Huadong Medicine Co., Ltd.

2026 Semi-annual Report

August 27, 2026

Section I Important Notes, Contents and Definitions

The Board of Directors, directors, and senior manager of Huadong Medicine Co., Ltd. (hereinafter referred to as the "Company") hereby guarantee that the information presented in this report is authentic, accurate and complete and free of false records, misleading statements or material omissions, and shall undertake individual and joint legal liabilities.

Lv Liang, the Company's legal representative and the officer in charge of accounting, and Qiu Renbo, head of accounting department (accounting manager) hereby declare that the financial statements in this semi-annual report are authentic, accurate, and complete.

All directors have attended the Board of Directors meeting to review this semi-annual report.

The future plans, development strategies and other forward-looking statements in this semi-annual report shall not be considered as a substantial commitment of the Company to investors. Investors and related parties should be fully aware of the risks, and understand the differences between plans, forecasts and commitments.

The risks the Company faces in operation including industry policy and product price reduction risk, new drug R&D risk, investment and M&A risk and exchange rate fluctuation risk. For details, please refer to "X. Risks faced by the Company and countermeasures" in "Section III. Management's Discussion and Analysis" in the Report. Therefore, investors are kindly reminded to pay attention to possible investment risks.

The profit distribution plan deliberated and approved at the meeting of the Board of Directors is as follows: On the basis of 1,753,736,848.00 shares of the existing total share capital of the Company, a cash dividend of RMB 3.50 (tax inclusive) per 10 shares will be distributed to all shareholders; a total of 0 bonus share (tax inclusive) will be issued; and no capital reserves will be converted to increase the share capital. This 2026 semi-annual profit distribution scheme falls within the scope authorized by the 2025 Annual Shareholders' Meeting resolution to the Board of Directors and does not require further approval by the Shareholders' Meeting.

According to "Stock Listing Rules of the Shenzhen Stock Exchange", if listed companies have both Chinese and other language version of public notice, they should ensure the content of both versions are the same. In the case of discrepancy, the original version in Chinese shall prevail.

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Contents of Reference File

(I) Financial accounting statements signed and stamped by the legal representative, the officer in charge of accounting, and the head of Accounting Department (accounting manager).

(II) The original of all Company's documents publicly disclosed in the press designated by CSRC during the reporting period and the original of announcements.

Definitions

Item	refers to	Definition
CSRC	refers to	China Securities Regulatory Commission
SZSE	refers to	Shenzhen Stock Exchange
Huadong Medicine/the Company/our Company	refers to	Huadong Medicine Co., Ltd.
China Grand Enterprises	refers to	China Grand Enterprises, Inc.
Huadong Medicine Group	refers to	Hangzhou Huadong Medicine Group Co., Ltd.
Zhongmei Huadong	refers to	Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd.
Jiangdong Company	refers to	Hangzhou Zhongmei Huadong Pharmaceutical Jiangdong Co., Ltd.
Jiangsu Joyang	refers to	Joyang Laboratories
Jiuyuan Gene	refers to	Hangzhou Jiuyuan Genetic Biopharmaceutical Co., Ltd.
Doer Biologics	refers to	Zhejiang Doer Biologics Co., Ltd.
Chongqing Peg-Bio	refers to	Chongqing Peg-Bio Biopharm Co., Ltd.
Qyuns Therapeutics	refers to	Qyuns Therapeutics Co., Ltd.
Nuoling Bio	refers to	Nuoling Biomedical Technology (Beijing) Co., Ltd.
Meihua Hi-Tech/Anhui Meihua	refers to	Anhui Meihua Hi-Tech Pharmaceutical Co., Ltd.
Wuhu Huaren	refers to	Wuhu Huaren Science and Technology Co., Ltd.
Huida Biotech	refers to	Zhejiang Huida Biotech Co., Ltd.
Hizyme Biotech	refers to	Hangzhou Hizyme Biotech Co., Ltd.
Magic Health	refers to	Hubei Magic Health Technology Co., Ltd.
CARsgen Therapeutics	refers to	CARsgen Therapeutics Holdings Limited
HD Animal Health	refers to	HD Animal Health (Jiangsu) Pharmaceutical Co., Ltd.
Shengji Material	refers to	Zhejiang Shengji Material Technology Co., Ltd.
IMPACT Therapeutics	refers to	Nanjing IMPACT Therapeutics Co., Ltd.
Sinclair	refers to	Sinclair Pharma Limited
R2	refers to	R2 Technologies,Inc.
MediBeacon	refers to	MediBeacon Inc.
ImmunoGen	refers to	ImmunoGen,Inc.
RAPT	refers to	RAPT Therapeutics,Inc.
Kylane	refers to	Kylane Laboratoires SA
High Tech	refers to	High Technology Products, S.L.U.
Viora	refers to	Viora Ltd
Heidelberg Pharma	refers to	Heidelberg Pharma AG
Kiniksa	refers to	Kiniksa Pharmaceuticals (UK), Ltd.
Arcutis	refers to	Arcutis Biotherapeutics, Inc.
ATGC	refers to	ATGC Co., Ltd.
GMP	refers to	Good Manufacturing Practice
cGMP	refers to	Current Good Manufacturing Practice
GSP	refers to	Good Supply Practice
BE	refers to	Bioequivalence
CDE	refers to	Center for Drug Evaluation of National Medical

		Products Administration
MAH	refers to	Marketing Authorization Holder
FDA	refers to	U.S. Food and Drug Administration
NMPA	refers to	National Medical Products Administration
IPO	refers to	Initial Public Offering
API	refers to	Active Pharmaceutical Ingredient
DMF	refers to	Drug Master File, a confidential dossier prepared by the holder on a precautionary basis, which contains comprehensive details about facilities, manufacturing processes, and materials involved in the preparation, processing, packaging, and storage of one or more human drug products. The contents of a DMF may only be referenced by the FDA during its review of IND applications, NDAs, and ANDAs upon receipt of a Letter of Authorization from either the DMF holder or their legally authorized representative.
NHSA	refers to	National Healthcare Security Administration
KOL	refers to	Key Opinion Leader, individuals who possess extensive and more accurate information regarding products. They are recognized and trusted by a relevant community and have significant influence over the purchasing decisions of that group.
NDA	refers to	New Drug Application
BLA	refers to	Biologics License Application
ANDA	refers to	Abbreviated New Drug Application (i.e., Generic Drug Application)
CE certification	refers to	The EU's certification for products, which indicates that the products meet the requirements of relevant EU directives. It also serves as evidence that the products have undergone the corresponding conformity assessment procedures and that the manufacturer has made a declaration of conformity. This certification shows that the products can be sold in the EU market.
MDR	refers to	Medical Devices Regulation (EU) 2017/745
ICH	refers to	International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use
IND	refers to	Investigational New Drug
PK/PD	refers to	Pharmacokinetics/pharmacodynamics
CMC	refers to	Chemistry, Manufacturing and Control, mainly such pharmaceutical researches as manufacturing process, impurity research, quality research, and stability research during drug research and development.
CMO	refers to	Contract Manufacturing Organization, i.e. providing such services as customized manufacturing of medical intermediates, APIs and pharmaceutical preparations entrusted by pharmaceutical companies.
CDMO	refers to	Contract Development and Manufacturing Organization, mainly including providing customized R&D and production services for multinational pharmaceutical companies and biotechnology companies, such as process R&D and preparation, process optimization, scale-up manufacturing, registration and verification batches manufacturing, and commercial manufacturing of medicines, especially innovative drugs.

QA	refers to	Quality Assurance (department)
ADC	refers to	Antibody-Drug Conjugates
EBD	refers to	Energy-based device
license-in	refers to	Product license introduction
license-out	refers to	Product External License Authorization
BD	refers to	Business Development
EHS	refers to	Environment, Health, and Safety Management System
MRCT	refers to	Multi-regional Clinical studies
ESG	refers to	Environmental, Social and Governance
OTC	refers to	Over The Counter, i.e. medicines published by the medical products administration under the State Council and purchased and used by consumers at their discretion without the prescription of practicing doctors or assistant practicing doctors.
PFS	refers to	Progression-free survival
DTP	refers to	Direct to Patient
CADD	refers to	Computer-Aided Drug Design, a drug design method based on computer technology.
AIDD	refers to	Artificial Intelligence-Driven Drug Design, a method that applies Artificial Intelligence (AI) technology for drug development. In AIDD, AI algorithms are utilized to analyze large-scale molecular structure data, helping to predict intermolecular interactions and their therapeutic effects on diseases.
GLP-1	refers to	Glucagon-like Peptide-1
Prescription Drugs	refers to	Drugs that can only be purchased and used with a prescription issued by a physician
RWR/RWS	refers to	Real World Research/Study, RWR/RWS, which involves collection of data related to patients in the real world environment (real world data) and analysis to obtain the use value of medical products and clinical evidence of potential benefits or risks(real world evidence).
2025 Medicine Catalog	refers to	National Reimbursement Drug List for Basic Medical Insurance, Work-related Injury Insurance, and Maternity Insurance (2025)
Reporting period	refers to	From January 1, 2026 to June 30, 2026

Section II Company Profile and Key Financial Indicators

I. Company profile

Stock name (abbreviation)	Huadong Medicine	Stock code	000963
Stock listed on	Shenzhen Stock Exchange		
Company name in Chinese	Huadong Medicine Co., Ltd.		
Company name in Chinese (abbreviation, if any)	Huadong Medicine		
Company name in English (if any)	HUADONG MEDICINE CO., LTD		
Company name in English (abbreviation, if any)	HUADONG MEDICINE		
Legal representative of the Company	Lv Liang		

II. Contact persons and contact information

	Secretary of the Board of Directors	Securities affairs representative
Name	Chen Bo	Hu Shufen
Contact address	New Office Building of Huadong Medicine, No. 858, Moganshan Road, Gongshu District, Hangzhou City, Zhejiang Province	New Office Building of Huadong Medicine, No. 858, Moganshan Road, Gongshu District, Hangzhou City, Zhejiang Province
Tel.	0571-89903300	0571-89903300
Fax	0571-89903366	0571-89903366
Email address	ir@eastchinapharm.com	ir@eastchinapharm.com

III. Other information

1. Company contact information

Whether the Company's registered address, office address and its postal code, website, or email address have changed during the reporting period

☑Applicable □Not applicable

Registered address of the Company	Floors 4/7, No. 439, Zhongshan North Road, Gongshu District, Hangzhou City, Zhejiang Province
Postal code of registered address	310006
Office address of the Company	New Office Building of Huadong Medicine, No. 858, Moganshan Road, Gongshu District, Hangzhou City, Zhejiang Province
Postal code of office address	310011
Company website	www.huadongmedicine.com
Email address of the Company	ir@eastchinapharm.com
Query date of the temporary announcement on the designated website (if applicable)	August 18, 2026

Query index of the temporary announcement on the designated website (if applicable)	www.cninfo.com.cn

2. Information disclosure and storage location

Has the information disclosure and storage location changed during the reporting period?

