
CA GEN
THERAPEUTICS

CONTENTS

Corporate Information	2
Financial Highlights	3
Business Highlights	4
Management Discussion & Analysis	6
Corporate Governance and Other Information	30
Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	50
Interim Condensed Consolidated Statement of Financial Position	51
Interim Condensed Consolidated Statement of Changes in Equity	52
Interim Condensed Consolidated Statement of Cash Flows	53
Notes to Interim Condensed Consolidated Financial Information	54
Forward-Looking Statements	74
Definitions	75
Glossary	78



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

Mr. Ronggang XIE
Mr. Huaqing GUO

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

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

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

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

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

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

Mr. Wing Yat Christopher LUI

Dr. Zonghai LI
Mr. Wing Yat Christopher LUI

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

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

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

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

02171

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.

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.

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.

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 (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) (" ") 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 (satri-cel) is an autologous humanized CAR T-cell product against Claudin18.2. The New Drug Application (" ") 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.

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 s 53 m(s .62s

&

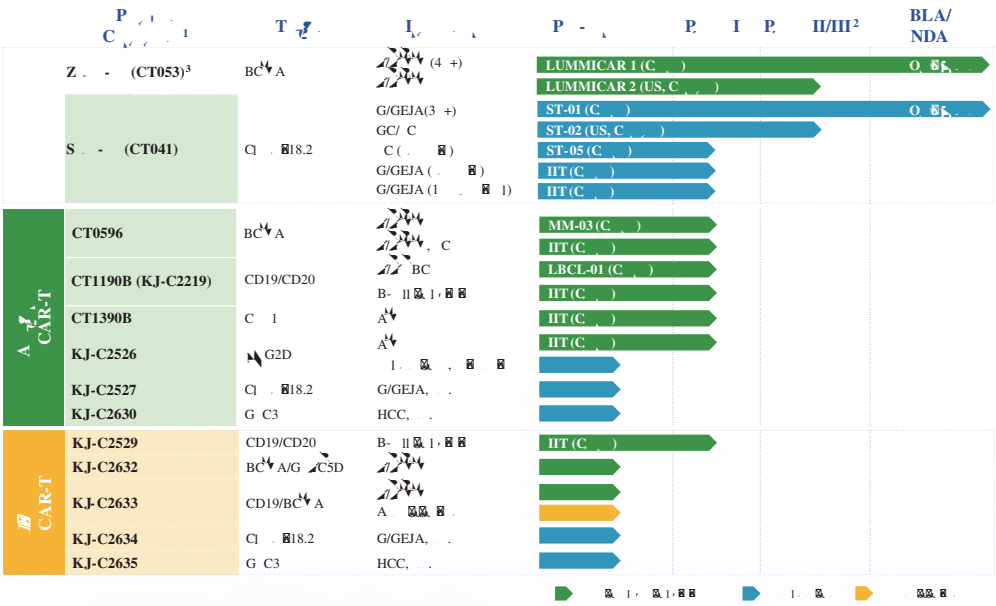
CARsgen is a biopharmaceutical company focusing on developing innovative CAR T-cell therapies to address the unmet clinical needs including but not limited to hematologic malignancies, solid tumors and autoimmune diseases. CARsgen has established end-to-end capabilities for CAR T-cell research and development 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.

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



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 leukemicarcinew:MCL:

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".

&

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.

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.

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

develop5e2(pta r la)chnogy mtherapy

development platform, proprietary technology 2026 for

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.

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.

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.

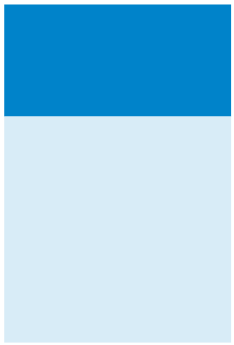
With the GMP-compliant commercial manufacturing facility in Jinshan District, Shanghai (“ ”), which has a designed capacity to support autologous CAR T-cell therapy for up to 2,000 patients annually, we can produce the lentiviral vectors and CAR T cells in-house to support clinical trials and CAR T-cell 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 (“ ”). 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.

