are pending cancellation as at the date of this report.

XII. USE OF PROCEEDS

Use of Proceeds from the Global Offering

The Company's shares were listed on the Stock Exchange on June 18, 2021 with a total of 94,747,000 offer shares issued and the net proceeds raised from the Global Offering were approximately HK$3,008 million. The net proceeds from the Listing (adjusted on a pro rata basis based on the actual net proceeds) have been and will be utilized in accordance with the purposes set out in the Prospectus. There was no change in the intended use of net proceeds as previously disclosed in the Prospectus as follows:

- approximately HK$902.4 million (US$115.7 million) (or approximately 30% of the net proceeds) to fund further development of our Core Product, BCMA CAR-T (CT053);
- approximately HK$932.5 million (US$119.6 million) (or approximately 31% of the net proceeds) to fund ongoing and planned research and development of our other pipeline product candidates;
- approximately HK$601.6 million (US$77.2 million) (or approximately 20% of the net proceeds) for developing full-scale manufacturing and commercialization capabilities;
- approximately HK$300.8 million (US$38.6 million) (or approximately 10% of the net proceeds) for continued upgrading of CAR-T technologies and early-stage research and development activities; and
- approximately HK$270.7 million (US$34.7 million) (or approximately 9% of the net proceeds) will be used for our working capital and other general corporate purposes.

The net proceeds from the Global Offering have been utilized in accordance with the purposes set out in the Prospectus. The table below sets out the applications of the net proceeds and actual usage up to June 30, 2026:

Use of proceeds	Planned allocation of Net Proceeds *(HKD million)*	Planned allocation of Net Proceeds *(RMB million)*	Utilized amount (as at December 31, 2025) *(RMB million)*	Utilized for the six months ended June 30, 2026 *(RMB million)*	Utilized amount (as at June 30, 2026) *(RMB million)*	Remaining amount (as at June 30, 2026) *(RMB million)*
Further development of our Core Product, BCMA CAR-T (CT053)	902.4	851.7	851.7	0	851.7	0
Ongoing and planned research and development of our other pipeline product candidates	932.5	835.9	811.7	24.2	835.9	0
Developing full-scale manufacturing and commercialization capabilities	601.6	539.3	451.4	50.5	501.9	37.4
Upgrading of CAR-T technologies and early – stage research and development activities	300.8	269.6	251.6	18.1	269.6	0
Working capital and other general corporate purposes	270.7	255.5	255.5	0	255.5	0
Total	**3,008.0**	**2,752.0**	**2,621.9**	**92.8**	**2,714.6**	**37.4**

The unutilized amount of net proceeds is expected to be fully utilized for the intended use by 2026, which is later than originally planned, due to cost savings achieved via improved operational efficiency and moving outsourced services internally.

The above RMB amounts were converted using the December 31, 2025 exchange rate of HK$1 to RMB0.8964.

Use of Proceeds from the Top-up Placing

To facilitate the settlement efficiency of the Placing and secure more favorable terms for the Company, the Placing is structured as a top-up arrangement which does not constitute a transaction intended for the Vendor to sell down its Shares or realize its investment.

Upon the completion of the Top-up Placing, the Company has allotted and issued 23,700,000 new Shares under the general mandate passed at the annual general meeting of the Company held on May 22, 2025. The net proceeds from the Top-up Placing (after deducting all fees, costs and expenses properly incurred in connection therewith) amount to approximately HK$461,961,808.

The net proceeds from the Top-up Placing have been utilized in accordance with the purposes set out in the announcement dated May 26, 2026. The table below sets out the applications of the net proceeds and actual usage up to June 30, 2026:

Use of proceeds	Planned allocation of Net Proceeds *(HKD million)*	Planned allocation of Net Proceeds *(RMB million)*	Utilized for the six months ended June 30, 2026 *(RMB million)*	Utilized amount (as at June 30, 2026) *(RMB million)*	Remaining amount (as at June 30, 2026) *(RMB million)*	Expected timeline of full utilization of the net proceeds
Clinical development of the Company's innovative drugs globally (including China)	323.4	278.4	13.6	13.6	264.8	Before December 31, 2028
Equipment and facility expenses for global R&D (including new process development) and manufacturing	69.3	59.7	10.5	10.5	49.2	Before December 31, 2028
Working capital and other general corporate purposes	69.3	59.7	4.3	4.3	55.4	Before December 31, 2027
Total	**462.0**	**397.8**	**28.4**	**28.4**	**369.4**	

Note: Such allocation and expected time frame are based on the Directors' best estimation barring unforeseen circumstances, and would be subject to change based on the future development of the Company, the market conditions and availability of business development and investment opportunities.

The working capital and other general corporate purposes mainly include 1) RMB1.76 million for employee salary and social benefit in general and administration departments, i.e administration, finance, legal, IT, purchase, internal audit, investor relationship; 2) RMB0.62 million for company rental fee and its property management fee, i.e office, dormitory, shuttle bus; 3) RMB0.28 million for office expense and office supply; 4) RMB0.3 million for travel expense; 5) RMB1.1 million for legal and lawyer consulting fee; and 6) RMB0.29 million for IT spending, i.e. software, laptop, server, network, firewall, ERP.

The above RMB amounts were converted using the June 2, 2026 exchange rate of HK$1 to RMB0.8609.

XIII. EVENTS AFTER THE END OF THE REPORTING PERIOD

No significant events have occurred after the Reporting Period and up to the date of this report which require additional disclosures or adjustments as at the date of this report.

XIV. CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

The Company does not have any disclosure obligations under Rule 13.20, 13.21 and 13.22 of the Listing Rules.

XV. SHARE INCENTIVE SCHEMES

We have adopted three share incentive schemes, collectively referred to as Share Incentive Schemes.

2019 EQUITY INCENTIVE PLAN

Our Company adopted the 2019 Equity Incentive Plan on January 22, 2019. The purpose of the 2019 Equity Incentive Plan is to attract, motivate, retain and reward certain employees, Directors, and certain other eligible persons of our Group. The 2019 Equity Incentive Plan (i) does not involve any grant of options of the Company to subscribe for new Shares after the IPO, and (ii) only involves the grant of RSUs after the IPO.

On May 11, 2021, our Company allotted and issued 12,497,947 Shares to Carfa Unity Limited and 7,125,575 Shares to Carfe Unity Limited, both of which are wholly-owned by the 2019 Equity Incentive Plan Trustee. Such Shares have been held in trust by the 2019 Equity Incentive Plan Trustee to facilitate the transfer of Shares to the grantees upon vesting of the relevant options and share awards.

As of June 30, 2026, a total of 7,128,711 options were outstanding and 3,236,500 share awards (in the form of RSUs) were unvested under the 2019 Equity Incentive Plan. The numbers of share awards available for grant under the 2019 Equity Incentive Plan on January 1, 2026 and June 30, 2026 are 5,986,343 and 2,749,843, respectively. No service provider sub-limit has been set for the 2019 Equity Incentive Plan. Save as disclosed below, no option or share award was granted under the 2019 Equity Incentive Plan during the Reporting Period.

The table below shows the details of outstanding share options granted under the 2019 Equity Incentive Plan.

		Number of options during the Reporting Period									
Name/Category of Grantee	Number of Shares subject to outstanding options as at January 1, 2026	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Number of Shares subject to outstanding options as at June 30, 2026	Date of grant of share options	Exercise Period	Vesting Period	Exercise price	Weighted average closing price of the Shares immediately before the dates on which the options were exercised during the Reporting Period
1. Substantial Shareholder											
Mr. Haiou CHEN	2,539,773	0	0	0	0	2,539,773	December 28, 2020	December 28, 2020-December 27, 2028	March 31, 2017-March 30, 2020	US$0.04 per Share	NA
2. Employees	4,966,401	0	377,463	0	0	4,588,938	December 28, 2020	December 28, 2020-December 27, 2028	Three or four years from the vesting commencement date stipulated in relevant grant letters	US$0-1.40 per Share	HK$21.93
Total:	**7,506,174**	**0**	**377,463**	**0**	**0**	**7,128,711**					

Notes:

(i) No grant of options under the 2019 Equity Incentive Plan would be made after the IPO.

(ii) Save as disclosed otherwise above, no option was granted under the 2019 Equity Incentive Plan to (a) any director, chief executive or substantial shareholder of the Company, or their respective associates; or (b) related entity participant or service provider, before the IPO and still being outstanding as at January 1, 2026.

(iii) No participant has been granted with options and awards in excess of the 1% individual limit.

The table below shows the details of unvested share awards granted under the 2019 Equity Incentive Plan.