□Applicable ☑Not applicable

The stock exchange website and media names and URLs where the Company discloses its semi-annual reports, as well as the storage location of the semi-annual reports, remained unchanged during the reporting period. For details, please refer to the 2025 Annual Report.

3. Other relevant information

Has any other relevant information changed during the reporting period?

□Applicable ☑Not applicable

IV Key accounting data and financial indicators

Whether the Company needs to perform a retroactive adjustment or restatement of previous accounting data

□Yes ☑No

	Current reporting period	Same period last year	Increase or decrease during the current reporting period compared with the same period of last year
Operating revenue (RMB)	22,066,646,185.69	21,674,928,965.21	1.81%
Net profits attributable to shareholders of the listed company (RMB)	1,860,757,262.42	1,814,826,860.86	2.53%
Net profits attributable to shareholders of the listed company after deduction of non-recurring profit and loss (RMB)	1,857,546,440.75	1,761,734,255.98	5.44%
Net cash flow from operating activities (RMB)	2,499,419,530.63	2,456,848,510.10	1.73%
Basic earnings per share (RMB/share)	1.0610	1.0293	3.08%
Diluted earnings per share (RMB/share)	1.0610	1.0346	2.55%
Weighted average return on equity	7.31%	7.62%	-0.31%
	End of the current reporting period	End of the last year	Increase or decrease at the end of the current reporting period compared with the end of the last year
Total assets (RMB)	39,975,481,755.81	39,038,036,320.92	2.40%
Net assets attributable to shareholders of the listed company (RMB)	25,441,362,923.69	24,811,339,992.99	2.54%

The Company's total share capital as of the trading day prior to disclosure:

The Company's total share capital as of the trading day prior to disclosure (shares)	1,753,736,848.00

Fully diluted earnings per share based on the latest share capital

Preferred dividends paid	0.00
Paid perpetual bond interest (RMB)	0.00
Fully diluted earnings per share based on the latest share capital (RMB/share)	1.0610

V. Differences in accounting data under domestic and foreign accounting standards

1. Differences in net profit and net assets disclosed in financial statements under international and Chinese accounting standards

□Applicable ☑Not applicable

There are no differences in net profit and net assets disclosed in financial statements under international and Chinese accounting standards during the reporting period.

2. Differences in net profit and net assets disclosed in financial statements under overseas and Chinese accounting standards

□Applicable ☑Not applicable

There are no differences in net profit and net assets disclosed in financial statements under overseas and Chinese accounting standards during the reporting period.

VI. Items and amounts of non-recurring profit and loss

☑Applicable □Not applicable

Unit: RMB

Item	Amount	Description
Profits/losses on disposal of non-current assets (including the written-off part of the accrued impairment provision of assets)	1,424,072.58	
Government grants included in the current profits and losses (except those that are closely related to the normal business operation of the Company, comply with national policies and regulations, are enjoyed in accordance with the defined criteria, and have a lasting impact on the Company's profits and losses)	50,634,330.21	For details of government grants, please refer to XI of the Notes to these financial statements.
Profits and losses caused by fair value changes in financial assets and financial liabilities held by non-financial enterprises, and profits and losses arising	-2,119,166.93	

from the disposal of financial assets and liabilities, excluding the effective hedging business related to the normal business operation of the Company		
Other non-operating revenue and expenses other than those mentioned above	-46,881,439.62	For details of non-operating expenses, please refer to VII (74, 75) of the Notes to this financial report
Less: Amount affected by income tax	-2,829,609.80	
Amount affected by minority interests (after tax)	2,676,584.37	
Total	3,210,821.67	

Details of other profit and loss items conforming to the definition of non-recurring profits and losses

□Applicable ☑Not applicable

There are no other profit and loss items that meet the definition of non-recurring profits and losses

Explanation for recognizing an item listed as a non-recurring profit and loss in the *Interpretative Announcement No. 1 on Information Disclosure Criteria for Public Listed Companies - Non-Recurring Profits and Losses* as an item of recurring profit and loss

□Applicable ☑Not applicable

The Company did not recognize any item of non-recurring profit and loss items listed in the *Interpretative Announcement No. 1 on Information Disclosure Criteria for Public Listed Companies - Non-Recurring Profits and Losses* as an item of recurring profit and loss.

Section III Management's Discussion and Analysis

I. Main business of the Company during the reporting period

(I) Main business of the Company

Founded in 1993 and headquartered in Hangzhou, Zhejiang Province, Huadong Medicine Co., Ltd. (stock code: 000963) was listed on Shenzhen Stock Exchange in December 1999. With its businesses covering the entire pharmaceutical industry chain thanks to over 30 years of vigorous development, the Company has now fostered four major business segments of pharmaceutical industry, pharmaceutical distribution, aesthetic medicine and industrial microbiology, and has been a large comprehensive listed pharmaceutical enterprise specialized in pharmaceutical R&D, production, and marketing.

The Company's pharmaceutical industry segment focuses on the R&D, manufacturing and sales of medicines for specialty care, chronic diseases and special indications. Its core product portfolio covers key therapeutic areas, including chronic kidney disease, immunology, oncology, endocrinology, digestive diseases and cardiovascular diseases. The Company also has multiple first-line medicines with strong market positions in China, giving it strong brand advantages and a diversified, multi-tiered product portfolio. Through in-house development, external in-licensing and project collaboration, the Company puts its emphasis on innovative drug R&D efforts on three core therapeutic areas: endocrinology, autoimmunity and oncology. It has established a differentiated and well-structured pipeline spanning the full R&D lifecycle, with nearly 100 innovative drug candidates in development. At present, the Company's innovative drug R&D pipeline is gradually translating into commercial products. Nearly 20 in-house-developed or externally introduced products have been launched and commercialized, while more than 10 additional products are undergoing regulatory review. The contribution of innovative products to total revenue has continued to increase. In addition, the Company has set up a comprehensive pharmaceutical manufacturing system with international capabilities. Multiple products have obtained regulatory registrations and approvals in international markets. The Company is deeply integrated into the global innovation ecosystem, maintains R&D collaborations with multiple international innovative pharmaceutical companies, and has established strategic product partnerships in the Chinese market with a number of multinational pharmaceutical companies.

The Company's pharmaceutical distribution segment focuses on three core businesses: pharmaceuticals, medical device, and herbal decoction pieces. Leveraging a specialized logistics

system with strengths in cold-chain products, specialty drugs, and vaccines, together with the synergies generated by its proprietary-brand e-commerce platforms, the Company has developed strong integrated omnichannel marketing capabilities. Its business scale and market share rank among the industry leaders in Zhejiang Province, giving it a solid competitive position. The Company has ranked among China's top 10 pharmaceutical wholesalers for many consecutive years. The Company continues to strengthen its core market in Zhejiang Province, with Hangzhou, Jinhua and Wenzhou serving as its three core supply chain hubs. It operates 13 regional warehouses, with a total warehousing area of more than 190,000 m², and has established an integrated multi-warehouse smart logistics network covering Zhejiang Province. The pharmaceuticals business provides full product-category and omnichannel coverage, promoting coordinated development across in-hospital and out-of-hospital channels and integrating distribution and agency operations. The medical device business of the Company continues to expand beyond large-scale distribution into specialized product agency and value-added supply chain services. The herbal decoction pieces business of the Company covers the entire value chain, from cultivation at production bases and the processing and preparation of decoction pieces to smart decoction services and sales of proprietary-brand products through end-user channels, thereby creating a complete business loop from the field to clinical end markets. The Company regards service innovation as a core driver of its development. By integrating supplier collaboration, specialized CSO services, SPD-based (Supply, Processing, Distribution-based) in-hospital supply chain operations, and resources across industry, academia and research, the Company provides customized, comprehensive supply chain solutions to upstream and downstream customers and partners, steadily advancing toward its strategic goal of becoming a trusted comprehensive pharmaceutical services provider.

In the field of aesthetic medicine, the Company adheres to the strategy of "global operational layout and dual-circulation business development", with innovation as a core driver of its development. With a global perspective and forward-looking strategic planning, the Company has developed a comprehensive and differentiated product portfolio. Both the number of products and the breadth of fields covered rank among the industry leaders, with more than 30 products launched in China and overseas and nearly 20 globally innovative products in development. The Company integrates multiple dimensions, including "non-invasive + minimally invasive" technologies, "facial + body" treatment areas, and "injectables + energy-based device." Its injectable product portfolio achieves full coverage across three major categories—regenerative products, hyaluronic acid products and botulinum toxin—while maintaining differentiated development pipelines. Through innovation in source materials, formulation technologies, product categories and application scenarios, the Company has established strong competitive barriers and provides consumers seeking

aesthetic enhancement with precise, personalized and highly effective one-stop aesthetic solutions. The Company is committed to becoming a leading global provider of comprehensive aesthetic medicine solutions. The Company operates multiple R&D centers and manufacturing bases worldwide. Its product portfolio includes injectable regenerative fillers, botulinum toxin, hyaluronic acid, chitosan, ECM collagen and facial lifting threads. The Company is also conducting R&D and expanding its energy-based aesthetic medical device business in global markets.

The Company's industrial microbiology business focuses on two major areas: the application of synthetic biology technologies and innovation and development in biopharmaceuticals. It has strategically developed four core business segments: xRNA raw materials, specialty APIs and intermediates, massive health products and biomaterials, and animal health. Building on more than 40 years of accumulated technological expertise, the Company has established an integrated R&D cluster comprising three core platforms: a synthetic biology R&D platform, an industrial microbiology R&D platform, and a synthetic chemistry R&D platform. The Company possesses key technologies covering the entire microbial engineering value chain and has established an R&D and manufacturing system spanning the full lifecycle of microbial medicines. It has also developed interdisciplinary R&D platforms and a global network of industrialization resources. On the industrialization front, the Company operates seven major industrialization bases in a coordinated manner, including the Hangzhou Xiangfuqiao Base, Qiantang New Area, Jiangsu Jiuyang, Hubei Magic Health, Anhui Meihua, Wuhu Huaren and HD Animal Health. The Company has the largest single fermentation workshop in Zhejiang Province and industry-leading intelligent production systems. Its operations cover the entire process from strain screening and process development through pilot-scale scale-up to large-scale commercial production, creating a closed-loop manufacturing ecosystem encompassing technology R&D, engineering scale-up and quality control. Its fermentation capacity and process technology capabilities have consistently remained at the forefront of the domestic industry.