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.

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.

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



	2025 *RMB'000* (Unaudited)
Revenue	50,961
	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.

	2025 *RMB'000* (Unaudited)
Gross profit	29,369
	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.

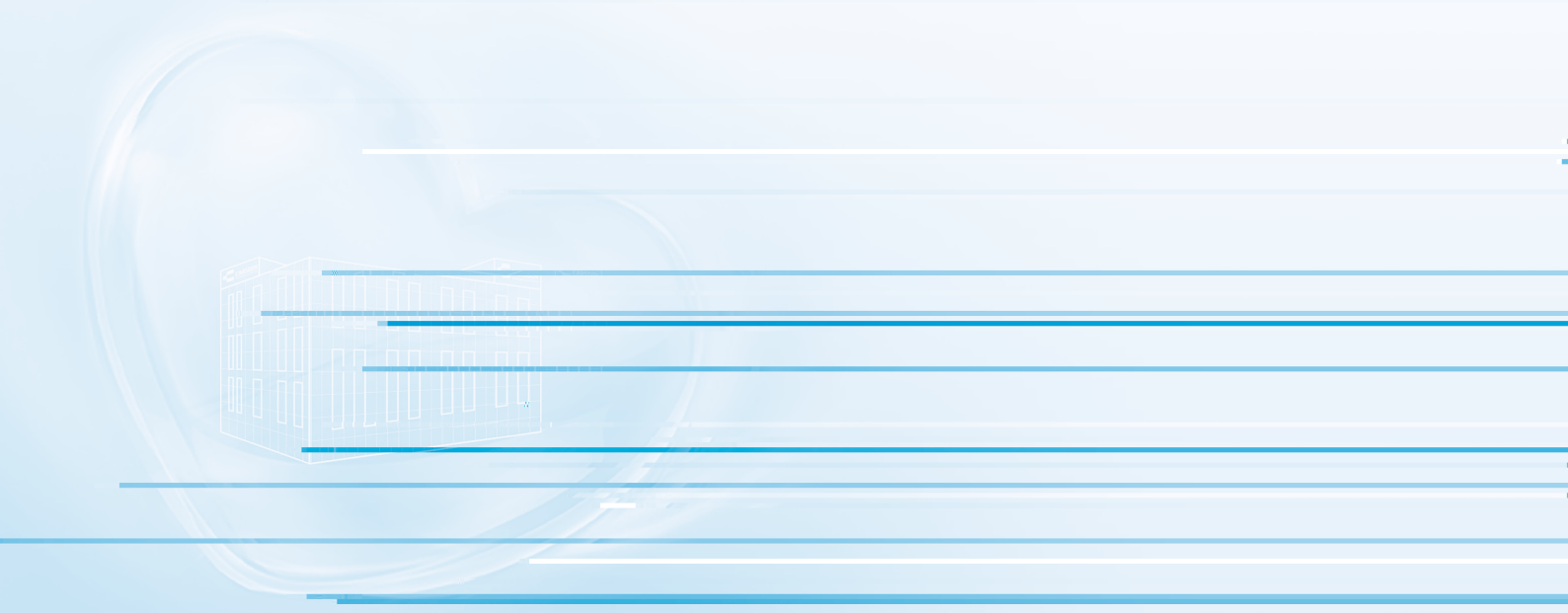


	2025 *RMB'000* (Unaudited)
Employee benefit expenses	21,620
Professional service fees	5,816
Depreciation of property, plant and equipment	533
Depreciation of right-of-use assets	204
Office expenses	1,689
Travelling and transportation expenses	642
Auditors' remuneration	2,130
– audit service	1,916
– non-audit service	214
Utilities	475
Amortization of intangible assets	60
Short-term lease and low-value lease expenses	510
Other expenses	5,350
	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.