	Number of RSUs during the Reporting Period								
Name/Category of Grantee	Number of Shares subject to unvested RSUs as at January 1, 2026	Granted during the Reporting Period	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Number of Shares subject to unvested RSUs as at June 30, 2026	Date of grant of RSUs	Vesting Period	Weighted average closing price of the Shares immediately before the dates on which the RSUs were vested during the Reporting Period
1. Director									
Dr. Hua JIANG	0	100,000	0	0	0	100,000	March 9, 2026[ii]	March 9, 2027-March 9, 2030	NA
2. Substantial Shareholder									
Mr. Haiou CHEN	58,245	0	58,245	0	0	0	March 24, 2022	March 24, 2023-March 23, 2026	HK$14.96
	0	143,000	0	0	0	143,000	March 9, 2026[ii]	March 9, 2027-March 9, 2030	NA
3. Employees	0	3,065,000	0	0	71,500	2,993,500	March 9, 2026[ii]	March 9, 2027-March 9, 2030	NA
Total:	**58,245**	**3,308,000**	**58,245**	**0**	**71,500**	**3,236,500**			

Notes:

(i) The purchase price of all RSUs mentioned in the table above is nil, and there is no performance target attached to these RSUs granted.

(ii) The closing price per ordinary share of the Company is HK$10.87 on March 6, 2026, being the business day immediately before March 9, 2026. As the purchase price is nil, the fair value of RSUs granted on March 9, 2026 at the date of grant is HK$13.92, which equals to the closing price per ordinary share of the Company on March 9, 2026. For the relevant accounting standard and policy adopted, please refer to Note 20 to the consolidated financial statements in the 2025 annual report of the Company for the year ended December 31, 2025. Please refer to the announcement of the Company dated March 9, 2026 for details.

(iii) Save as disclosed otherwise above, no share award was granted under the 2019 Equity Incentive Plan to (a) any director, chief executive or substantial shareholder of the Company, or their respective associates; or (b) related entity participant or service provider, before the Reporting Period and still being outstanding as at January 1, 2026.

(iv) No participant has been granted with options and awards in excess of the 1% individual limit.

POST-IPO RSU SCHEME

Our Company adopted the Post-IPO RSU Scheme on April 30, 2021. The purpose of the Post-IPO RSU Scheme is to align the interests of the eligible persons with those of our Group through ownership of Shares to encourage and retain them to make contributions to the long-term growth and profits of our Group.

As of June 30, 2026, a total of 3,324,894 share awards (in the form of RSUs) were unvested under the Post-IPO RSU Scheme. The numbers of share awards available for grant under the Post-IPO RSU Scheme on January 1, 2026 and June 30, 2026 are 16,788,674 and 16,933,689, respectively. No service provider sub-limit has been set for the Post-IPO RSU Scheme. The numbers of Shares that may be issued in respect of share awards granted under the Post-IPO RSU Scheme during the Reporting Period divided by the weighted average number of Shares in issue (excluding treasury Shares, if any) for the Reporting Period is 0.00%.

The table below shows the details of unvested share awards granted under the Post-IPO RSU Scheme.

		Number of RSUs during the Reporting Period							
Category of Grantee	Number of Shares subject to unvested RSUs as at January 1, 2026	Granted during the Reporting Period	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Number of Shares subject to unvested RSUs as at June 30, 2026	Date of grant of RSUs	Vesting Period	Weighted average closing price of the Shares immediately before the dates on which the RSUs were vested during the Reporting Period
1. Director									
Dr. Hua JIANG	51,000	0	12,750	0	0	38,250	April 16, 2025	April 16, 2026-April 15, 2029	HK$22
	21,000	0	0	0	0	21,000	September 18, 2025	September 18, 2026-September 17, 2029	NA
2. Employees	262,250	0	236,536	0	19,765	5,949	October 21, 2022	October 22, 2023-October 21, 2026	HK$17.81
	5,750	0	5,750	0	0	0	March 24, 2022	March 24, 2023-March 23, 2026	HK$14.96
	486,320	0	0	0	10,000	476,320	April 13, 2023	April 13, 2024-April 12, 2027	NA
	1,437,500	0	352,875	0	64,250	1,020,375	April 16, 2025	April 16, 2026-April 15, 2029	HK$22
	1,814,000	0	0	0	51,000	1,763,000	September 18, 2025	September 18, 2026-September 17, 2029	NA
Total:	**4,077,820**	**0**	**607,911**	**0**	**145,015**	**3,324,894**			

Notes:

(i) The purchase price of all RSUs mentioned in the table above is nil, and there is no performance target attached to these RSUs granted.

(ii) Save as disclosed above, no grant of share awards under the Post-IPO RSU Scheme has been made to any director, chief executive or substantial shareholder of the Company, or their respective associates.

(iii) No participant has been granted with options and awards in excess of the 1% individual limit.

(iv) No grant has been made under the Post-IPO RSU Scheme to related entity participant or service provider.

POST-IPO SHARE OPTION SCHEME

Our Company adopted the Post-IPO Share Option Scheme on April 30, 2021. The purpose of the Post-IPO Share Option Scheme is to reward employees for their past contribution to the success of the Company and to provide incentives to them to further contribute to the Company.

As of June 30, 2026, a total of 17,679,863 options were outstanding under the Post-IPO Share Option Scheme. The numbers of options available for grant under the Post-IPO Share Option Scheme on January 1, 2026 and June 30, 2026 are 27,520,333 and 23,511,322, respectively. No service provider sub-limit has been set for the Post-IPO Share Option Scheme. The numbers of Shares that may be issued in respect of option granted under the Post-IPO Share Option Scheme during the Reporting Period divided by the weighted average number of Shares in issue (excluding treasury Shares, if any) for the Reporting Period is 0.73%.

The table below shows the details of outstanding options granted under the Post-IPO Share Option Scheme.

		Number of options during the Reporting Period								
Name/Category of Grantee	Number of Shares subject to outstanding options as at January 1, 2026	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Number of Shares subject to outstanding options as at June 30, 2026	Date of grant of share options	Exercise Period	Vesting Period	Exercise price per Share	Weighted average closing price of the Shares immediately before the dates on which the options were exercised during the Reporting Period
1. Directors											
Dr. Hua JIANG	36,164	0	0	0	0	36,164	March 24, 2022		March 24, 2023-March 23, 2026	HK$16.32	NA
	120,000	0	0	0	0	120,000	April 13, 2023		April 13, 2024-April 12, 2027	HK$14.46	NA
	200,000	0	0	0	0	200,000	November 18, 2024		November 18, 2025-November 17, 2028	HK$7.26	NA
	102,000	0	0	0	0	102,000	April 16, 2025		April 16, 2026-April 15, 2029	HK$12.34	NA
	42,000	0	0	0	0	42,000	September 18, 2025		September 18, 2026-September 17, 2029	HK$20.99	NA
	0	80,000	0	0	0	80,000	March 9, 2026[iii]		March 9, 2027-March 8, 2030	HK$13.92	NA
Dr. Zonghai LI	100,000	0	0	0	0	100,000	September 18, 2025		September 18, 2026-September 17, 2029	HK$20.99	NA
Dr. Huamao WANG	100,000	0	0	0	0	100,000	September 18, 2025		September 18, 2026-September 17, 2029	HK$20.99	NA

Name/Category of Grantee	Number of Shares subject to outstanding options as at January 1, 2026	Number of options during the Reporting Period: Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Number of Shares subject to outstanding options as at June 30, 2026	Date of grant of share options	Exercise Period	Vesting Period	Exercise price per Share	Weighted average closing price of the Shares immediately before the dates on which the options were exercised during the Reporting Period
2. Substantial Shareholder											
Mr. Haiou CHEN	200,000	0	0	0	0	200,000	April 13, 2023	The Options may be exercised during the period from the date of vesting to the 10th anniversary of the grant date.	April 13, 2024-April 12, 2027	HK$14.46	NA
	100,000	0	0	0	0	100,000	September 18, 2025		September 18, 2026-September 17, 2029	HK$20.99	NA
	0	126,000	0	0	0	126,000	March 9, 2026[ii]		March 9, 2027-March 8, 2030	HK$13.92	NA
3. Employees	24,000	0	0	0	0	24,000	October 21, 2022		April 7, 2023-October 20, 2026	HK$13.58	NA
	1,567,490	0	128,552	0	37,291	1,401,647	March 24, 2022		March 24, 2023-March 23, 2026	HK$16.32	HK$22.64
	154,552	0	0	0	500	154,052	July 22, 2021		July 22, 2022-July 21, 2025	HK$31.00	NA
	1,444,750	0	136,125	0	33,125	1,275,500	April 13, 2023		April 13, 2024-April 12, 2027	HK$14.46	HK$21.66
	100,000	0	25,000	0	0	75,000	November 28, 2023		November 28, 2024-November 27, 2027	HK$11.39	HK$24.90
	1,282,000	0	77,500	0	78,750	1,125,750	November 18, 2024		November 18, 2025-November 17, 2028	HK$7.26	HK$18.63
	3,014,500	0	161,375	0	128,875	2,724,250	April 16, 2025		April 16, 2026-April 15, 2029	HK$12.34	HK$23.41
	6,140,500	0	0	0	395,000	5,745,500	September 18, 2025		September 18, 2026-September 17, 2029	HK$20.99	NA
	0	4,061,000	0	0	113,000	3,948,000	March 9, 2026[ii]		March 9, 2027-March 8, 2030	HK$13.92	NA
Total:	**14,727,956**	**4,267,000**	**528,552**	**0**	**786,541**	**17,679,863**					

Notes:

(i) There is no performance target attached to above options granted.