(II) Overview of company operations during the reporting period

In the first half of 2026, the international situation became increasingly turbulent, with the global economy undergoing deep differentiation amid complex geopolitical dynamics and restructuring of the global trade landscape. Energy price fluctuations and recurring inflation persisted, while the global supply chain landscape continued to adjust. Global economic growth momentum remained insufficient, and the recovery continued to stay under pressure. Facing an increasingly complex and challenging domestic and international environment, China's economy withstood the pressure and maintained steady growth. Macroeconomic policies continued to take effect, effectively addressing various external shocks and internal difficulties. China's GDP grew by

4.7% year on year("YoY"), with economic performance remaining within a reasonable range, showing a development trend of new growth drivers and an improving economic structure. China's pharmaceutical industry is also at a critical stage of structural transformation, with regulatory policies for pharmaceutical and medical device being frequently updated and the industry regulatory system continuing to improve. The industry faces both opportunities and challenges. Enterprises must seize the development opportunities arising from the international expansion of innovation and the upgrading of consumer healthcare, while also facing multiple pressures at the policy, market, and compliance levels.

In the first half of 2026, the Company centered its efforts on its overall strategic plan and closely aligned them with its annual operating targets, integrating risk management and response, as well as value creation, throughout the entire business management process. The Company comprehensively advanced the implementation of its "innovation-driven, resource integration, and full-domain synergy" strategy, building core competitive advantages through R&D innovation, optimizing its business layout through the integration of internal and external resources, and leveraging synergies across all business segments to enhance overall competitiveness. The Company regarded the expansion of "new markets, new products, new organizational structures, and new capabilities" as the key to breaking through. For new markets, the Company consolidates its domestic business base while steadily advancing its international footprint. For new products, it focuses on key therapeutic areas and consumer medical segments, accelerating pipeline project progression and commercialization. In terms of new organization, the Company continuously optimizes its organizational structure and reengineers business processes to improve operational efficiency. For new capabilities, it strengthens the development of core competencies including R&D, compliance, commercial operations, and global business management. All employees of the Company have united to overcome challenges, delivered results under pressure, balanced business growth with compliance and risk control, and fully ensured that core tasks in R&D, commercialization, market expansion, internal control and compliance are carried out in an orderly manner as scheduled, consolidating the fundamental business base.

During the reporting period, all business segments of the Company tapped into growth opportunities, with core businesses maintaining stable performance. R&D and innovation advanced steadily, and the innovative product pipeline continued to expand. Organizational efficiency kept improving, and operation management was continuously optimized, driving overall operational management to achieve higher quality and efficiency, and the Company met its phased key business targets.

In the first half of 2026, the Company recorded an operating revenue of RMB 22.067 billion,

representing a YoY increase of 1.81%. The net profit attributable to shareholders of the listed company reached RMB 1.861 billion, up 2.53% YoY. Net profit attributable to shareholders of the listed company excluding non-recurring profit and loss stood at RMB 1.858 billion, with a YoY increase of 5.44%. The net cash flow generated from operating activities during the reporting period was RMB 2.499 billion, up 1.73% YoY. The operating cash inflow remained in good shape, demonstrating robust earnings quality and overall stable business performance of the Company.

1. Operation and development of the four major business segments of the Company during the reporting period

(1) Pharmaceutical industry segment

During the reporting period, the core subsidiary Zhongmei Huadong sustained a steady upward business momentum with continuously improving operating quality. It recorded an operating revenue of RMB 7.969 billion (including CSO business), representing a YoY increase of 8.92%. The net profit attributable to parent company reached RMB 1.74 billion, up 10.12% YoY. The non-recurring gains and losses excluded net profit attributable to parent company was RMB 1.725 billion, with a YoY increase of 13.35%, and the return on equity stood at 12.13%.

Specifically, in the second quarter, it recorded an operating revenue of RMB 3.92 billion, up 6.07% YoY. The net profit attributable to parent company reached RMB 809 million, representing a YoY increase of 9.76%. The non-recurring gains and losses excluded net profit attributable to parent company was RMB 808 million, with a YoY increase of 15.84%.

Leveraging its leading R&D system and core technology platforms, the Company has built a diversified portfolio of innovative products. In the oncology field, it boasts major products such as Elahere® (Mirvetuximab Soravtansine Injection), CAR-T product Zevor-cel (Zevorcabtagene Autoleucel Injection), PARP inhibitor Paishuning® (Senaparib Capsules), and Mairuidong® (Mifanertinib Maleate Tablets). In the endocrinology field, it possesses core varieties such as Nesina® (Alogliptin Benzoate Tablets), Liluping® (Liraglutide Injection), and Huiyoujing® (Ganagliflozin Proline Tablets). In the autoimmunity field, it has deployed Sailexin®/Saijiening®(Ustekinumab Injection/Ustekinumab Injection(Intravenous Infusion)). In the gastroenterology field, it launched Xinlian® (linaprazan glurate Capsules). Meanwhile, MediBeacon® TGFR, the world's first bedside renal function precision monitoring and evaluation product suitable for patients with normal or impaired renal function, has officially entered the commercialization promotion stage, creating a differentiated and innovative competition barrier.

During the reporting period, previously approved innovative products entered a phase of scaled-up commercial sales, while newly commercialized products provided additional revenue contributions, driving the rapid expansion of the innovative product business. Total revenue from

sales and agency services amounted to RMB 1.684 billion, representing a YoY increase of 52% and accounting for 21.14% of the operating revenue of the pharmaceutical industry segment (including CSO business). The innovative business has become the core engine driving growth in the pharmaceutical industry segment.

Since its launch, the CAR-T therapy Zevorcabtagene Autoleucel Injection (trade name: Zevor-cel) has demonstrated strong market expansion momentum, with its clinical safety and efficacy receiving positive evaluations. In the first half of 2026, medical institutions that had completed the certification and filing procedures for Zevor-cel covered more than 20 provinces and municipalities nationwide. During this period, the Company placed 110 valid orders with its partner, CARsgen Therapeutics. At the same time, the Company continued to strengthen its product access system and accelerate efforts to establish mechanisms to ensure patients' access to treatment. The product has now been successfully included in the *Commercial Health Insurance Innovative Drug List*. As of the date of the Report, more than 100 Huiminbao programs (a city-specific supplemental medical insurance program) and various commercial health insurance products across the country have included Zevor-cel in their reimbursement coverage, effectively reducing patients' treatment costs and enhancing the accessibility and inclusiveness of high-end innovative therapies. Looking ahead, as the Company's nationwide medical channel network continues to improve, coverage of Huiminbao programs and commercial health insurance continues to expand across regions, and access policies are progressively implemented, the market penetration and industry influence of Zevor-cel are expected to increase further, and the product is expected to maintain its growth momentum.

Following its inclusion in the updated National Reimbursement Drug List (NRDL), Huiyoujing® (Ganagliflozin Proline Tablets), the Category 1 innovative drug intended for diabetes, has seen the pharmaceutical service promotion team of Zhongmei Huadong make active efforts for hospital access. It is now listed in more than 2,400 tiered hospitals, laying a solid foundation for subsequent rapid market growth. Additionally, multiple national and regional large-scale clinical trials have been conducted, including real world studies (RWS) and various clinical studies on complication/comorbidity in patients with type 2 diabetes mellitus (T2DM). In product promotion, effective synergy has been achieved by sharing resources with Metformin Hydrochloride and Empagliflozin Tablets (Enshuangping®), consolidating the Corporation's core competitiveness in the SGLT-2 inhibitor segment for diabetes. The YoY growth rate of sales revenue in the 2026 half-year period exceeded 900% (the first quarter of 2025 was the first sales quarter after the product was included in the National Reimbursement Drug List).

Elahere® (Mirvetuximab Soravtansine Injection), recognized as the world's first and currently

the sole FRα-targeted Antibody-Drug Conjugate (ADC) drug approved for the treatment of platinum-resistant ovarian cancer, was officially launched for commercial sale in China in November 2025. The Company is diligently and expeditiously advancing its market access endeavors. By the end of the first half of this year, Elahere® has completed the network listing in 31 provinces, with over 300 hospitals that have issued prescriptions, covering more than 400 medical institutions and over 200 DTP pharmacies. Currently, Elahere® has also been successfully incorporated in multiple Huiminbao programs (city-specific supplemental medical insurance programs) and commercial insurance programs, such as Beijing Inclusive Medical Insurance Program, Shanghai Hu Hui Bao Insurance, Jiangxi Ganhuibao, Leshan Huijiabao, and Shaanxi Universal Health Insurance. Since its official domestic commercial launch in the Q4 of 2025, Elahere® recorded sales of approximately RMB 90.49 million in the first half of 2026.

Senaparib Capsules (Paishuning®), a novel PARP inhibitor exclusively promoted by the Company in Chinese mainland, was approved for market launch in January 2025 and was successfully included in the *National Reimbursement Drug List for Basic Medical Insurance, Work-related Injury Insurance, and Maternity Insurance* in December 2025, indicated for first-line maintenance treatment of ovarian cancer (OC). As of June 30, 2026, Senaparib Capsules had been launched in all provinces across Chinese mainland, secured access to more than 380 specialty and community pharmacies, and reached nearly 1,200 medical institutions. Following its inclusion in the National Reimbursement Drug List, the product's sales volume continued to increase, and its sales revenue in the first half of 2026 increased significantly compared with the same period in 2025.

In May 2026, the Marketing Authorization Application (MAA) and supplemental application for Sailexin®/Saijiening® for Crohn's disease (CD) were approved. Since its launch, Sailexin®/Saijiening® has continued to demonstrate strong market performance. The pharmaceutical services team has deeply explored the product's outstanding advantages in terms of ease of use, drug safety, and accessibility under medical insurance reimbursement. By leveraging shared resources and close collaboration with the Corporation's existing autoimmune product line, it has established effective synergies. To date, over 2,000 hospitals have prescribed the product, with market sales gradually increasing. Through initiatives such as soliciting outstanding case studies, launching public welfare science popularization projects, organizing multi-level and multi-dimensional online and offline academic seminars, and conducting nationwide multi-center real-world studies (RWS), the Company has expanded the product influence and optimized the concept of clinical medication. Sailexin®/Saijiening® is expected to become a new core product in the Corporation's autoimmune disease field. The domestic sales revenue (including value-added tax) of

Sailexin®/Saijiening® in the first half of 2026 exceeded RMB 300 million, surpassing the full-year figure for 2025 and representing a YoY increase of more than 100%.