	2025 *RMB'000* (Unaudited)
Employee benefit expenses	–
Marketing service fees	612
Travelling and transportation expenses	7
Depreciation of right-of-use assets	–
Other expenses	323
	942

Selling and distribution expenses are RMB12 million for the six months ended June 30, 2026,



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:

	2025 *RMB'000* (Unaudited)
Net cash used in operating activities	(196,308)
Net cash (used in)/generated from investing activities	1,715
Net cash generated from/(used in) financing activities	(29,635)
Net increase/(decrease) in cash and cash equivalents	(224,228)
Cash and cash equivalents at beginning of the period	1,479,058
Exchange (losses)/gains on cash and cash equivalents	5,963
Cash and cash equivalents at end of the period	1,260,793

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.

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.

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.

	As at December 31, 2025 *RMB'000* (Audited)
Cash at banks	
– RMB	1,032,696
– USD	37,341
– HKD	53,377
	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.

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.

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.

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.

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

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.

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

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

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

- 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.

- 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.

- 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.

- 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.

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:

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 " ") 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,

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:

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%

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.

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.

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.

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 em t4e t4e t4e

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:

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

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.

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:

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

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.

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.

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

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

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.

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
	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

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.

Dr. Hua JIANG	0	100,000	0	0	0	100,000	March 9, 2026[ii]	March 9, 2027- March 9, 2030	NA
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
	0	3,065,000	0	0	71,500	2,993,500	March 9, 2026[ii]	March 9, 2027- March 9, 2030	NA

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.

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.

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
	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

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.

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[iii]		March 9, 2027-March 8, 2030	HK$13.92	NA
	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[iii]		March 9, 2027-March 8, 2030	HK$13.92	NA

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

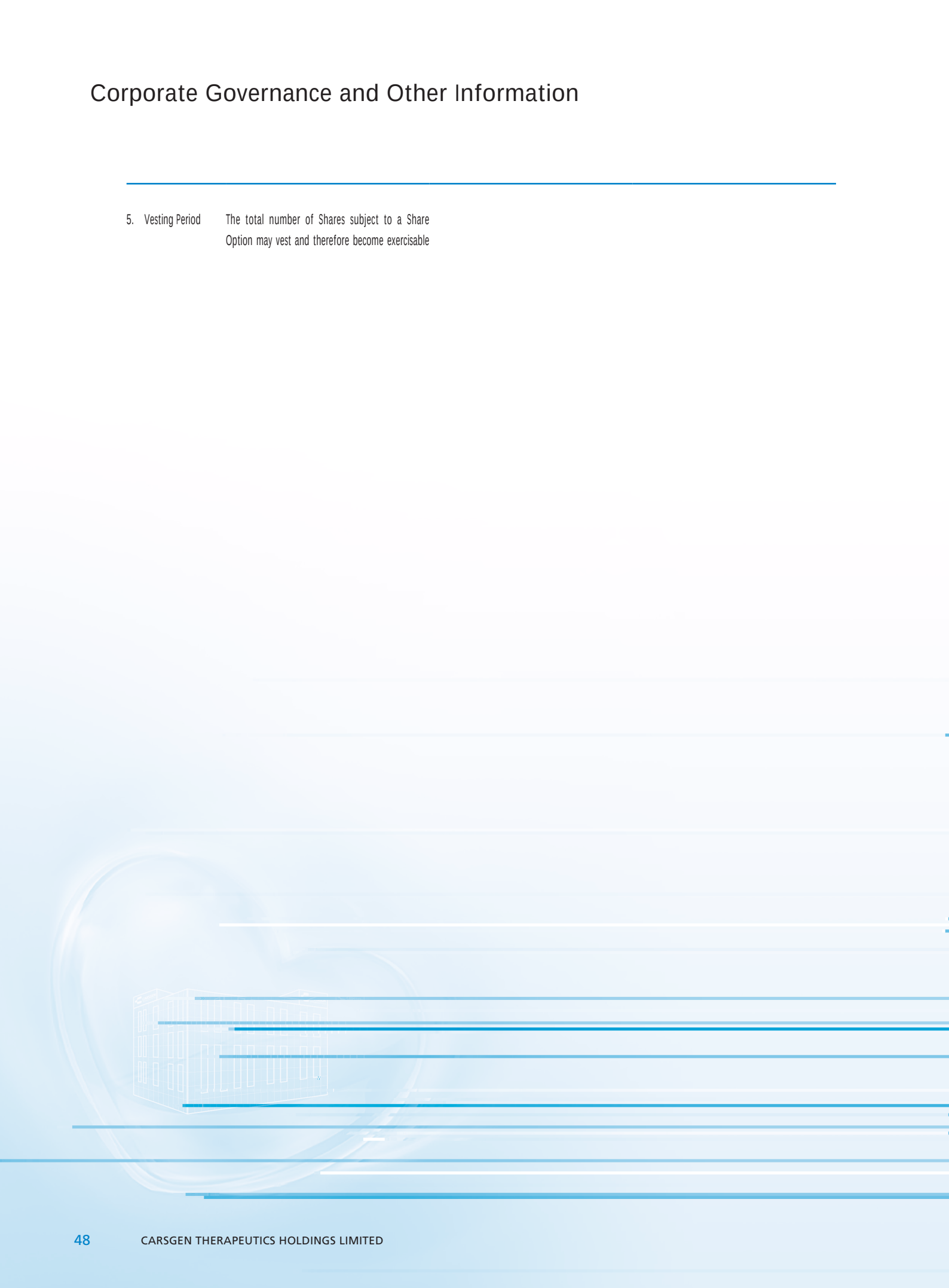
The Directors estimated the risk-free interest rate based on the yield of curve of US Treasury strips with a maturity life clos