(ii) The closing price per ordinary share of the Company is HK$10.87 on March 6, 2026, being the business day immediately before March 9, 2026. Fair value of options granted on March 9, 2026 at the date of grant is HK$13.92 (i.e. HK$13.92 per Share option). Please refer to the announcement of the Company dated March 9, 2026 for details.

(iii) The fair value of options at grant date is independently determined using an adjusted Binomial option-pricing model that takes into account the exercise price, fair value of ordinary shares at the grant date, the term of the option, the expected price volatility, the expected dividend yield, the risk free interest rate.

The model inputs for options granted during the Reporting Period are:

Spot Price as of Valuation Date	13.92
Risk-free Rate (continuous)	2.76%
Dividend Yield (continuous)	0.00%
Volatility	48.32%
Post-vesting Exit Rate (continuous)	16.97%
Exercise Price	13.92
Exercise Multiple	2.20

The Directors estimated the risk-free interest rate based on the yield of curve of US Treasury strips with a maturity life close to the life of stock option. Volatility was estimated at grant date based on average of historical volatilities of the comparable companies with length commensurable to the time to maturity of the stock option. Dividend yield is based on the Directors' estimation at the grant date.

(iv) Save as disclosed above, under the Post-IPO Share Options Scheme, (a) no grant of options has been made during the Reporting Period to any director, chief executive or substantial shareholder of the Company, or their respective associates, and (b) there is no option granted to any director, chief executive or substantial shareholder of the Company, or their respective associates before the Reporting Period and still being outstanding as at January 1, 2026.

(v) No participant has been granted with options and awards in excess of the 1% individual limit.

(vi) No grant has been made under the Post-IPO Share Options Scheme to related entity participant or service provider.

The total number of Shares that may be issued in respect of options and awards granted under the 2019 Equity Incentive Plan, Post-IPO RSU Scheme and Post-IPO Share Option Scheme during the Reporting Period divided by the weighted average number of Shares in issue (excluding treasury Shares, if any) for the Reporting Period is 0.73%.

Summary of the Share Incentive Schemes

The principal terms and details of the Share Incentive Schemes are set out below:

Details	2019 Equity Incentive Plan	Post-IPO RSU Scheme	Post-IPO Share Option Scheme
1. Purpose	To secure and retain the services of eligible participants, to provide incentives for such persons to exert maximum efforts for the success of our Company and our affiliates, and to provide a means by which such eligible recipients may be given an opportunity to benefit from increases in value of the Shares through the granting of the Share Awards.	To align the interests of the eligible persons with those of our Group through ownership of Shares to encourage and retain them to make contributions to the long-term growth and profits of our Group.	To reward employees for their past contribution to the success of the Company and to provide incentives to them to further contribute to the Company.
2. Eligible Participants	Eligible persons include any person employed by our Company or our affiliates, any director of our Company or any of its subsidiaries, any person, including a consultant, who is (i) engaged by our Company or our affiliates to render consulting or advisory services and is compensated for such services, or (ii) serving as a member of the board of directors of our affiliates and is compensated for such services.	Any individual, being an employee, director (including executive Directors, non-executive Directors and independent non-executive Directors) or officer, consultant, advisor, distributor, contractor, customer, supplier, agent, business partner, joint venture business partner or service provider of any member of the Group or any affiliate who the Board or its delegate(s) considers, in its sole discretion, to have contributed or will contribute to the Group is eligible to receive an award granted by the Board, by way of RSUs, which may vest in the form of Award Shares or the actual selling price of the Award Shares of RSUs in cash in accordance with the Post-IPO RSU Scheme. However, no individual who is resident in a place where the grant, acceptance or vesting of an Award pursuant to the Post-IPO RSU Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or its delegate(s), compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the Post-IPO RSU Scheme.	Any individual, being an employee, director or officer of any member of our Group who the Board may in its absolute discretion select to grant an Option to subscribe for such number of Shares as the Board may determine at the Subscription Price.

Details	2019 Equity Incentive Plan	Post-IPO RSU Scheme	Post-IPO Share Option Scheme
3. Maximum number of Shares that can be awarded	Subject to capitalization adjustments, the aggregate number of Shares that may be issued pursuant to Share Awards shall not exceed 27,519,380 Shares. As at the Latest Practicable Date, the total number of Shares available for issue under the 2019 Equity Incentive Plan is 2,175,625, representing approximately 0.37% of the total issued Shares (excluding treasury Shares, if any).	The aggregate number of Shares underlying all grants made pursuant to the Post-IPO RSU Scheme (excluding Award which have been forfeited in accordance with the Post-IPO RSU Scheme) will not exceed 5% of the issued share capital of the Company as of the date of approval of the Post-IPO RSU Scheme without Shareholders' approval, being 22,648,808 Shares. As at the Latest Practicable Date, the total number of Shares available for issue under the Post-IPO RSU Scheme is 16,933,689, representing approximately 2.90% of the total issued Shares (excluding treasury Shares, if any).	The maximum number of Shares in respect of which Options may be granted under the Post-IPO Share Option Scheme when aggregated with the maximum number of Shares in respect of which Options may be granted under any other option scheme over Shares shall not exceed 10% of the issued share capital of the Company as of the date of approval of the Post-IPO Share Option Scheme (or of the refreshing of the 10% limit) by the Shareholders, being 45,297,617 Shares. As at the Latest Practicable Date, the total number of Shares available for issue under the Post-IPO Share Option Scheme is 23,511,322, representing approximately 4.03% of the total issued Shares (excluding treasury Shares, if any).
4. Maximum entitlement of each participant under the scheme	N/A	Save as prescribed in the scheme or as otherwise restricted by the Listing Rules, for any 12-month period, the aggregate number of Shares granted to any Selected Participant shall not exceed 1% of the total number of the issued Shares at the relevant time, without Shareholders' approval.	Except with the approval of Shareholders in general meeting, no Option may be granted to any one person such that the total number of Shares issued and to be issued upon exercise of Options and any other option over the Shares (including exercised, cancelled and outstanding options) granted and to be granted to such person in any 12-month period up to the date of the latest grant exceeds 1% of the Shares in issue from time to time.

Details	2019 Equity Incentive Plan	Post-IPO RSU Scheme	Post-IPO Share Option Scheme
5. Vesting Period	The total number of Shares subject to a Share Option may vest and therefore become exercisable in periodic installments that may or may not be equal. The Share Option may be subject to such other terms and conditions on the time or times when it may or may not be exercised (which may be based on the satisfaction of performance goals or other criteria) as the Board may deem appropriate. The vesting provisions (including the vesting period) of each Share Option may vary.	The Board or its delegate(s) may from time to time while the Post-IPO RSU Scheme is in force and subject to all applicable laws, determine such vesting criteria and conditions or periods for the Award to be vested.	The Board or its delegate(s) may from time to time while the Post-IPO Share Option Scheme is in force and subject to all applicable laws, determine such vesting criteria and conditions or periods for the Options to be vested.
6. Duration and remaining life	No Share Option shall be exercisable after the expiration of eight years from the date of its grant or such shorter period specified in a share award agreement. As at June 30, 2026, the remaining life of the 2019 Equity Incentive Plan was approximately six months.	The Post-IPO RSU Scheme shall terminate on the earlier of: (i) the end of the period of ten years commencing on the date on which the Post-IPO RSU Scheme is adopted except in respect of any non-vested RSUs granted hereunder prior to the expiration of the Post-IPO RSU Scheme, for the purpose of giving effect to the vesting in the form of Award Shares of such RSUs or otherwise as may be required in accordance with the provisions of the Post-IPO RSU Scheme; and (ii) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any selected participant under the rules of the Post-IPO RSU Scheme, provided further that for the avoidance of doubt, the change in the subsisting rights of a selected participant in this paragraph refers solely to any change in the rights in respect of the RSUs already granted to a selected participant. As at June 30, 2026, the remaining life of the Post-IPO RSU Scheme was approximately five years.	The Post-IPO Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date when the Post-IPO Share Option Scheme becomes unconditional, after which period no further Options will be granted by the provisions of the Post-IPO Share Option Scheme, but the provisions of this Post-IPO Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of the Post-IPO Share Option Scheme. As at June 30, 2026, the remaining life of the Post-IPO Share Option Scheme was approximately five years.