The transcutaneous glomerular filtration rate measurement system (TGFR System) is the world's first innovative drug-device combination product for real-time point-of-care assessment of renal function. It consists of the first-in-class innovative drug, Relmapirazin Injection (MB-102), and the supporting transcutaneous glomerular filtration rate (TGFR) measurement equipment, and has been approved for marketing in China as a complete drug-device combination. During the reporting period, the Company actively expanded its medical device sales and promotion team, and advanced the market access and commercialization of MediBeacon® TGFR in China. In June 2026, Relmapirazin (MB-102), as a fluorescent tracer, was included for the first time in the *Chinese Clinical Practice Guideline for Screening, Diagnosis and Treatment of Chronic Kidney Disease (2026 Edition)*. Among the mGFR (measured glomerular filtration rate) testing methods specified in the guideline, it is the only technology system that uses a non-invasive testing method and enables point-of-care monitoring, providing a new option for precise clinical assessment of renal function. In July 2026, Relmapirazin Injection and the TGFR technology were included in the *Expert Consensus on Assessment and Diagnosis of Acute Kidney Injury in Elderly Patients with Comorbidities in China*. To date, consumables of MediBeacon® TGFR have been listed in 25 provinces, while Relmapirazin Injection has been listed in 29 provinces.

In the field of gastrointestinal drugs, the Class 1.1 innovative drug, Linaprazan Glurate Capsules (Xinlian®), for which the Company holds exclusive commercialization rights, is a new-generation potassium-competitive acid blocker (P-CAB). It has been approved for the treatment of reflux esophagitis, while Phase III clinical trials in China for the indications of "duodenal ulcer" and "treatment of Helicobacter pylori infection in combination with antibiotics" are also underway. Linaprazan Glurate Capsules were successfully included in the *National Reimbursement Drug List for Basic Medical Insurance, Work-related Injury Insurance, and Maternity Insurance* (2025) in December 2025 and has been included in the "New and High-Quality Drugs and Devices" Product Catalogue of Shanghai's biomedical industry. During the reporting period, the Company continued to advance the market access of Xinlian® to improve access to clinical treatment. It also conducted patient education and provided educational resources on medication use to help patients develop a sound understanding of medication use and use medicines in a standardized and rational manner. By the end of the reporting period, Xinlian® had covered 25 provinces and municipalities across China and more than 900 hospitals of various grades, with sales volume growing rapidly.

The Company's innovation-driven transformation strategy continues to be implemented and deepened, and the Company has entered a critical stage in which pipeline achievements are being

realized on a larger scale and commercial value is being unlocked at an accelerating pace. The innovative product portfolio continues to expand and diversify, the clinical value of innovative products continues to be validated, and the Company's commercialization capabilities continue to strengthen and mature, laying a solid foundation for high-quality growth in the Company's medium- and long-term performance.

During the reporting period, the General Pharmaceutical Service Subsidiary of Zhongmei Huadong adhered to the core philosophy of "Innovation, Professionalism, Service", adopted "solving problems and creating value" as the guiding principles for management assessment, and continuously adapted its operations to changes in the pharmaceutical industry's policy and market environment. The Company continued to upgrade and enhance its digital systems for pharmaceutical services and marketing, fully enhancing its capabilities in product academic promotion and patient services, and achieved solid results in business model transformation and efficiency improvement. By focusing deeply on targeted therapeutic segments, continuously extending channel coverage into lower-tier and grassroots markets, and implementing refined and differentiated promotional strategies, the Company continuously enhanced the market penetration of its core competitive products, expanded coverage of medical institutions at all levels, and consolidated and strengthened its competitive position in key areas.

At the market strategy level, the Company continued to improve its comprehensive omni-channel strategy, driving coordinated growth across multiple markets, including in-hospital, out-of-hospital, grassroots and retail markets. In the in-hospital market, the Company strengthened its core business base by leveraging the solid clinical value of its products and professional academic services. On the one hand, it fully tapped the growth potential of mature key products; on the other hand, it strengthened its academic marketing system, accelerating hospital access, clinical education and prescription conversion for innovative products. Leveraging its increasingly diversified innovative product portfolio, the Company is able to provide more individualized and standardized comprehensive treatment solutions for patients with different disease courses and characteristics. In the out-of-hospital and primary healthcare markets, the Company closely aligned with policy priorities concerning tiered diagnosis and treatment and the strengthening of grassroots healthcare capacity, continued to strengthen and expand its network of partnerships for grassroots healthcare services, and deepened its reach across community, county-level and township medical institutions. Through diversified academic education and public outreach initiatives and commercial cooperation, the Company continued to enhance market awareness of innovative drugs and improve patient access to medicines. In the retail market, the Company continued to strengthen its multi-channel presence across online platforms, OTC markets and DTP specialty pharmacies. In the online

segment, it worked with mainstream e-commerce platforms to optimize the entire medication purchasing process, providing patient education and awareness initiatives, targeted access to pharmaceuticals information and convenient medication purchasing services. In the OTC segment, it strengthened brand building, integrated media communications and retail sell-through initiatives, and continuously increased its market share at the retail level. Meanwhile, the Company continued to refine its regional market management mechanisms and KA management system, remained guided by medical expertise and driven by academic promotion, and strengthened the market competitiveness of its products. The Company maintains continuous collaboration with scientific research institutes, colleges and universities at home and abroad, and advances post-marketing real-world studies and evidence-based medicine exploration for new indications around its core products, to accumulate more clinical evidence and support further expansion of the product's clinical application scenarios. At the organizational level, the Company continues to deepen organizational transformation and process optimization, adheres to the parallel approach of in-house talent cultivation and high-end external talent recruitment, and consistently builds a talent echelon of pharmaceutical services that is youthful, specialized and highly execution-oriented, so as to provide solid organizational and talent support for the sustained commercialization of innovative products.

During the reporting period, the Company's R&D investment in the pharmaceutical industry segment (excluding equity investment) amounted to RMB 1.208 billion, representing a YoY decrease of 18.58%, among which the direct R&D expenditure reached RMB 1.062 billion, down 9.56% YoY, accounting for 13.30% of the revenue from the pharmaceutical industrial segment. The Company's innovative drug R&D center is advancing the development of 96 innovative drugs pipeline programs, with multiple positive results achieved in the first half of 2026. For details, please refer to the "(III) R&D situation" section below.

(2) Pharmaceutical distribution segment

In the first half of 2026, affected by multiple external factors including continuously tightened medical insurance cost control and pressure on terminal medical consumption, the pharmaceutical distribution industry has entered a transformation cycle focused on quality and efficiency improvement, and the profitability pressure of the traditional distribution model has intensified. Against this backdrop, the Company's pharmaceutical distribution segment adheres to the dual-track advancement of in-hospital and out-of-hospital businesses, giving consideration to both business scale expansion and internal operational efficiency improvement. Through proactive business structure adjustment and internal mechanism innovation, the segment effectively hedges the operational pressure brought by the external environment and achieves overall stable performance.

During the reporting period, the pharmaceutical distribution segment recorded an operating revenue of RMB 14.182 billion, representing a YoY increase of 1.68%, and a net profit of RMB 233 million, up 3.02% YoY.

During the reporting period, the segment closely followed the kick-off theme of the Company's 8th "Three-Year Plan" — "Innovation and Breakthrough", and focused on the three core priorities of "preserving existing business, driving incremental growth, and improving labor efficiency", to accelerate the transformation from scale-driven growth to value creation. By delivering integrated comprehensive services covering market access, government affairs, channels, sales and supply chain to upstream industrial clients, the Company deepens industrial collaboration and jointly builds an industrial value ecosystem. On the premise of stabilizing the fundamental business base, the segment actively explores new businesses, new markets and new models, so as to consolidate the business foundation for the Company's strategic goal of becoming a "comprehensive pharmaceutical services provider".

The segment consolidates its performance base with professional supply chain and pharmaceutical service capabilities. In the in-hospital segment, it deepened strategic cooperation with tertiary hospitals, delivered optimized pharmaceutical management and refined supply chain solutions to consolidate existing distribution shares; it also continuously expanded coverage to secondary hospitals and primary medical markets, optimized staffing and product mix, and filled the business gaps in primary markets. In the out-of-hospital segment, it accelerated business deployment. The self-operated retail business of the Company adhered to the principle of quality priority. The Company focused on developing hospital-affiliated stores and DTP pharmacies, strengthened project access review and store operation control, and built a benchmark for professional pharmaceutical services. New subsidiaries dedicated to pharmaceuticals and international trade were established, focusing on out-of-hospital market and non-pharmaceutical business expansion respectively, to further expand the national distribution scale and enrich the supply of non-pharmaceutical categories. In terms of operation management, the Company focused on key operational indicators such as inventory turnover and accounts receivable control, improved the performance appraisal system for personnel efficiency and departmental operational efficiency, and drove the transformation of traditional distribution business toward lean and efficient operations.

Breaking through the framework of traditional pharmaceutical distribution business, the Company vigorously promoted business model innovation and actively cultivated the second growth curve. The product agency business focused on three major directions: specialty chemical pharmaceutical, blood product, and innovative medical device. Based in Zhejiang and radiating to other provinces, the Company strives to build a leading regional CSO service brand. The third-party

logistics business took high-barrier segments such as cold chain, specialty drugs and radiopharmaceuticals as the breakthrough points, continuously upgraded software and hardware capabilities, and built a nationwide professional delivery network. Meanwhile, by linking internal segment resources such as aesthetic medicine and industrial microbiology, the Company actively entered emerging tracks such as medical aesthetics and animal health. Relying on the national distribution business of key products including recombinant botulinum toxin, the Company built a cross-regional organizational structure, commercialization model and academic promotion system, and substantially advanced the development strategy of "going beyond Zhejiang Province".

The Company aligned business iteration and upgrading with organizational transformation, completed the integration of medical device business, established a medical device business unit, and set up specialized subsidiaries targeting the out-of-hospital and non-pharmaceutical markets. It accelerated the iteration and upgrading of information systems, promoted integrated intelligent management and control across business, material flow, retail, and operations. It continuously upgraded the national supply chain system, strengthened cross-regional cold chain delivery capabilities, and provided solid support for business expansion outside Zhejiang. The human resources and financial systems deepened group-wide management and control around the goals of "improving personnel efficiency, reducing costs and controlling expenses", optimized the resource allocation structure, and escorted the high-quality and sustainable growth of the segment.

(3) Aesthetic medicine segment

In the first half of 2026, the global macroeconomic environment presented a complex and volatile operating landscape, while the domestic pharmaceutical health and aesthetic medicine consumer industries as a whole entered a stage of in-depth structural adjustment. Multiple pressures continue to superimpose on the domestic aesthetic medicine industry: the recovery pace of terminal consumption remains slow, industry regulation continues to tighten and compliance standards keep escalating. Meanwhile, the supply of injectable medical aesthetics products continues to expand, leading to normalized price-driven cutthroat competition. The overseas market, on the other hand, is disturbed by multiple factors such as weak household consumption willingness, geopolitical fluctuations and exchange rate volatility, resulting in overall pressured operating environment.