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

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.

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.

5.	Vesting Period	The total number of Shares subject to a Share Option may vest and therefore become exercisable



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	etat444ant; and		

For the six months ended June 30, 2026

	Notes	2025 (Unaudited) RMB'000
	5	50,961
Cost of sales		(21,592)
		29,369
Other income	*5*	5,638
Selling and distribution expenses		(942)
Administrative expenses		(39,029)
Research and development expenses		(130,221)
Other gains – net	*6*	58,481
		(76,704)
Finance income		4,285
Finance costs		(3,064)
Finance income – net		1,221
		(75,483)
Income tax expense	*8*	–
		(75,483)
Attributable to:		
Owners of the parent		(75,340)
Non-controlling interests		(143)
		(75,483)
Items that may be reclassified to profit or loss		
Exchange differences on translation of subsidiaries		79,679
Items that will not be reclassified to profit or loss		
Exchange differences on translation of the Company		(129,926)
		(50,247)
		(125,730)
Attributable to:		
Owners of the parent		(125,587)
Non-controlling interests		(143)
		(125,730)
Basic and diluted loss per share (in RMB)	*10*	(0.14)

	Notes	June 30, 2026	December 31, 2025 (Audited) RMB'000
Property, plant and equipment	11		84,424
Right-of-use assets	11		13,421
Intangible assets			1,147
Other non-current assets and prepayments			15,051

	Notes						
		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)
		–	(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
		1	10,025,576	(9,063,444)	962,133	–	962,133
Loss for the period							
Other comprehensive loss							
Share-based payments	*20*						
Issue of shares	*18*						
Share issue costs							
Issue of shares to employees under Employee Incentive Schemes	*18*						
Transfer of treasury shares to employees under Employee Incentive Schemes	*18*						
Impact of non-controlling interests with put option in a subsidiary							

* The amounts are less than RMB1,000.

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.

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.

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

(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.