Details	2019 Equity Incentive Plan	Post-IPO RSU Scheme	Post-IPO Share Option Scheme
7. Exercise price/ purchase price	The exercise price (or strike price) of each Share Option shall be determined in good faith by the Administrator and as set forth in a share award agreement. The consideration, if any, to be paid by the participant upon delivery of each Share subject to the restricted share unit award will be determined by the Board at the time of grant of such award.	No purchase price is to be paid by the participant upon vesting of Awards granted under the Post-IPO RSU Scheme.	The amount payable for each Share to be subscribed for under an option in the event of the option being exercised shall be determined by the Board at its absolute discretion, but shall be not less than the greater of: (i) the closing price of a Share as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant; (ii) the average closing price of our Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share on the date of grant.
8. Exercise Period	No share option shall be exercisable after the expiration of eight years from the date of its grant or such shorter period specified in a share award agreement.	N/A	The period during which the option can be exercised as set forth in the relevant offer letters in accordance with the plan.
9. Consideration for Acceptance of Options or Awards	Each Option shall be in such form and shall contain such terms and conditions (including but not limited to the consideration for acceptance of Option, if any) as the Administrator shall deem appropriate. All Options shall be separately designated Incentive Share Options or Non-statutory Share Options at the time of grant, and, if certificates are issued, a separate certificate or certificates shall be issued for Shares purchased on exercise of each type of Option. Each Restricted Share Award will be evidenced by a Share Award Agreement that will specify the period of restriction, the number of Shares granted, and such other terms and conditions as the Administrator, in its sole discretion, will determine.	The Company shall issue a letter to each Selected Participant in such form as the Board or the committee of the Board or person(s) to which the Board has delegated its authority may from time to time determine, specifying the Grant Date, the number of Award Shares underlying the Award, the consideration and the period for acceptance of grant of Award (if any), the vesting criteria and conditions, and the Vesting Date and such other details as the they may consider necessary.	An Option shall be deemed to have been granted and accepted and to have taken effect when the duplicate letter comprising acceptance of the offer of the grant of the Option duly signed by the Grantee together with a payment to the Company and/or any of its subsidiaries of HK$1 (or the equivalent of HK$1 in the local currency of any jurisdiction where the Company and/or its subsidiaries operate, as the Board may in its absolute discretion determine) by way of consideration for the grant thereof is received by the Company within the time period specified in the offer of the grant of the Option. Such remittance shall not be refundable. To the extent that the offer of the grant of an Option is not accepted within 28 days after the Offer Date, it will be deemed to have been irrevocably declined and will lapse, unless the Board in its absolute discretion determines otherwise.

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

For the six months ended June 30, 2026

	Notes	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Revenue	5	**61,919**	50,961
Cost of sales		**(19,900)**	(21,592)
Gross profit		**42,019**	29,369
Other income	5	**8,419**	5,638
Selling and distribution expenses		**(12,261)**	(942)
Administrative expenses		**(34,465)**	(39,029)
Research and development expenses		**(132,461)**	(130,221)
Other gains – net	6	**57,410**	58,481
Operating loss		**(71,339)**	(76,704)
Finance income		**4,704**	4,285
Finance costs		**(4,205)**	(3,064)
Finance income – net		**499**	1,221
Loss before income tax		**(70,840)**	(75,483)
Income tax expense	8	**–**	–
Loss for the period		**(70,840)**	(75,483)
Attributable to:			
Owners of the parent		**(66,663)**	(75,340)
Non-controlling interests		**(4,177)**	(143)
		(70,840)	(75,483)
Other comprehensive income/(loss) for the period:			
Items that may be reclassified to profit or loss			
Exchange differences on translation of subsidiaries		**66,804**	79,679
Items that will not be reclassified to profit or loss			
Exchange differences on translation of the Company		**(131,757)**	(129,926)
Other comprehensive loss for the period, net of tax		**(64,953)**	(50,247)
Total comprehensive loss for the period		**(135,793)**	(125,730)
Attributable to:			
Owners of the parent		**(131,616)**	(125,587)
Non-controlling interests		**(4,177)**	(143)
		(135,793)	(125,730)
Loss per share attributable to ordinary equity holders of the parent			
Basic and diluted loss per share (in RMB)	10	**(0.13)**	(0.14)

Interim Condensed Consolidated Statement of Financial Position

June 30, 2026

	Notes	June 30, 2026 (Unaudited) RMB'000	December 31, 2025 (Audited) RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	11	**77,866**	84,424
Right-of-use assets	11	**12,200**	13,421
Intangible assets		**1,145**	1,147
Other non-current assets and prepayments		**30,269**	15,057
Equity investments designated at fair value through other comprehensive income ("FVTOCI")		**500**	–
Total non-current assets		**121,980**	114,049
CURRENT ASSETS			
Trade receivables	12	**11,585**	15,552
Inventories		**7,236**	7,138
Other receivables		**25,820**	16,043
Other current assets and prepayments	13	**13,052**	15,940
Cash and cash equivalents		**1,399,795**	1,123,414
Total current assets		**1,457,488**	1,178,087
CURRENT LIABILITIES			
Accruals and other payables	14	**120,409**	138,470
Other borrowings	15	**18,462**	–
Lease liabilities		**11,438**	12,842
Deferred income		**11,775**	11,889
Contract liabilities	16	**44,053**	42,256
Total current liabilities		**206,137**	205,457
NET CURRENT ASSETS		**1,251,351**	972,630
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,373,331**	1,086,679
NON-CURRENT LIABILITIES			
Lease liabilities		**42,091**	48,336
Deferred income		**8,100**	6,665
Other financial liability	17	**76,669**	74,092
Contract liabilities	16	**154,037**	178,249
Total non-current liabilities		**280,897**	307,342
Net assets		**1,092,434**	779,337
EQUITY			
Equity attributable to owners of the parent			
Share capital	18	**1**	1
Reserves	19	**1,100,385**	783,317
		1,100,386	783,318
Non-controlling interests		**(7,952)**	(3,981)
Total equity		**1,092,434**	779,337

Zonghai LI
Director

Huamao WANG
Director

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended June 30, 2026

	Notes	Attributable to owners of the parent					
		Share capital *RMB'000*	Other reserves** *RMB'000 (Note 19)*	Accumulated losses** *RMB'000 (Note 19)*	Subtotal *RMB'000*	Non-controlling interests *RMB'000*	Total equity *RMB'000*
At December 31, 2024 (audited)		1	10,044,667	(8,987,961)	1,056,707	–	1,056,707
Loss for the period		–	–	(75,483)	(75,483)	–	(75,483)
Other comprehensive loss		–	(50,247)	–	(50,247)	–	(50,247)
Total comprehensive loss		–	(50,247)	(75,483)	(125,730)	–	(125,730)
Share-based payments	*20*	–	3,684	–	3,684	–	3,684
Issue of shares held in trust	*18*	–*	–*	–	–	–	–*
Issue of shares to employees under Employee Incentive Schemes	*18*	–*	26,478	–	26,478	–	26,478
Transfer of treasury shares to employees under Employee Incentive Schemes		–*	994	–	994	–	994
At June 30, 2025 (unaudited)		1	10,025,576	(9,063,444)	962,133	–	962,133
At December 31, 2025 (audited)		**1**	**9,869,139**	**(9,085,822)**	**783,318**	**(3,981)**	**779,337**
Loss for the period		**–**	**–**	**(66,663)**	**(66,663)**	**(4,177)**	**(70,840)**
Other comprehensive loss		**–**	**(64,953)**	**–**	**(64,953)**	**–**	**(64,953)**
Total comprehensive loss		**–**	**(64,953)**	**(66,663)**	**(131,616)**	**(4,177)**	**(135,793)**
Share-based payments	*20*	**–**	**38,913**	**–**	**38,913**	**–**	**38,913**
Issue of shares	*18*	**–***	**409,810**	**–**	**409,810**	**–**	**409,810**
Share issue costs		**–**	**(7,236)**	**–**	**(7,236)**	**–**	**(7,236)**
Issue of shares to employees under Employee Incentive Schemes	*18*	**–***	**7,001**	**–**	**7,001**	**–**	**7,001**
Transfer of treasury shares to employees under Employee Incentive Schemes	*18*	**–***	**402**	**–**	**402**	**–**	**402**
Impact of non-controlling interests with put option in a subsidiary		**–**	**(206)**	**–**	**(206)**	**206**	**–**
At June 30, 2026 (unaudited)		**1**	**10,252,870**	**(9,152,485)**	**1,100,386**	**(7,952)**	**1,092,434**

* The amounts are less than RMB1,000.