During the reporting period, the Company's aesthetic medicine segment (excluding inter-segment elimination) recorded a total operating revenue of RMB 651 million, representing a YoY decrease of 41.43%. Specifically, the domestic aesthetic medicine business revenue reached RMB 345 million, down 52.46% YoY; the overseas aesthetic medicine business revenue hit RMB 332

million, representing a YoY decrease of 36.59%. The Company believes that the current phased performance fluctuation of its aesthetic medicine business is not only an objective reflection of the industry as a whole entering an in-depth adjustment cycle, but also an inevitable stage for the Company to proactively promote strategic adjustment and upgrading, restructure the growth logic of the segment and accumulate momentum for recovery. It falls under the category of phased growing pains in the process of enterprise value reconstruction and capability iteration.

Facing the phased operational challenges, the Company adhered to the development goal of becoming a globally leading aesthetic medicine enterprise, upheld long-termism, deeply focused on innovation, and continuously promoted the optimization and integration of business systems at home and abroad.

Overseas market: In the first half of 2026, the overall organizational structure adjustment of the overseas aesthetic medicine business was completed. By integrating the functional teams of subsidiaries under Sinclair, streamlining business links, implementing flat management, empowering overseas businesses with domestic R&D, quality and supply chain capabilities, the Company optimized the global channel layout, deeply cultivated core European markets, expanded emerging regions, accelerated the overseas registration and commercialization of innovative products, and consolidated the foundation of global operation.

Domestic market: The Company carried out the reform of organizational and marketing systems to realize multi-category synergy across injectable fillers, botulinum toxin and energy-based device. It optimized the channel structure, continuously promoted the dual-channel construction of public hospitals and private institutions, scaled up academic education for physicians and standardized clinical promotion, and drove the transformation of the business from extensive expansion to high-quality operation.

In terms of product pipelines, a number of heavyweight new products were approved for marketing during the reporting period, achieving full coverage of core tracks including regenerative fillers, botulinum toxin, hyaluronic acid filler and energy-based device. Domestically, Retoxin®, the world's first Recombinant Botulinum Toxin Type A containing only 150KD core protein, Ellansé® M, the first imported regenerative material in China approved for the temporal region (temple) indication, and the multi-functional skin therapy device V30 were successively approved for marketing. As of the end of June 2026, Retoxin® has established cooperation with more than 1,600 hospitals. The Company's Ellansé® series — Zhenyan®, Jinyan® and Zhizhen® have entered nearly 500 aesthetic medicine institutions, and customized new product development has been carried out with strategic partners. MaiLi Extreme® (MaiLi® Extreme Shuoying®), originating from Switzerland and equipped with the first-in-class OxiFree® (oxygen-free) crosslinking technology,

has entered over 100 institutions across the country with continuously improving market recognition. The number of cooperative institutions for energy-based devices including Glacial Spa, Reaction and Renotion has steadily climbed to more than 500, and Glacial®spa Glacial Spa exceeded its semi-annual target.

In terms of academic promotion, Sinclair carried out 311 offline medical trainings in the first half of the year, covering more than 4,000 physician visits. The online physician platform recorded over 180,000 views, and a total of 42 academic papers covering all products have been published. The construction of public hospital channels continues to advance. The classic version of Ellansé® has successfully entered key public hospitals nationwide. MaiLi® Extreme® completed network listing and price adjustment in 23 provinces, and carried out more than 20 public hospital physician trainings, covering nearly 500 physician attendances.

Important progress has also been made in the Company's overseas aesthetic medicine pipelines. Kytogen® Defend, the non-animal-derived chitosan product, obtained the EU MDR CE certification in August 2026, further enriching the injectable product matrix. Meanwhile, the in-development pipelines are advancing steadily, with continuous layout in next-generation regenerative materials, skin repair, energy-based device and other directions to guarantee the supply of medium and long-term product iteration. The Company insists on returning to the essence of medical treatment, continuously enhances the professional influence on B-end institutions and C-end brand awareness, and builds a brand image of "innovation, professionalism and trustworthiness".

Overall, the compliant and standardized development trend of the aesthetic medicine industry continues to deepen, the underlying logic for the long-term growth of the industry remains robust, and the dual demands of consumers for safe, compliant, innovative and efficient aesthetic medicine products and services are still the core driving force for the development of the industry. Relying on the global R&D pipeline layout, the mature integrated commercial platform at home and abroad, and the commercialization capabilities built through years of deep cultivation in the industry, the Company is fully confident in the medium and long-term development prospects of its aesthetic medicine business. In the next stage, the Company will continue to focus on three core directions: first, accelerate the iteration and upgrading of product pipelines to enrich the differentiated product matrix; second, deepen the optimization of channel structure to improve the quality and efficiency of terminal coverage; third, strengthen the refined management of internal operations to release organizational effectiveness.

Looking ahead, with the accelerated clearance of inefficient production capacity in the industry, the steady recovery of consumer market confidence, and the gradual completion of market cultivation and release of sales momentum for a number of its own heavyweight new products, the

Company's aesthetic medicine segment is expected to smoothly step out of the adjustment cycle and achieve high-quality restorative growth.

During the reporting period, the Company also continued to advance the overseas registration of its aesthetic medicine portfolio, while actively implementing the registration and implementation of multiple core products in China. For information on the registration progress of the Company's key aesthetic medicine products at home and abroad, please refer to the subsections "(10) Registration and launching progress of domestic aesthetic medicine product" and "(11) Registration and launching progress of overseas aesthetic medicine product" under "(III) R&D situation" below in this section.

Figure: Key Aesthetic Medicine Products Launched by Huadong Medicine

(4) Industrial microbiology business

In the first half of 2026, the global innovative drug industry chain continues to recover. The pipelines of cutting-edge therapies such as ADCs, nucleic acid drugs and polypeptide keep expanding, driving increased demand for high-value upstream APIs, intermediates and CDMO services. Meanwhile, the synthetic biology industry has received strong policy support, and the overseas market demand for high-quality, stably supplied biomanufacturing raw materials continues to be released. However, the industry also faces challenges including intensified global market competition, stricter overseas registration and compliance standards, and heightened price competition in some product categories. Against this industry backdrop, the Company's industrial microbiology segment firmly implements its established development strategy, continuously consolidates its four major business layouts covering xRNA raw materials, specialty APIs & intermediates, massive health products & biomaterials, and animal health. The Company strengthens technological innovation iteration and global market expansion, and takes accelerating international layout and deeply integrating into the global pharmaceutical supply chain as its core work objective at the current stage. It has achieved phased results in developing key customers at home and abroad. All business units delivered improving performance during the reporting period,

achieving growth against market trends. Total sales revenue reached RMB 437 million, representing a YoY increase of 18.64%. Of which, the xRNA segment recorded a growth of over 50%. API and intermediate segment grew by 10%, among which the polypeptide API business increased by more than 50%. Massive health and biomaterials segment posted a growth of over 25%, the animal health segment grew by 25% and overseas business sales increased by 33%. Major accomplishments across all fields are as follows:

Specialty API & intermediate segment (ADC payloads + polypeptide):

International market development is the core strategic task of this segment at the current stage. As a business segment that integrates the traditional API business and innovative business for coordinated development, the Company has completed the layout of ADC toxin product series, and all mainstream toxin varieties have obtained US DMF filings. In 2026, the Company will continue to promote DMF filing for more new molecular products. Multiple CDMO cooperation contracts for ADC toxins have been executed, enabling the Company to provide global partners with integrated small-molecule development services from early-stage research through clinical stages, as well as supporting services for regulatory submission. Stable bulk supply of linker-toxin products for both clinical and commercial use has been achieved. The Company has finalized its global market strategic planning for polypeptide business. It is accelerating its international market expansion, actively advancing overseas licensing for finished preparations, and building an internationalized API supply system. Both polypeptide preparations and API businesses are expected to achieve scaled commercial sales over the next two years. The Company continues to regard strengthening international registration and market access as a critical pillar of its internationalization strategy, steadily builds the product pipeline of biopharmaceuticals in the global metabolism field, and continuously enhances its participation in the global high-end HPAPI (High Potency Active Pharmaceutical Ingredient)supply chain.

xRNA segment: Leveraging the Wuhu Huaren production base, the xRNA segment has built a complete R&D and production system for upstream raw materials of oligonucleotide drugs and in vitro diagnostic raw materials, serving domestic and overseas innovative pharmaceutical enterprises, CDMOs and in vitro diagnostic manufacturers with differentiated technological capabilities and efficient delivery capabilities. The Company continues to increase R&D investment, by focusing on three core directions: raw materials for nucleic acid drug (phosphoramidite monomers), delivery systems (GalNAc), and specially modified custom monomers. This segment has obtained ISO9001, ISO14001 and ISO45001 system certifications. The entire production process strictly complies with ICH international standards and GMP quality specifications. A total of 12 US DMF filings have been completed, and the Company has established cooperative relationships with many

multinational pharmaceutical enterprises, achieving rapid business growth during the reporting period.

Massive health & biomaterials segment: This segment focuses on three core business directions: functional food raw materials, personal care raw materials and biomaterials. In the first half of 2026, Magic Health focused on the R&D and iteration of products such as VK2(Vitamin K2), PQQ(Pyrroloquinoline quinone), PS(Phosphatidylserine) and nattokinase around the tracks of bone health, brain health and anti-aging, and achieved rapid growth in the international market. All food-related quality systems including ISO9001, KOSHER, GMP and FSSC22000 have been kept in effective operation. In July, it passed the on-site audit of Food and Drug Administration (FDA) with zero defects, and the overseas compliance capability of its products has been authoritatively verified. Major breakthroughs have also been made in international market customer development and new application scenario expansion. The Company has successfully realized supply cooperation with many leading international health product customers in the United States. Shengji Material, centered on its proprietary and controllable biodegradable materials, has built a matrix of high-end medical functional materials. It has carried out CMC R&D and project incubation for biomedicine and aesthetic medicine by leveraging its pharmaceutical preparation technology platform. Two GMP-compliant manufacturing facilities for biodegradable materials and microspheres have been completed and put into operation. The Company actively cooperates with overseas universities, domestic and overseas pharmaceutical and aesthetic medicine enterprises in R&D collaborations covering material supply and complex injectable formulation development, and continuously builds a global innovation-driven industrial chain.

Animal health segment: Continue to strengthen its technological edge and accelerate the commercialization of products. Guided by market demand orientation, the Company focuses on differentiated innovation tracks, steadily advances R&D and commercial layouts for products in perioperative period, chronic disease management, deworming and other areas. The R&D pipeline continues to expand, building momentum for long-term sustainable growth. In the first half of the year, the Company was among the first to obtain the new veterinary drug registration certificate for Pregabalin Oral Solution, further consolidating its competitive edge in the pet analgesia and sedation track. Another 7 products are under registration review, including 2 Class I new veterinary drug APIs and their injections. On the marketing front, the Company continues to build professional brand moats. The core driver of business growth relies on Baoshining®, China's first opiate analgesic new drug for pets. Through collaboration with top-tier chain hospitals, industry KOLs, and building benchmark hospitals in key cities, the products have deeply covered diverse clinical scenarios of perioperative care and pain management, driving the Company's offline business to

record a YoY growth of over 50%. The new product Pregabalin has quickly completed channel deployment in key hospitals across the country, fully demonstrating the Company's channel reuse capability. On the consumer front, the Company has completed omni-channel layout on mainstream e-commerce platforms including Tmall, Douyin and Pinduoduo, focusing on core categories of deworming and nutritional supplements. Adhering to the business strategy of "empowering consumer brand penetration with professional medical endorsement", the Company promotes the coordinated development of online and offline businesses, continuously strengthens its comprehensive competitiveness and brand influence, and adapts to the development trend of China's pet pharmaceutical industry transforming towards compliance and professionalism.