(continued)

Disaggregated revenue information for revenue from contracts with customers:

	2025 *RMB'000* (Unaudited)
Chinese Mainland	50,961
Goods transferred at a point in time	48,263
Services transferred over time	2,698
	50,961

An analysis of other income is as follows:

	2025 *RMB'000* (Unaudited)
Foreign exchange gains – net	59,841
Others	(1,360)
	58,481

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

	2025 *RMB'000* (Unaudited)
Employee benefit expenses	99,370
Testing and clinical expenses	28,514
Depreciation of property, plant and equipment	9,307
Research and development consumables	14,607
Professional service expenses	5,816
Depreciation of right-of-use assets	1,425
Utilities	6,094
Office expenses	2,925
Travelling and transportation expenses	1,449
Amortization of intangible assets	1,962
Short term lease and low value lease expenses	1,540
Auditors' remuneration	2,130
– Audit service	*1,916*
– Non-audit service	*214*
Other expenses	4,446
Cost of inventories sold	11,257
Marketing service fees	942
Interest income	(4,285)
Interest expense on lease liabilities	1,533
Interest expense on financial liabilities	1,213
Interest expense on bank and other borrowings	318
Total	190,563

Cost of inventories sold	21,592
Selling and distribution expenses	942
Administrative expenses	39,029
Research and development expenses	130,221
Finance income	(4,285)
Finance costs	3,064
Total	190,563

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.

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.

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.

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.

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.

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.

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.

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

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:

	2025 (Unaudited)
Loss attributable to the ordinary equity holders of the parent (RMB'000)	(75,483)
Weighted average number of ordinary shares in issue during the period, used in the basic and diluted loss per share calculation ('000)	551,391
Basic and diluted loss per share (RMB)	(0.14)

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).

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:

	December 31, 2025 *RMB'000* (Audited)
Within 1 year	15,552
	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.

	December 31, 2025 *RMB'000* (Audited)
Value-added tax recoverable	5,482
Prepayments to suppliers	10,458
	15,940

	December 31, 2025 *RMB'000* (Audited)
Accrued expenses *(i)*	103,302
Staff salaries and welfare payables	24,948
Payables to employees *(ii)*	2,773
Payables for research and development consumables	2,115
Other taxes payable	2,121
Payables for acquisition of property, plant and equipment	979
Others	2,232
	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.

	December 31, 2025 *RMB'000* (Audited)
Other borrowings	–

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.

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

	December 31, 2025 *RMB'000* (Audited)
Exclusive distribution rights of CT053	217,151
Others	3,354
Non-current	178,249
Current	42,256
	220,505

	December 31, 2025 *RMB'000* (Audited)
Put option liability	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.

	In thousands	*USD*	*RMB'000*
As at January 1, 2025 and June 30, 2025, January 1, 2026 and June 30, 2026	200,000,000	50,000	349

(continued)

Movements in treasury shares during the period:

	In thousands	*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)		
Transfer of treasury shares to employees related to employee share-based payment *(i)*		
As at June 30, 2026 (unaudited)		

* 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).



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.

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:

	December 31, 2025	
	Average exercise price per share option *HKD*	Number of share options
Outstanding as at beginning of the period/year	7.16	19,319,340
Execution of employee share option	7.50	(4,309,332)
Granted during the period/year	18.01	10,281,500
Forfeited during the period/year	11.27	(2,827,699)
Outstanding as at the end of the period/year	10.42	22,463,809

(continued)

(continued)

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

Number	Exercise price*

December 31, 2025

(continued)

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.

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:

	December 31, 2025 Number of restricted shares
Outstanding as at beginning of the period/year	1,911,674
Granted during the period/year	3,579,500
Vested during the period/year	(705,792)
Forfeited during the period/year	(642,317)
Outstanding as at the end of the period/year	4,143,065

(continued)

(continued)

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

,	

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	

(continued)

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

	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:

		2025 Plan	2025 Additional Plan
Exercise price		HKD12.34	HKD20.99
Risk-free interest rate	%	3.01%	2.93%
Volatility	%	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.

(continued)

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

	2025 *RMB'000*
Cost of sales	40
Selling and distribution expenses	–
Administrative expenses	779
Research and development expenses	2,865
	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.