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended June 30, 2026

	2026 (Unaudited) *RMB'000*	2025 (Unaudited) *RMB'000*
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before income tax:	**(70,840)**	(75,483)
Cash used in operations	**(134,714)**	(200,593)
Interest received	**4,704**	4,285
Net cash used in operating activities	**(130,010)**	(196,308)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of items of property, plant and equipment	**(5,802)**	(2,008)
Purchases of intangible assets	**(301)**	(742)
Purchases of FVTOCI	**(500)**	–
Purchase of term deposits with original maturity between three and twelve months	**(1,650,000)**	(1,021,321)
Proceeds from collection of term deposits with original maturity between three and twelve months	**1,650,000**	1,021,291
Interest received from term deposit with original maturity between three and twelve months	**2,972**	4,495
Net cash (used in)/generated from investing activities	**(3,631)**	1,715
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of ordinary shares	**409,810**	–
Payments for ordinary share repurchase	**–**	(30,987)
Share issue costs	**(4,564)**	–
Proceeds from issue of shares to employees under Employee Incentive Schemes	**1,769**	18,016
Proceeds from transfer of treasury shares to employees under Employee Incentive Schemes	**402**	994
Capital injection from the investor of a subsidiary	**–**	80,000
Proceeds from other borrowings	**18,000**	–
Payments for lease liabilities	**(8,013)**	(8,047)
Payments for rental deposit	**–**	(159)
Repayments of bank borrowings	**–**	(89,000)
Interest paid for bank borrowings	**–**	(452)
Net cash generated from/(used in) financing activities	**417,404**	(29,635)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**283,763**	(224,228)
Cash and cash equivalents at beginning of the period	**1,123,414**	1,479,058
Effect of foreign exchange rate changes, net	**(7,382)**	5,963
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**1,399,795**	1,260,793
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and cash equivalents as stated in the interim condensed consolidated statement of financial position	**1,399,795**	1,260,793

Notes to Interim Condensed Consolidated Financial Information

June 30, 2026

1. GENERAL INFORMATION

CARsgen Therapeutics Holdings Limited (hereinafter the "Company") was incorporated under the law of the Cayman Islands as a limited liability company on February 9, 2018. The address of the Company's registered office is P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (hereinafter collectively referred to as the "Group") are focusing on developing innovative CAR T-cell therapies to address the unmet clinical needs including but not limited to hematologic malignancies, solid tumors and autoimmune diseases.

2. BASIS OF PREPARATION

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

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

Amendments to IFRS 9 and IFRS 7

Amendments to IFRS 9 and IFRS 7 *Annual Improvements to IFRS Accounting Standards – Volume 11*

Amendments to the Classification and Measurement of Financial Instruments

Contracts Referencing Nature-dependent Electricity

Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

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

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

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

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

4. SEGMENT INFORMATION

Operating segment information

The Group's business activities are regularly reviewed and evaluated by the chief operating decision-makers. The chief operating decision-makers, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors of the Group.

As a result of this evaluation, the executive directors of the Group consider that the Group's operations are operated and managed as a single operating segment. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Information about major customers

Revenue from a major customer (including sales to a group of entities which are known to be under common control with that customer) which accounted for 10% or more of the Group's revenue during the periods is set out below:

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Customer A	**61,894**	50,961

5. REVENUE AND OTHER INCOME

An analysis of revenue is as follows:

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Sale of pharmaceutical products	**59,502**	48,263
Provision of cryopreservation services	**2,417**	2,698
Total	**61,919**	50,961

5. REVENUE AND OTHER INCOME (continued)

Disaggregated revenue information for revenue from contracts with customers:

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Geographical market		
Chinese Mainland	**61,919**	50,961
Timing of revenue recognition		
Goods transferred at a point in time	**59,502**	48,263
Services transferred over time	**2,417**	2,698
Total	**61,919**	50,961

An analysis of other income is as follows:

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Government grants *(i)*	**2,047**	1,143
Interest income on term deposits with original maturity between three and twelve months	**3,019**	4,495
Others	**3,353**	–
Total	**8,419**	5,638

(i) The government grants mainly represent subsidies received from the government to support on certain research and development projects that are relating to both expenses and assets. Government grants were released to profit or loss either over the periods that the expenses for which it is intended to compensate are expensed, or over the expected useful life of the relevant asset, when all attaching conditions and requirements are compliant with.

6. OTHER GAINS – NET

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Foreign exchange gains – net	**59,195**	59,841
Others	**(1,785)**	(1,360)
Total	**57,410**	58,481

7. LOSS BEFORE TAX

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

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Employee benefit expenses	**113,265**	99,370
Testing and clinical expenses	**25,086**	28,514
Depreciation of property, plant and equipment	**9,874**	9,307
Research and development consumables	**13,135**	14,607
Professional service expenses	**5,783**	5,816
Depreciation of right-of-use assets	**1,761**	1,425
Utilities	**5,893**	6,094
Office expenses	**3,295**	2,925
Travelling and transportation expenses	**1,438**	1,449
Amortization of intangible assets	**500**	1,962
Short term lease and low value lease expenses	**1,188**	1,540
Auditors' remuneration	**1,998**	2,130
– Audit service	***1,890***	*1,916*
– Non-audit service	***108***	*214*
Other expenses	**3,443**	4,446
Cost of inventories sold	**8,710**	11,257
Marketing service fees	**3,718**	942
Interest income	**(4,704)**	(4,285)
Interest expense on lease liabilities	**1,166**	1,533
Interest expense on financial liabilities	**2,577**	1,213
Interest expense on bank and other borrowings	**462**	318
Total	**198,588**	190,563
Cost of inventories sold	**19,900**	21,592
Selling and distribution expenses	**12,261**	942
Administrative expenses	**34,465**	39,029
Research and development expenses	**132,461**	130,221
Finance income	**(4,704)**	(4,285)
Finance costs	**4,205**	3,064
Total	**198,588**	190,563

8. INCOME TAX EXPENSE

Current 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 operated.

(a) Cayman Islands income tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

(b) Hong Kong income tax

No provision for Hong Kong profits tax has been provided for at the rate of 16.5% (2025: 16.5%) as the Company has no estimated assessable profit.

(c) Chinese Mainland corporate income tax

Subsidiaries in Chinese Mainland are subject to income tax at a rate of 25% (2025: 25%) pursuant to the Corporate Income Tax Law of the People's Republic of China (the "PRC") and the respective regulations (the "CIT Law"). In addition, CARsgen Life Sciences (Shanghai) Co., Ltd. is in the process of applying for the High and New Technology Enterprise qualification, and upon approval, it is expected to be entitled to a preferential tax rate of 15% for a three-year period commencing from 2026.

No provision for Chinese Mainland corporate income tax was provided for, as there's no assessable profit.

(d) The US corporate income tax

CARsgen USA, which was incorporated in Delaware, the United States on May 4, 2016, was subject to statutory U.S. Federal corporate income tax at a rate of 21% (2025: 21%) for the six months ended June 30, 2026. CARsgen USA was also subject to the state income tax for the six months ended June 30, 2026 and 2025.

No provision for US corporate income tax was provided for as there's no assessable profit.

(e) British Virgin Islands income tax

Under the current laws of BVI, the subsidiary incorporated in BVI is not subject to tax on income or capital gains. In addition, upon payments of dividends by our BVI subsidiaries to us, no BVI withholding tax is imposed.

(f) Ireland corporation income tax and Ireland capital gains tax

Subsidiary in Ireland is subject to income tax at a rate of 12.5% (2025: 12.5%) on the estimated assessable profit and 33% (2025: 33%) on the capital gains.

No provision for Ireland corporate income tax was provided for as there's no assessable profit.

9. DIVIDEND

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

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

The calculation of the basic loss per share amounts is based on the loss attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue (excluding shares reserved for share incentive scheme) during the periods.

No adjustment has been made to the basic loss per share amounts presented for the periods in respect of a dilution as the impact of outstanding potential ordinary shares in relation to share-based payment and the put option over non-controlling interests of a subsidiary had anti-dilutive effects on the basic loss per share amounts presented.

The calculation of the basic and diluted loss per share is based on:

	For the six months ended June 30,	
	2026 (Unaudited)	2025 (Unaudited)
Loss attributable to the ordinary equity holders of the parent (RMB'000)	**(70,840)**	(75,483)
Weighted average number of ordinary shares in issue during the period, used in the basic and diluted loss per share calculation ('000)	**551,454**	551,391
Basic and diluted loss per share (RMB)	**(0.13)**	(0.14)

11. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended June 30, 2026, the Group acquired property, plant and equipment and right-of-use assets at a cost of approximately RMB3,880,000 and RMB639,000 respectively (six months ended June 30, 2025: RMB1,219,000 and RMB56,000 respectively).

12. TRADE RECEIVABLES

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

	June 30, 2026 *RMB'000* (Unaudited)	December 31, 2025 *RMB'000* (Audited)
Within 1 year	**11,585**	15,552
Net carrying amount	**11,585**	15,552

Trade receivables are non-interest-bearing. The Company had a concentration of credit risk of RMB11,574,500 in trade receivables due from one single customer as of June 30, 2026 (as of December 31, 2025: RMB15,552,000). The Company seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by management. Based on the customer's past repayment record and stable business relationship with the Group, management believes that the risk of expected credit loss is minimal.