2. BD collaboration of the Company during the reporting period

On January 5, 2026, Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd., the wholly-owned subsidiary of the Company, announced the signing of a strategic cooperation agreement with MC2 Therapeutics Ltd. (hereinafter referred to as "MC2"), the wholly-owned subsidiary of MC2 Therapeutics A/S. Under the agreement, Huadong Medicine will obtain the exclusive commercialization rights for MC2 dermatological skincare creams, Biomee®#1 and Biomee®#2, in Greater China (including Chinese mainland, Hong Kong SAR, Macau SAR, and Taiwan region). These two products, powered by MC2 innovative PAD® Technology, are designed to address dry skin and discomfort while providing daily skincare and comfort. Huadong Medicine will be responsible for the registration and commercialization of Biomee®#1 and Biomee®#2 in Greater China. MC2 will be responsible for manufacturing and supply.

3. ESG of the Company during the reporting period

With regard to ESG, the Company maintained an unwavering commitment to sustainable development. A Sustainability (ESG) Committee has been established under the Board of Directors to oversee ESG-related matters. The Company integrates the core ESG principles into corporate development strategy and daily operations management, guiding and innovating business practices with a science-based approach to social responsibility. It upholds the idea of green manufacturing, actively supports China's "carbon neutrality and carbon peaking" goals, operates in strict compliance with laws and regulations with integrity, and actively fulfills its social responsibilities. As of the release date of the Report, the Company has received an AAA ESG rating from the SZSE CNI rating system, an AAA rating from RatingDock, an A ESG rating from WIND, an A ESG rating from CNI rating system, and an A ESG rating from Huazheng. The Company has also received honors including the "ESG Best Practice Company" award presented by *New Fortune* magazine in 2025.

4. Awards during the reporting period

During the reporting period, the Company's comprehensive competitive strength, efficient operation and governance, and value creation capabilities gained significant market recognition, as evidenced by a number of prestigious awards and honors. The Company has been included in the *Fortune China 500* for 17 consecutive years. It has been ranked on the List of Global Top 50 Pharmaceutical Companies of *Pharmaceutical Executive* (US) for the second time. The Company also received such honors as the "Best Listed Company" award from *New Fortune* in 2025 and a place in the first tier of the "2026 Top 100 Innovative Pharmaceutical Enterprises in China" by E-Pharm Manager. In terms of investor relations management, the Company won the "Investor Relations Management Award" at the 17th Tianma Awards presented by Securities Times and the "Best Investor Relations Award" in Tonghuashun's 2025 Annual Ranking of Listed Companies.

(III) R&D

1. Key progress in innovation and R&D

During the reporting period, the Company adhered to the "Scientific Research-based and Patient-centered" corporate philosophy, strengthened its focus on therapeutic areas such as endocrinology, autoimmunity and oncology, continued to increase its R&D investment, expanded its innovative drug R&D pipeline, enhanced its innovative R&D ecosystem and technology platforms, actively advanced clinical trials, and accelerated the market launch of new products. Meanwhile, the Company conducted dynamic R&D assessments on an ongoing basis to improve the quality and competitiveness of its R&D pipeline. As of the date of the Report, the Company's innovative drug R&D center is advancing 96 innovative drug pipeline projects. Since its establishment 6 years ago, the Innovative Drug R&D Center has obtained marketing authorization for 12 innovative products in total. During the reporting period, the NDA for Sailexin®/Saijiening® for the indication of Crohn's disease was approved, achieving 4 NDA/BLA applications submissions, 9 IND approvals, and 14 innovative achievements published at international conferences. In addition, the DR10624 project was granted the Breakthrough Therapy Designation in China for severe hypertriglyceridemia. The Company's key projects, DR10624 and HDM2005, were successfully selected for the 2026 National Science and Technology Major Special Projects. During the reporting period, the Company's R&D investment in the pharmaceutical industry segment (excluding equity investment) amounted to RMB 1.208 billion, representing a YoY decrease of 18.58%, among which the direct R&D expenditure reached RMB 1.062 billion, down 9.56% YoY, accounting for 13.30% of the revenue from the pharmaceutical industrial segment.

Oncology

HDM2005, an ROR1-targeting ADC, ranks in the global first tier of global clinical development for ROR1 ADCs. Four clinical studies are currently underway in China: i) Phase I

clinical study of monotherapy for advanced hematological malignancies, including mantle cell lymphoma (MCL), diffuse large B-cell lymphoma (DLBCL) and classical Hodgkin lymphoma (cHL). The Ia phase monotherapy dose escalation has been completed, and dose expansion studies for MCL and cHL are ongoing; ii) Phase I clinical study of monotherapy for advanced solid tumor, which is currently in the dose expansion stage for metastatic castration-resistant prostate cancer (mCRPC); iii) Phase Ib/II clinical study of combination therapy for DLBCL patients, which is in the phase II enrollment stage; iv) Phase Ib/III clinical study of combination therapy for r/r MCL patients, which is in the enrollment stage. In addition, the clinical study application for combination therapy in cHL was approved by NMPA in June.

The Phase I clinical study of HDM2012, a MUC17-targeting ADC for the advanced solid tumor, has entered the dose backfilling stage.

For HDM2020, an FGFR2b-targeting ADC, the monotherapy dose-escalation Phase I clinical study for advanced solid tumor has progressed to the 7th dose cohort. The Phase Ib clinical study for advanced squamous non-small cell lung cancer (sqNSCLC) has completed enrollment of the first dose cohort.

HDM2017, a CDH17-targeting ADC, is simultaneously advancing Phase Ia clinical study in China and Australia. Furthermore, two clinical study applications for combination therapy in advanced colorectal cancer (CRC) have both been approved by CDE.

The clinical study application for HDM2024, a bispecific antibody-drug conjugate (ADC) targeting EGFR/HER3 for the treatment of advanced solid tumor, has received IND approvals from the U.S. Food and Drug Administration (FDA) and China CDE. The first patient enrollment in the Phase I clinical study in China has been completed, and the study is currently in the dose-escalation phase.

HDM2027 (HDP-101), a BCMA-targeting Amanitin ADC, has completed the first patient enrollment in China for its Phase I monotherapy study targeting plasma cell diseases including multiple myeloma, and is currently in the dose escalation stage. In addition, in August 2026, the IND for a new indication of HDM2027 in drug combination was approved by the NMPA.

DR30206, a PD-L1/VEGF/TGF-β triple-target antibody fusion proteins developed by the holding subsidiary Doer Biologics, has completed Phase Ib dose expansion enrollment for first-line non-small cell lung cancer. Subsequent expansion or combination therapy studies are currently underway. The Company is also actively advancing the Phase Ib clinical study of monotherapy for head and neck squamous cell carcinoma, the Phase Ib/IIa clinical study of combination therapy for advanced or metastatic gastrointestinal oncology, and the Phase Ib/II clinical study of combination therapy for locally advanced or metastatic non-small cell lung cancer.

DR510, a first-in-class EGFR/CD3 bispecific T-cell redirecting antibody prodrug independently developed by the holding subsidiary Doer Biologics, is intended for the treatment of multiple solid tumors including head and neck squamous cell carcinoma, non-small cell lung cancer, pancreatic cancer and colorectal cancer. Its IND submission is in preparation.

Endocrinology

For HDM1002 (conveglipron), an oral small-molecule GLP-1 receptor agonist, the Phase III clinical study for the weight management indication in China has reached the primary clinical endpoint. The Pre-NDA submission was made in July 2026, and the NDA submission is planned for Q4 2026. Both Phase III clinical studies for the type 2 diabetes mellitus indication of this product have completed full enrollment. Pre-NDA communication application is expected to be submitted in Q4 2026.

For HDM1005 (poterepatide) injection, a long-acting GLP-1R/GIPR dual-target polypeptide agonist, all subject enrollment in the Phase III clinical study for the weight management indication has been completed. The study is currently in the treatment follow-up and data collection phase. The Pre-NDA application is scheduled to be submitted in Q4 2026. All subject enrollments have been completed in two Phase III studies for the diabetes mellitus indication. Two Phase III studies for the obstructive sleep apnea hypopnea syndrome (OSAS) indication are currently in preparation.

DR10624, the first-in-class candidate product for FGF21R/GCGR/GLP-1R triple agonist developed by the Company's holding subsidiary, Doer Biologics, was included in the Breakthrough Therapy Designation list by CDE for severe hypertriglyceridemia (sHTG) in January 2026. Key clinical discussions with regulatory authorities in China and the US have been completed, and the Phase III clinical study has been initiated. The Phase II clinical study of metabolic associated fatty liver disease with a high risk of liver fibrosis reported top-line results in Q3 2026. Follow-up studies are planned to further verify the efficacy and safety of DR10624 in the MASLD/MASH population. In July 2026, the IND for DR10624 in the indication of adult's HFpEF/HFrEF (heart failure with preserved ejection fraction/heart failure with reduced ejection fraction) was approved in China.

HDM1014 injection, which is the GalNAc-siRNA weight-loss drug self-developed by the Company, is undergoing IND development work. It is expected to submit IND application in China in Q4 2026.

HDM1013, the Company's independently developed triple-target weight-loss drug, is under IND development, and the Chinese IND submission is scheduled for Q3 2027.

The IND application for HDM1010 Tablets (a fixed-dose combination oral formulation of HDM1002) intended for the type 2 diabetes mellitus indication has been approved by the US Food

and Drug Administration (FDA).

The NDA for Semaglutide Injection (diabetes indication) was submitted with supplementary materials in March 2026 and is currently under review. The marketing application for the weight management indication is also under review, with registration testing ongoing.

The NDA for Insulin Degludec Injection was submitted with supplementary materials in May 2026 and is currently in the professional review stage.

The NDA for Insulin Degludec and Insulin Aspart Injection was submitted in June 2026 and is currently under professional review.

Autoimmunity

For HDM3001 (QX001S), the Ustekinumab biosimilar co-developed with Qyuns Therapeutics, the supplementary application for the subcutaneous injection and the marketing authorization application for the intravenous injection for the indication of Crohn's disease were approved in April and May 2026 respectively. The supplementary application for the new 90 mg strength for the indication of Crohn's disease was accepted in January 2026 and is expected to be approved by the end of 2026.