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

	December 31, 2025 *RMB'000* (Audited)
Property, plant and equipment	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.

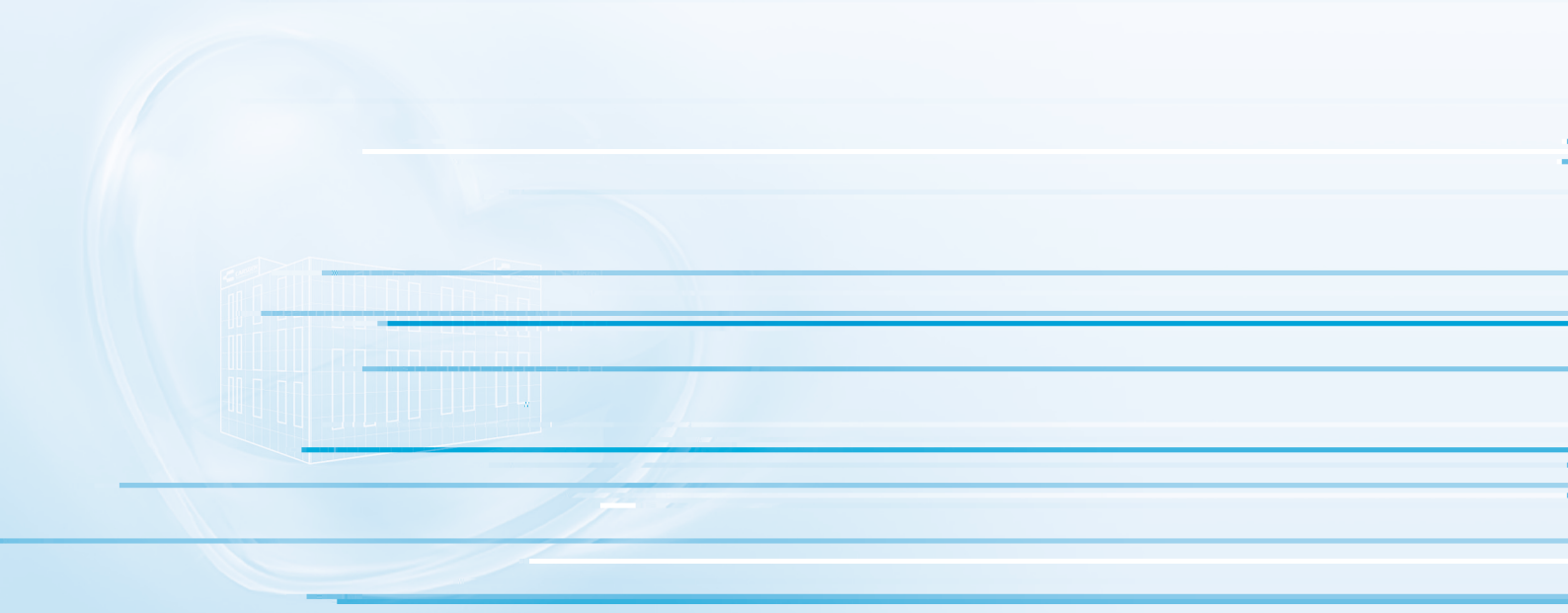
(c) At June 30, 2026, under the agreement with Shanghai Xin Jinshan Industrial Investment Development Co., Ltd., the Group is obligated to pay construction service fees over a 20 years period and complete a purchase of the facility within 20 years upon its completion at a price not exceeding RMB370 million.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

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.

	2025 *RMB'000* (Unaudited)
Basic salaries, share-based payments, other allowances and benefits in kind	3,913
Discretionary bonus	1,536
Social security costs	383
	5,832

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

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.



"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 股有限公司), ((of UControlling Shar

“antigen” the substance that is capable of stimulating anis-Þ7 so3pSdE2 Tw 9 0 5 (he)14e

"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.