13. OTHER CURRENT ASSETS AND PREPAYMENT

	June 30, 2026 *RMB'000* (Unaudited)	December 31, 2025 *RMB'000* (Audited)
Value-added tax recoverable	**2,651**	5,482
Prepayments to suppliers	**10,401**	10,458
Total	**13,052**	15,940

14. ACCRUALS AND OTHER PAYABLES

	June 30, 2026 RMB'000 (Unaudited)	December 31, 2025 RMB'000 (Audited)
Accrued expenses *(i)*	**79,271**	103,302
Staff salaries and welfare payables	**21,508**	24,948
Payables to employees *(ii)*	**10,210**	2,773
Payables for research and development consumables	**3,891**	2,115
Other taxes payable	**2,673**	2,121
Payables for acquisition of property, plant and equipment	**773**	979
Others	**2,083**	2,232
Total	**120,409**	138,470

(i) Accrued expenses were mainly expenses incurred for the research and development activities.

(ii) Payables to employees were mainly amounts owed to employees arising from the sales of shares under the employee share incentive plans.

15. OTHER BORROWINGS

	June 30, 2026 RMB'000 (Unaudited)	December 31, 2025 RMB'000 (Audited)
Other borrowings	**18,462**	–

On January 25, 2026, UCARsgen Biotech Limited, a subsidiary of the Group, entered into a one-year loan agreement with certain parties for an amount of RMB18 million, bearing an interest rate at 6% per annum. The outstanding balance was fully settled on August 31, 2026.

16. CONTRACT LIABILITIES

The Group has recognised the following liabilities related to contracts with customers:

	June 30, 2026 *RMB'000* (Unaudited)	December 31, 2025 *RMB'000* (Audited)
Advances received from a customer		
Exclusive distribution rights of CT053	**197,640**	217,151
Others	**450**	3,354
Non-current	**154,037**	178,249
Current	**44,053**	42,256
Total	**198,090**	220,505

17. OTHER FINANCIAL LIABILITY

	June 30, 2026 *RMB'000* (Unaudited)	December 31, 2025 *RMB'000* (Audited)
Put option liability	**76,669**	74,092

As at June 30, 2026, the Group recognised other financial liabilities of RMB76,669,000 (December 31, 2025: RMB74,092,000), representing a put option granted to an investor of UCARsgen Biotech Limited, for its equity investment in the subsidiary. Under the shareholders' agreement, if the subsidiary fails to achieve a qualified initial public offering or business sale by 2032, the investor has the right to require the Group to repurchase the equity investment in the subsidiary at the original investment cost of RMB80,000,000 plus interest at 6% per annum.

18. SHARE CAPITAL

Authorized:

	Number of shares *In thousands*	Nominal value of shares *USD*	RMB equivalent value *RMB'000*
As at January 1, 2025 and June 30, 2025, January 1, 2026 and June 30, 2026	200,000,000	50,000	349

Issued and fully paid:

	Number of ordinary shares at USD0.00000025 par value *In thousands*	RMB equivalent value *RMB'000*
As at December 31, 2024 (audited)	571,671	1
Issue of shares held in trust	1,698	–*
Issue of shares to employees under Employee Incentive Schemes *(ii)*	2,535	–*
As at June 30, 2025 (unaudited)	575,904	1
As at December 31, 2025 (audited)	**578,117**	**1**
Issue of shares *(i)*	**23,700**	**–***
Issue of shares to employees under Employee Incentive Schemes *(ii)*	**677**	**–***
As at June 30, 2026 (unaudited)	**602,494**	**1**

* The amounts are less than RMB1,000.

(i): In May 2026, the Company issued a total number of 23,700,000 ordinary shares at a subscription price of HKD19.84 per share (equivalent to RMB17.29 per share) via private placement to the placees according to the terms and conditions set out in the placing agreement and subscription agreement. The proceeds of HKD46 (equivalent to RMB40) representing the par value were credited to the Company's share capital and the remaining proceeds of HKD470,208,000 (equivalent to RMB409,810,000, before deducting share issue costs of RMB7,236,000) were credited to the share premium account. Further details of the share issue are set out in the announcements issued by the Company on 26 May 2026.

(ii): During the six months ended June 30, 2026, the Company issued 677,000 ordinary shares for a total consideration of HK$8,085,000 (equivalent to RMB7,001,000 approximately) in total, at the prices ranging from HK$ nil to HK$16.32 per share, to employees under Employee Incentive Schemes (six months ended June 30, 2025: 2,535,450 ordinary shares at HK$28,180,000 (equivalent to RMB26,478,000 approximately) in total, at the prices ranging from HK$ nil to HK$16.32 per share).

18. SHARE CAPITAL (continued)

Movements in treasury shares during the period:

	Number of treasury shares *In thousands*	RMB equivalent value *RMB'000*
As at December 31, 2024 (audited)	22,261	–*
Issue of shares held in trust	1,698	–*
Transfer of treasury shares to employees related to employee share-based payment *(i)*	(1,783)	–*
As at June 30, 2025 (unaudited)	22,176	–*
As at December 31, 2025 (audited)	**31,959**	**–***
Transfer of treasury shares to employees related to employee share-based payment *(i)*	**(836)**	**–***
As at June 30, 2026 (unaudited)	**31,123**	**–***

* The amounts are less than RMB1,000.

(i): During the six months ended June 30, 2026, the Company transferred 836,000 treasury shares to employees under Employee Incentive Schemes at a consideration of HK$464,000 (equivalent to RMB402,000 approximately) in total, at the prices ranging from nil to HK$10.81 per share (During the six months ended June 30, 2025, the Company transferred 1,783,150 treasury shares to employees under Employee Incentive Schemes at a consideration of HK$1,058,000 (equivalent to RMB994,000 approximately) in total, at the prices ranging from nil to HK$4.60 per share).

19. RESERVES

	Capital reserve *RMB'000*	Share premium *RMB'000*	Treasury shares *RMB'000*	Other reserve *RMB'000*	Currency translation reserve *RMB'000*	Share-based compensation *RMB'000*	Accumulated loss *RMB'000*	Total *RMB'000*
Balance at December 31, 2024 (audited)	54,800	9,388,164	–*	–	506,805	94,898	(8,987,961)	1,056,706
Loss for the period	–	–	–	–	–	–	(75,483)	(75,483)
Exchange differences	–	–	–	–	(50,247)	–	–	(50,247)
Share-based payments	–	–	–	–	–	3,684	–	3,684
Issue of shares to employees under Employee Incentive Schemes	–	26,478	–	–	–	–	–	26,478
Transfer of treasury shares to employees under Employee Incentive Schemes	–	994	–*	–	–	–	–	994
Balance at June 30, 2025 (unaudited)	54,800	9,415,636	–*	–	456,558	98,582	(9,063,444)	962,132
Balance at December 31, 2025 (audited)	**54,800**	**9,301,930**	**–***	**(10,677)**	**402,904**	**120,182**	**(9,085,822)**	**783,317**
Loss for the period	**–**	**–**	**–**	**–**	**–**	**–**	**(66,663)**	**(66,663)**
Exchange differences	**–**	**–**	**–**	**–**	**(64,953)**	**–**	**–**	**(64,953)**
Share-based payments	**–**	**–**	**–**	**–**	**–**	**38,913**	**–**	**38,913**
Issue of shares *(note (18))*	**–**	**409,810**	**–**	**–**	**–**	**–**	**–**	**409,810**
Share issue costs	**–**	**(7,236)**	**–**	**–**	**–**	**–**	**–**	**(7,236)**
Issue of shares to employees under Employee Incentive Schemes *(note (18))*	**–**	**7,001**	**–**	**–**	**–**	**–**	**–**	**7,001**
Transfer of treasury shares to employees under Employee Incentive Schemes *(note (18))*	**–**	**402**	**–***	**–**	**–**	**–**	**–**	**402**
Impact of non-controlling interests with put option in a subsidiary	**–**	**–**	**–**	**(206)**	**–**	**–**	**–**	**(206)**
Balance at June 30, 2026 (unaudited)	**54,800**	**9,711,907**	**–***	**(10,883)**	**337,951**	**159,095**	**(9,152,485)**	**1,100,385**

* The amounts are less than RMB1,000.

20. SHARE-BASED PAYMENTS

(a) Employee share option schemes

The Group adopted a number of share incentive plans to provide long-term incentives for its employees and directors of the Group to deliver long-term shareholder returns. Under the plans, participants are granted options which only vest if certain conditions are met. Participation in the plan is at the Board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

During the periods, the Group adopted the following share option plans to provide certain employees and directors of the Group, with rewards for their services, full time devotion and professional expertise to certain of the Group's subsidiaries.

Share option scheme	Number of options granted	Exercise price per share option *HKD*
2025 Share option Scheme ("2025 Plan")	3,541,000	12.34
2025 Additional Share option Scheme ("2025 Additional Plan")	6,740,500	20.99
2026 Share option Scheme ("2026 Plan")	4,267,000	13.92

Under the 2026 Plan, 2025 Plan and 2025 Additional Plan, those granted options can be vested in several tranches with the following vesting schedule: four years with 25% of the share options can be vested on every anniversary from the vesting commencement date respectively.