The Phase III clinical study of HDM3010 (Ruxolitinib Gel), the modified new drug independently developed by the Company for the treatment of vitiligo, is progressing.

For HDM3014 (Roflumilast Cream) co-developed with Arcutis (US), the Chinese NDA applications for two indications — plaque psoriasis (PsO) in patients aged 6 and above, and atopic dermatitis (AD) in patients aged 6 and above — have passed the on-site clinical inspection by NMPA. The Chinese NDA application for the AD indication in patients aged 2 to 5 was accepted in February 2026. All three indications above are expected to be approved in 2027.

The Phase III clinical trial of HDM3015 (MC2-01 Cream) for plaque psoriasis, co-developed with MC2 Therapeutics, has completed enrollment in China, and is currently in the treatment follow-up and data collection phase.

HDM4002 Injection, the first-in-class bispecific antibody candidate independently developed by the Company, is currently undergoing IND-enabling development. It is anticipated that IND applications will be submitted in both China and the United States in Q4 2026.

HDM3018, a bispecific antibody independently developed by the Company, is under IND development. The IND submissions in China and the US are scheduled for the second half of 2026.

HDM3020, a bispecific antibody independently developed by the Company, is under IND development, and the Chinese IND submission is scheduled for Q2 2027.

Other segments

The supplementary materials for the NDA of Ranibizumab Injection was submitted in Q2 2026.

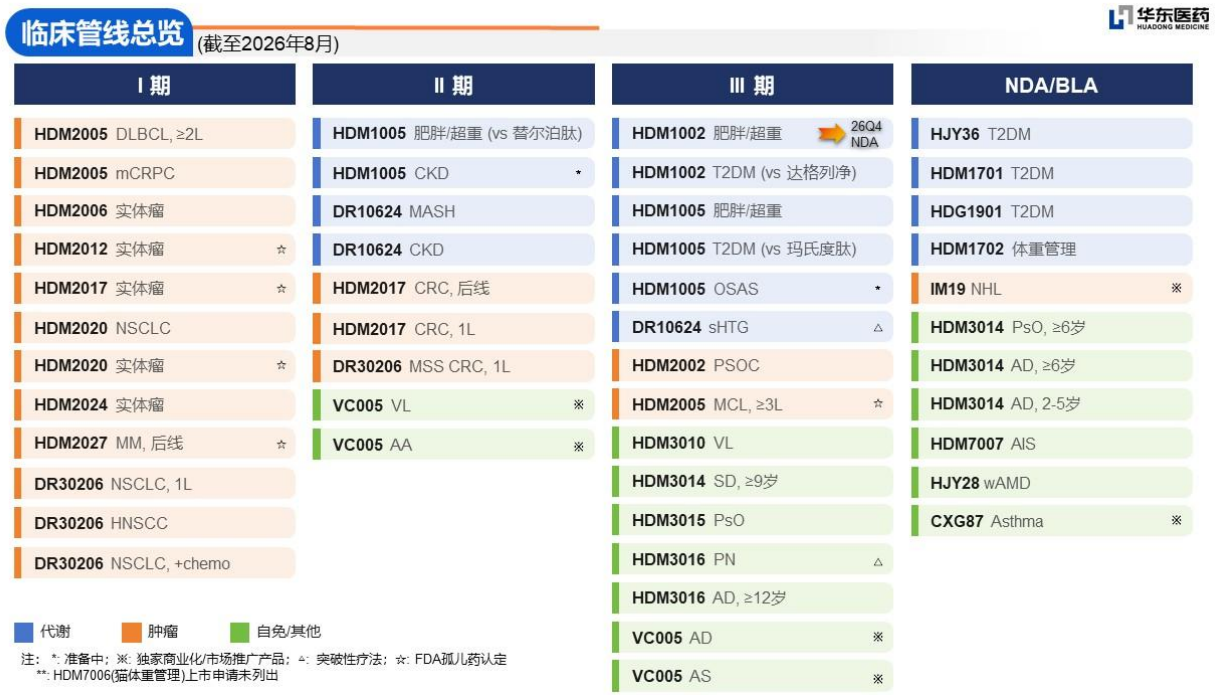


Figure: Pipeline Diagram of Innovative Products in Major Clinical Development Stages

2. Key registration milestones of innovative products during the reporting period

Type	Item	Category	China Registration Class	Milestone Event
NDA approved	Sailexin® (Ustekinumab Injection) Saijiening® (Ustekinumab Injection (Intravenous Infusion))	Biosimilar	Class 3.3 therapeutic biological product	The NDA for Saijiening® for Crohn's disease indication was approved in May 2026; The supplementary application to add a Crohn's disease indication for the 45 mg strength of Sailexin® was approved in April 2026; the supplementary application to add a Crohn's disease indication for the 90 mg strength was accepted in January 2026.
NDA accepted	0.05% Roflumilast Cream	Innovative drug	Class 5.1 chemical drug	NDA was accepted in February 2026
	Semaglutide Injection	Biosimilar	Class 3.3 therapeutic biological product	NDA for weight management indication was accepted in April 2026
	Budesonide and Formoterol Fumarate Powder for Inhalation (IV), Capsule- type	Modified new drug	Class 2.2 chemical drug	NDA accepted in April 2026
	Insulin Degludec and Insulin Aspart Injection	Biosimilar	Class 3.3 therapeutic biological product	NDA was accepted in June 2026

IND approved	DR10624	Innovative drug	Class 1 therapeutic biological product	The IND for metabolic associated fatty liver disease was approved in the U.S. in January 2026
	HDM2005	Innovative drug	Class 1 therapeutic biological product	The IND for the combination therapy with Rituximab and Lenalidomide for the treatment of relapsed/refractory mantle cell lymphoma was approved in China in January 2026
	DR10624	Innovative drug	Class 1 therapeutic biological product	IND for hypertriglyceridemia was approved in China in February 2026
	DR30206	Innovative drug	Class 1 therapeutic biological product	The IND for combination with standard chemotherapy in treatment of locally advanced or metastatic non-small cell lung cancer patients was approved in China in February 2026
	HDM2024	Innovative drug	Class 1 therapeutic biological product	The IND for monotherapy in treatment of advanced malignant solid tumors was approved in China in March 2026
	HDM2024	Innovative drug	Class 1 therapeutic biological product	The IND for monotherapy in treatment of advanced malignant solid tumors was approved in the U.S. in March 2026
	HDM2017	Innovative drug	Class 1 therapeutic biological product	The IND for combination with Fruquintinib in the treatment of advanced colorectal cancer was approved in China in May 2026
	HDM2017	Innovative drug	Class 1 therapeutic biological product	The IND for combination therapy in advanced colorectal cancer was approved in China in June 2026
	HDM2005	Innovative drug	Class 1 therapeutic biological product	The IND for combination therapy in classical Hodgkin lymphoma was approved in China in June 2026
Orphan drug designation	HDM2020	Innovative drug	Class 1 therapeutic biological product	Orphan drug designation was granted in the U.S. in February 2026 for indications of gastric cancer and gastroesophageal junction cancer
	HDM2017	Innovative drug	Class 1 therapeutic biological product	Orphan drug designation was granted in the U.S. in March 2026 for biliary tract cancer indication
	HDM2017	Innovative drug	Class 1 therapeutic biological product	Orphan drug designation was granted in the U.S. in March 2026 for gastric cancer indication
	HDM2017	Innovative drug	Class 1 therapeutic biological product	Orphan drug designation was granted in the U.S. in March 2026 for pancreatic cancer indication
Breakthrough Therapy	DR10624	Innovative drug	Class 1 therapeutic biological product	Chinese breakthrough therapy designation was obtained in January 2026 for severe hypertriglyceridemia

Note: Budesonide and Formoterol Fumarate Powder for Inhalation (IV), Capsule- type, is the product exclusively commercialized by the Company in the Chinese mainland.

3. The Company's pharmaceutical innovation achievements presented at international academic conferences since 2026

No.	Date of release	Item	Conference/journal name	Presentation format	Title
1	March 2026	HDM3014	American Academy of Dermatology (AAD)	Oral	Efficacy and Safety of Roflumilast Cream 0.3% in Chinese Adult and Pediatric Patients with Plaque Psoriasis: Results From a Phase 3 Trial
2	March 2026	HDM3014	American Academy of Dermatology (AAD)	Poster presentation	Roflumilast Cream 0.15% for Mild-to-Moderate Atopic Dermatitis: A Multicenter, vehicle-Controlled Phase 3 Bridging Study in China
3	March 2026	HD-NP-102	Society of Critical Care Medicine (SCCM)	Oral	Clinical Validation of a Transdermal GFR Measurement System in Chinese Individuals
4	March 2026	HD-NP-102	Society of Critical Care Medicine (SCCM)	Oral	Bioequivalence and Efficacy Study of MB-102 With Transdermal GFR Measurement in Chinese Subjects
5	April 2026	HDM2021	American Association for Cancer Research (AACR)	Poster presentation	HDM2021, a potent and selective CBL-B inhibitor exhibits robust immunomodulatory efficacy for anti-tumor therapy
6	April 2026	HDM2024	American Association for Cancer Research (AACR)	Poster presentation	A novel EGFR and HER3 bispecific antibody-drug conjugate exhibits superior antitumor activity and favorable toxicological profile
7	April 2026	DR319	American Association for Cancer Research (AACR)	Poster presentation	DR319-DP: A Nectin-4/Trop-2 bispecific ADC with an avidity-driven VHH design and dual-MOA payloads
8	June 2026	HDM1005	American Diabetes Association (ADA)	Oral	Efficacy and Safety of Dual GLP-1/GIP Receptor Agonist HDM1005 in Obese Participants without Diabetes: A Randomized, Double-Blind, Placebo-Controlled, Phase 2 Trial
9	June 2026	HDM1002	American Diabetes Association (ADA)	Oral	Efficacy and Safety of a Novel Oral Small Molecule Glucagon-Like Peptide 1 Receptor Agonist (HDM1002) in Type 2 Diabetes Mellitus Patients Inadequately Controlled on Diet and Exercise or Metformin
10	June 2026	HDM1002	American Diabetes Association (ADA)	Poster presentation	Efficacy and Safety of a Novel Oral Small Molecule GLP-1 Receptor Agonist HDM1002 in Chinese Overweight and Obese Adults: A Randomized, Double-Blind, Placebo-Controlled, Phase 2 Trial
11	June 2026	HDM1014	American Diabetes Association (ADA)	Poster presentation	Preclinical Efficacy and Safety of HDM1014, a Novel GalNAc-siRNA Targeting INHBE, for Weight Management with Muscle Preservation

12	June 2026	HDM1010	American Diabetes Association (ADA)	Poster presentation	Significant Synergistic Hypoglycemic Effects in Type 2 Diabetes, Mellitus by HDM1010
13	June 2026	HDM1010	American Diabetes Association (ADA)	Poster presentation	Significant Synergistic Effects in Diabetic Kidney Disease by HDM1010
14	June 2026	HDM7006	American College of Veterinary Internal Medicine (ACVIM)	Oral	Clinical studies on Weight-Loss Efficacy and Safety in Cats with HDM 7006, a FIC GLP-1R/GIPR Agonist.