The following table summarises the Group's share option movements during the period/year:

	June 30, 2026		December 31, 2025	
	Average exercise price per share option *HKD*	Number of share options	Average exercise price per share option *HKD*	Number of share options
Outstanding as at beginning of the period/year	**10.42**	**22,463,809**	7.16	19,319,340
Execution of employee share option	**9.45**	**(846,415)**	7.50	(4,309,332)
Granted during the period/year	**13.92**	**4,267,000**	18.01	10,281,500
Forfeited during the period/year	**16.71**	**(750,541)**	11.27	(2,827,699)
Outstanding as at the end of the period/year	**11.87**	**25,133,853**	10.42	22,463,809

20. SHARE-BASED PAYMENTS (continued)

(a) Employee share option schemes (continued)

The exercise prices and exercise periods of the share options outstanding as at the end of the reporting period are as follows:

June 30, 2026

Number of options *'000*	Exercise price* *HKD per share*	Exercise period
7,308	0.00-10.81	December 28, 2020 to December 27, 2028
154	31.00	July 22, 2022 to July 21, 2031
1,524	16.32	March 24, 2023 to March 23, 2032
24	13.58	April 7, 2023 to October 20, 2032
1,655	14.46	April 13, 2024 to April 12, 2033
75	11.39	November 28, 2024 to November 27, 2033
1,326	7.26	November 18, 2024 to November 17, 2034
2,826	12.34	April 16, 2025 to April 15, 2035
6,088	20.99	September 17, 2025 to September 16, 2035
4,154	13.92	March 9, 2026 to March 8, 2036
25,134		

December 31, 2025

Number of options *'000*	Exercise price* *HKD per share*	Exercise period
7,687	0.00-10.81	December 28, 2020 to December 27, 2028
155	31.00	July 22, 2022 to July 21, 2031
1,637	16.32	March 24, 2023 to March 23, 2032
24	13.58	April 7, 2023 to October 20, 2032
1,779	14.46	April 13, 2024 to April 12, 2033
100	11.39	November 28, 2024 to November 27, 2033
1,482	7.26	November 18, 2024 to November 17, 2034
3,117	12.34	April 16, 2025 to April 15, 2035
6,483	20.99	September 18, 2025 to September 17, 2035
22,464		

20. SHARE-BASED PAYMENTS (continued)

(b) Employee restricted share schemes

The Group adopted a number of employee restricted share plans to provide long-term incentives for its employees and directors of the Group to deliver long-term shareholder returns. Under the plans, participants are granted restricted shares which only vest if certain conditions are met. Participation in the plan is at the Board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

During the periods, the Group adopted the following restricted share plans to provide certain employees and directors of the Group, with rewards for their services, full time devotion and professional expertise to certain of the Group's subsidiaries.

Restricted share scheme	**Number of restricted shares granted**
2025 Stock RSU Scheme ("2025 RSU Plan")	3,579,500
2026 Stock RSU Scheme ("2026 RSU Plan")	3,308,000

The following table summarises the Group's restricted share incentive scheme activities during the period/year:

	June 30, 2026 Number of restricted shares	December 31, 2025 Number of restricted shares
Executed by the Company:		
Outstanding as at beginning of the period/year	**4,143,065**	1,911,674
Granted during the period/year	**3,308,000**	3,579,500
Vested during the period/year	**(666,156)**	(705,792)
Forfeited during the period/year	**(216,515)**	(642,317)
Outstanding as at the end of the period/year	**6,568,394**	4,143,065

20. SHARE-BASED PAYMENTS (continued)

(b) Employee restricted share schemes (continued)

The exercise periods of the restricted shares outstanding as at the end of the reporting period are as follows:

June 30, 2026

Number of restricted shares *'000*	Exercise period
252	**October 21, 2022 to October 21, 2026**
236	**April 13, 2023 to April 12, 2027**
1,059	**April 22, 2025 to April 21, 2029**
1,784	**September 18, 2025 to September 18, 2029**
3,237	**March 9, 2026 to March 8, 2036**
6,568	

December 31, 2025

Number of restricted shares *'000*	Exercise period
64	March 24, 2022 to March 23, 2026
262	October 21, 2022 to October 21, 2026
493	April 13, 2023 to April 12, 2027
1,489	April 22, 2025 to April 21, 2029
1,835	September 18, 2025 to September 17, 2029
4,143	

20. SHARE-BASED PAYMENTS (continued)

(c) Fair value of share options and restricted shares granted

The assessed fair values at grant date of share options and restricted shares granted during the periods were as follows:

Share option and restricted Share Schemes	Fair value as at grant date *RMB'000*
2025 Plan	18,793
2025 Additional Plan	58,646
2025 RSU Plan	55,201
2026 Plan	23,921
2026 RSU Plan	40,754

The fair value of restricted shares at the grant date approximates to the fair value of ordinary shares.

The fair value of share options at grant date is independently determined using the binomial option-pricing model by taking into account the exercise price, fair value of ordinary shares at the grant date, the term of the option, the expected price volatility, the expected dividend yield, and the risk-free interest rate.

The model inputs for share options granted during the periods are:

	For the six months ended June 30 2026 Plan	2025 Plan	2025 Additional Plan
Exercise price	**HKD13.92**	HKD12.34	HKD20.99
Risk-free interest rate	**2.76%**	3.01%	2.93%
Volatility	**48.32%**	49.04%	49.05%

The directors estimated the risk-free interest rate based on the yield of curve of US Treasury strips with a maturity life close to the life of share option. Volatility was estimated at the grant date based on the average of historical volatility of the comparable companies with length commensurable to the time to maturity of the share option. Dividend yield is based on the directors' estimation at the grant date.

20. SHARE-BASED PAYMENTS (continued)

(d) Expenses arising from share-based payment transactions

Expenses for the share-based payments have been charged to profit or loss as follows:

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Cost of sales	**1,150**	40
Selling and distribution expenses	**1,006**	–
Administrative expenses	**6,366**	779
Research and development expenses	**30,391**	2,865
Total	**38,913**	3,684

At June 30, 2026, the Company had 25,134,000 share options and 6,568,000 restricted shares outstanding under the share option schemes and restricted share schemes. The exercise or vesting in full of the outstanding share options and restricted shares would, under the present capital structure of the Company, result in the issue of 31,702,000 additional ordinary shares of the Company and additional share capital of USD7.93 (before issue expenses).

At the date of approval of these financial statements, the Company had 24,836,000 share options and 6,447,000 restricted shares outstanding under the share option schemes and the restricted share schemes, which represented approximately 5.19% of the Company's shares in issue as at that date.

21. COMMITMENTS

(a) Capital expenditure contracted for by the Group at the end of each reporting period but not yet incurred is as follows:

	June 30, 2026	December 31, 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Property, plant and equipment	**668**	2,543

(b) At June 30, 2026, the Group had a commitment to acquire the 98% equity interest of Shenzhen Kefa Jishi Biotechnology Co., Ltd. at a predetermined price in the agreement upon the fulfillment of certain conditions. No payment has been made on the date of this report.

(c) At June 30, 2026, under the agreement with Shanghai Xin Jinshan Industrial Investment Development Co., Ltd., the Group is obligated to pay construction service fees over a 20 years period and complete a purchase of the facility within 20 years upon its completion at a price not exceeding RMB370 million. No payment has been made on the date of this report.

22. RELATED PARTY TRANSACTIONS

The following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business during the six months ended June 30, 2026 and 2025 respectively.

(a) Key management compensation

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Basic salaries, share-based payments, other allowances and benefits in kind	**2,800**	3,913
Discretionary bonus	**1,931**	1,536
Social security costs	**173**	383
Total	**4,904**	5,832

23. APPROVAL OF THE FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved and authorised for issue by the board of directors on August 18, 2026.

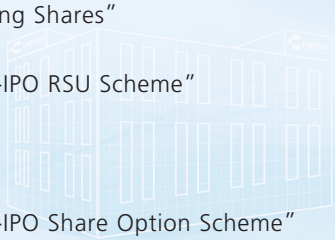
Forward-Looking Statements

All statements in this report that are not historical fact or that do not relate to present facts or current conditions are forward-looking statements. Such forward-looking statements express the Group's current views, projections, beliefs and expectations with respect to future events as of the date of this report. Such forward-looking statements are based on a number of assumptions and factors beyond the Group's control. As a result, they are subject to significant risks and uncertainties, and actual events or results may differ materially from these forward-looking statements and the forward-looking events discussed in this report might not occur. Such risks and uncertainties include, but are not limited to, those detailed under the heading "Principal Risks and Uncertainties" in our most recent annual report and interim report and other announcements and reports made available on our corporate website, https://www.carsgen.com. No representation or warranty is given as to the achievement or reasonableness of, and no reliance should be placed on, any projections, targets, estimates or forecasts contained in this report.

"1% individual limit"	has the meaning in Rule 17.03D(1) of the Listing Rules
"2019 Equity Incentive Plan"	the equity incentive plan of our Company as adopted by way of written resolutions of the Board on January 22, 2019, the principal terms of which are set out in the section headed "Statutory and General Information – D. 2019 Equity Incentive Plan" in the Prospectus
"affiliate"	any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
"Audit Committee"	the audit committee of the Company
"Board of Directors", "Board" or "our Board"	the board of Directors
"BVI"	the British Virgin Islands
"China" or "PRC"	the People's Republic of China, which for the purpose of this report and for geographical reference only, excludes Hong Kong, Macao and Taiwan
"Company", "our Company", "the Company", "CARsgen Therapeutics" or "CARsgen"	CARsgen Therapeutics Holdings Limited (科濟藥業控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on February 9, 2018
"Core Product"	has the meaning ascribed to it in Chapter 18A of the Listing Rules and in this context, refers to CT053
"Corporate Governance Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
"Director(s)"	the director(s) of the Company
"Global Offering"	the initial public offering of the Shares on the terms and subject to the conditions as described in the Prospectus
"Group", "our Group", "we", "us" or "our"	our Company, its subsidiaries and consolidated affiliated entities from time to time or, where the context so requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries and consolidated affiliated entities, such subsidiaries and consolidated affiliated entities as if they were subsidiaries and consolidated affiliated entities of our Company at the relevant time
"HK$" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong

Definitions

"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the People's Republic of China
"Huadong Medicine"	Huadong Medicine Co., Ltd. (Stock Code: 000963.SZ), a leading large-scale comprehensive pharmaceutical listed company based in Hangzhou, China
"IPO"	initial public offering
"Joint Placing Agents"	UBS AG Hong Kong Branch and Macquarie Capital Limited
"Latest Practicable Date"	September 9, 2026, being the latest practicable date prior to the printing of this report for the purpose of ascertaining certain information contained in this report
"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"	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
"NMPA"	National Medical Products Administration (國家藥品監督管理局), the successor of the China Food and Drug Administration (國家食品藥品監督管理總局), or the CFDA, the State Food and Drug Administration (國家食品藥品監督管理局), or the SFDA and the State Drug Administration (國家藥品監督管理局), or the SDA
"Nomination and Corporate Governance Committee"	the nomination and corporate governance committee of the Company
"Placing"	the placement of 23,700,000 Placing Shares to independent investors at the Placing Price pursuant to the Placing Agreement
"Placing Agreement"	the placing agreement entered into among the Company, the Vendor and the Joint Placing Agents on May 15, 2026 (before trading hours)
"Placing Price"	HK$19.84 for each Placing Share
"Placing Shares"	existing Shares sold pursuant to the Placing Agreement
"Post-IPO RSU Scheme"	the post-IPO RSU scheme adopted by our Company on April 30, 2021, the principal terms of which are set out in the section headed "Appendix V – Statutory and General Information" in the Prospectus
"Post-IPO Share Option Scheme"	the post-IPO share option scheme adopted by our Company on April 30, 2021, the principal terms of which are set out in the section headed "Appendix V – Statutory and General Information" in the Prospectus



"Prospectus"	the prospectus issued by the Company on June 7, 2021 in connection with the Global Offering
"Quanzhou Dingwo (LP)"	Quanzhou Dingwo Chuangfeng Investment Center (Limited Partnership) (泉州市鼎沃創豐投資中心(有限合夥)), a limited partnership established under the laws of the PRC on October 15, 2015, and one of our Controlling Shareholders
"Remuneration Committee"	the remuneration committee of the Company
"Reporting Period"	the period from January 1, 2026 to June 30, 2026
"RMB"	Renminbi, the lawful currency of China
"RSU(s)"	restricted share unit(s)
"SFO"	the Securities and Futures Ordinance (Cap. 571), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the share capital of the Company with a par value of US$0.00000025 each
"Shareholder(s)"	holder(s) of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription"	the subscription of the Subscription Shares by the Vendor pursuant to the Subscription Agreement
"Subscription Agreement"	the subscription agreement entered into between the Vendor and the Company on May 15, 2026 (before trading hours)
"Subscription Price"	HK$19.84 for each new Share, which is equivalent to the Placing Price
"Subscription Shares"	new Shares allotted and issued by the Company and subscribed by the Vendor pursuant to the Subscription Agreement
"Top-up Placing"	the Placing and the Subscription
"UCARsgen"	UCARsgen Biotech Limited
"United States" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US$" or "USD"	United States dollars, the lawful currency of the United States
"Vendor"	YIJIE Biotech Holding Limited
"Yeed Holdings"	Yeed Holdings Limited (儀德控股有限公司), a limited liability company established under the laws of BVI on July 7, 2019 wholly-owned by Ms. Xuehong YANG, and one of our Controlling Shareholders
"YIJIE Biotech (BVI)"	YIJIE Biotech Holding Limited (益傑生物技術控股有限公司), a limited liability company incorporated in the BVI on July 20, 2017, and one of our Controlling Shareholders

Glossary

"antigen"	the substance that is capable of stimulating an immune response, specifically activating lymphocytes, which are the body's infection-fighting white blood cells
"ASCO"	American Society of Clinical Oncology
"ASH"	American Society of Hematology
"BCMA"	B-cell maturation antigen, a protein that is highly expressed in multiple myeloma with limited expression on normal tissues other than plasma cells
"B2M"	Beta-2 microglobulin
"CAR(s)"	chimeric antigen receptor(s)
"CAR-T" or "CAR T"	chimeric antigen receptor T cell
"CD19"	a cell surface protein expressed on the surface of almost all normal B lineage cells and B cell leukemia and lymphoma
"CD20"	cell-surface molecule expressed on the surface of normal B lymphocyte and B-cell malignancies
"chemotherapy"	a category of cancer treatment that uses one or more anti-cancer chemotherapeutic agents as part of its standardized regimen
"CR"	complete response
"CycloCAR®"	a next-generation CAR-T technology under development by the Company, which features co-expression of cytokines IL-7 and chemokine CCL21 in the CAR T-cells to potentially improve clinical efficacy and reduced requirement for lymphodepletion conditioning
"cytokine"	a broad and loose category of small proteins that are important in cell signaling. Their release affects the growth of all blood cells and other cells that help the body's immune and inflammation responses
"EHA"	European Hematology Association
"FDA" or "U.S. FDA"	United States Food and Drug Administration
"GMP"	Good Manufacturing Practice
"GPC3"	Glypican-3, an oncofetal antigen expressed in a variety of tumors including certain liver and lung cancers

Glossary

"G/GEJA"	gastric/gastroesophageal junction cancer, a type of cancer
"GvHD"	graft versus host disease
"HCC"	hepatocellular carcinoma, a type of cancer arising from hepatocytes in predominantly cirrhotic liver patients
"HLA"	human leukocyte antigen
"HvGR"	host versus graft response
"IIT"	clinical trial sponsored and conducted by independent investigators
"IND"	investigational new drug or investigational new drug application, also known as clinical trial application in China
"LADAR®"	Local Action Driven by Artificial Receptor technology, with similar mechanism of synNotch system, in which the intracellular transcription of the gene of interest is controlled by a chimeric regulatory antigen receptor
"mesothelin"	cell-surface protein whose expression is mostly restricted to mesothelial cell layers lining the pleura, pericardium and peritoneum
"MM" or "R/R MM"	multiple myeloma, a type of cancer that forms in the plasma blood cells; cancer that relapses or does not respond to treatment is called relapsed and/or refractory multiple myeloma
"NDA"	new drug application
"NK cell"	natural killer cell, the human body's first line of defense due to their innate ability to rapidly seek and destroy abnormal cells
"NKG2A"	also named KLRC1, killer cell lectin-like receptor subfamily C, member 1
"Phase I"	a study in which a drug is introduced into healthy human subjects or patients with the target disease or condition and tested for safety, dosage, tolerance, absorption, metabolism, distribution, excretion, and if possible, to gain an early indication of its effectiveness
"Phase Ib"	a phase of clinical trials that primarily assesses safety, tolerability and pharmacokinetics/pharmacodynamics at multiple ascending dose levels prior to commencement of a Phase II or Phase III clinical trial

Glossary

"Phase II"	a study in which a drug is administered to a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the drug for specific targeted disease, and to determine dosage tolerance and optimal dosage
"sCR"	stringent complete response
"solid tumor"	an abnormal mass of tissue that usually does not contain cysts or liquid areas
"TCR"	T cell receptor
"THANK-uCAR®"	the Company's proprietary technology to generate CAR T cells with improved expansion and persistence from T cells that are sourced from third-party donors

In the case of inconsistency, the English text of this report shall prevail over the Chinese text.