4. Innovative achievements scheduled for presentation at international academic conferences in the second half of 2026

No.	Date of release	Item	Conference/journal name	Presentation format	Title
1	September 2026	HDM3017	European Academy of Dermatology and Venereology Congress (EADV)	Poster presentation	HDM3017- 1, a Potent and Selective STAT6 Degrader for the Treatment of Autoimmune and Inflammatory Diseases
2	September 2026	HDM1702	European Association for the Study of Diabetes (EASD)	Oral	Efficacy and Safety of HDM1702 vs. Semaglutide (Wegovy®) in Patients with obesity: A Randomized, Open-label Phase 3 Trial
3	September 2026	HDM1005	European Association for the Study of Diabetes (EASD)	Oral	A phase 2 trial of HDM1005 in participants with type 2 diabetes not controlled with diet/exercise or metformin
4	September 2026	HDM1013	European Association for the Study of Diabetes (EASD)	Oral	A Novel GLP-1/GIP/Amylin Triple Agonist Demonstrates Robust Weight Loss and Overcomes Incretin Plateau in Preclinical Models
5	October 2026	HDM2005	European Society for Medical Oncology (ESMO)	Poster presentation	Updated Results from a Phase I Study of HDM2005, a ROR1-targeting Antibody Drug Conjugate, in non-Hodgkin lymphoma
6	October 2026	HDM2005	European Society for Medical Oncology (ESMO)	Poster presentation	A Phase I Study of HDM2005, a ROR1-targeting Antibody Drug Conjugate, in Patients with Metastatic Castration-resistant Prostate Cancer
7	October 2026	HDM2020	European Society for Medical Oncology (ESMO)	Poster presentation	A Phase I Clinical Study of HDM2020 (FGFR2b-ADC) in Patients with Advanced FGFR2b Positive Solid Tumors: Results from Dose Escalation

5. Progress in the development and application of the AI-Enabled Drug Discovery (AIDD) Platform

In H1 2026, the Company continued to advance the systematic construction, R&D and application of the AI-Aided Drug Discovery (AIDD) platform. It accelerated the deep integration of artificial intelligence, bioinformatics and the new drug R&D workflow, further enhancing the enabling capabilities in key links including target evaluation, project initiation, molecular design, candidate molecule screening, druggability optimization and R&D intelligence analysis. The AIDD team has supported nearly 30 R&D projects, and the platform's supporting role for the R&D

pipeline has become increasingly prominent. In terms of biopharmaceutical R&D, the Company continuously strengthens its capabilities in antibody engineering design, structure optimization, affinity maturation and druggability evaluation, which have been implemented in multiple key projects. The fastest-progressing projects have entered the pre-PCC stage. In terms of small-molecule drug R&D, AIDD is used for druggability prediction and assessment to drive compound optimization. Among them, the HDM1013 project has entered the IND development stage.

During the reporting period, the Company initially completed the localized deployment of the competitive intelligence platform, AIDD toolbox and intelligent scientific research platform. It has preliminarily built an integrated AIDD technical chain covering "R&D intelligence acquisition, target and indication analysis, computational design and screening, intelligent analysis and decision support", providing critical support for improving the efficiency of candidate molecule discovery and optimization, strengthening early-stage project screening capabilities, optimizing R&D resource allocation and enhancing independent innovation capabilities. The Company actively deploys bioinformatics and intelligent R&D tools, and carries out systematic work focusing on target and target combination evaluation, indication selection and expansion, omics data analysis and R&D decision support. In H1 2026, relevant analyses covered more than 30 indications, approximately 100 potential target genes and related splice variants, supporting multiple initiated R&D projects.

6. Other innovative progress

Since the establishment of the Global Innovative Drug R&D Center 6 years ago, the Company has submitted over 220 innovation drug patents in total, with a cumulative number of 42 granted patents. Since the beginning of 2026, 14 domestic and foreign granted patents have been obtained, and 12 PCT international patent applications have been submitted.

Since 2021, the Global Innovative Drug R&D Center of the Company has been approved for 27 government projects at the national, provincial and municipal levels, with a total granted funding of nearly RMB 136.6 million. These projects include 2 national science and technology major special projects for innovative drug R&D under the national "Four Major Chronic Diseases" special program, national laboratory projects, central emergency research special projects, and Zhejiang Province "Pioneer" & "Leading Goose" R&D tackling projects. During the reporting period, Relmapirazin Injection and Mifanertinib Maleate Tablets were included in the 2026 Catalogue of High-Quality Innovative Hangzhou-produced Pharmaceuticals and Medical Devices. As the leading entity, the Company established the Yangtze River Delta Autoimmune Disease New Drug Innovation Consortium, focusing on the major clinical needs of autoimmunity to carry out R&D and industrialization tackling for innovative drugs. The "Provincial Key Laboratory for Intelligent

Innovation of Metabolic Disease New Drugs" has promoted the technical tackling of AIDD-based drug design & synthesis and intelligent drug delivery, supporting the R&D of the metabolism pipeline. The Lingang National Laboratory project focuses on metabolic drug-microneedle sustained-release technology. Its newly developed next-generation weight-loss and hypoglycemic drug-device combination product has advanced to the pre-PCC stage.

In February 2021, Zhongmei Huadong, a wholly-owned subsidiary of the Company, was approved to set up a postdoctoral research workstation in Zhejiang Province, which was registered as a national postdoctoral research workstation in September 2022. Postdoctoral researchers at the workstation conduct cutting-edge and translational research in innovative drug development, in alignment with the Company's strategic priorities and R&D pipeline layout. Postdoctoral researchers receive joint training through collaborations with mobile postdoctoral stations at leading academic institutions, including Zhejiang University, the Shanghai Institute of Materia Medica of the Chinese Academy of Sciences, Shandong University, and Zhejiang University of Technology. To date, the workstation has recruited 36 postdoctoral researchers, among whom 20 are currently in residence, while 16 have successfully completed the program.

7. Major R&D progress in generic drugs

The Company further clarified the focused and prioritized varieties by regularly organizing dynamic evaluation and analysis of existing generic drugs under development. From the beginning of the year to the release date of this Report, the Company has obtained marketing approval for a total of 5 generic drugs. These products include Carfilzomib for Injection, Isavuconazonium Sulfate for Injection and Ruxolitinib Phosphate Tablets from its wholly-owned subsidiary Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd., as well as Adapalene Gel and Terbinafine Hydrochloride Spray from its wholly-owned subsidiary Huadong Medicine (Xi'an) Bodyguard Pharmaceutical Co., Ltd.

8. Progress in international registration

No.	Field	Item	Remarks	Latest progress
1	Endocrinology	Semaglutide Injection	For diabetes treatment: 1.34 mg/mL, 3 mL	Approved by EAEU in April 2026
			For weight loss: 0.68 mg/mL, 1.5 mL; 1.34 mg/mL, 1.5 mL; 1.34 mg/mL, 3 mL; 2.27 mg/mL, 3 mL; 3.2 mg/mL, 3 mL	Approved by EAEU in May 2026
2	Immunology	Tacrolimus Capsules	0.5 mg/1 mg	Approved by Uzbekistan in April 2026

3	Anti-infection	Isavuconazonium Sulfate for Injection	372 mg	DRL response for label and quality in April 2026
4	Anti-infection	Polymyxin B Sulfate	APIs	CEP (Sister file) approved in February 2026;
5	Endocrinology	Insulin Aspart	APIs	Completed initial U.S. DMF submission in January 2026
6	Antipsychotics	Brexpiprazole	APIs	Completed initial U.S. DMF submission in March 2026
7	Oncology	Deruxtecan	Intermediate	Completed initial U.S. DMF submission in March 2026
8	Anti-infection	Gramicidin	APIs	CEP application submitted in June 2026
9	Nucleotide drugs	2'-F-dC(Ac) Phosphoramidite	Intermediate	Completed initial U.S. DMF submission in March 2026
10	Oncology	Leptomycin B	Intermediate	Completed initial U.S. DMF submission in March 2026
11	Oncology	Calicheamicin	Intermediate	Completed initial U.S. DMF submission in March 2026
12	Nucleotide drugs	L96.TEA	Intermediate	Completed initial U.S. DMF submission in April 2026
13	Anti-infection	Echinocandin B nucleus (ECBN)	Intermediate	Completed initial U.S. DMF submission in June 2026
14	Oncology	Adagrasib Intermediate	Intermediate	Completed initial U.S. DMF submission in June 2026
15	Nucleotide drugs	dT phosphoramidite	Intermediate	Completed initial U.S. DMF submission in July 2026

9. Progress in consistency evaluation

From the beginning of 2026 to the release date of the Report, Huadong Medicine (Xi'an) Bodyguard Pharmaceutical Co., Ltd., a wholly-owned subsidiary of the Company, received an Approval Notice for the Supplemental Application for Consistency Evaluation for its Ibuprofen Tablets.

10. Main registration progress of domestic aesthetic medicine

No.	Type	Product designation	Intended use	Latest progress
1	Injections	MaiLi®Precise Hyaluronic acid	Improvement of infraorbital hollowness	Received marketing approval from NMPA in August 2026
2	Injections	Lanluma®V Poly-L-lactic acid	Improvement of jawline contour	Completed the clinical trial report in June 2026
3	Injections	KIO021 Chitosan	Improvement of facial skin condition	Completed 500 subjects enrollment in January 2026. Clinical data analysis is currently underway
4	Injections	Ellansé-S Polycaprolactone	Improvement of forehead contour	The supplementary indication registration application was accepted by NMPA in June 2026. It is currently in the regulatory review stage.
5	Injections	Ellansé-M Polycaprolactone	Improvement of temporal hollowness	Received marketing approval from NMPA in April 2026

6	Injections	Recombinant botulinum toxin type A for injection (trade name: Retoxin®)	Moderate-to-severe glabellar lines	Received marketing approval from NMPA in March 2026
7	Energy-based device	V30	Improvement of wrinkles, benign skin lesions, benign vascular lesions, benign pigmented lesions, moderate inflammatory acne and hair removal	Received marketing approval from NMPA in June 2026
8	Energy-based device	Primelase Laser device	Benign skin lesions, pigmented lesions, and benign vascular lesions	Chinese Mainland: Currently in the stage of regulatory submission to NMPA; Registration application in Taiwan, China: Currently in the technical review stage; the application is expected to get approval in Q1 2027

11. Main registration progress of overseas aesthetic medicine

No.	Type	Product	Indication	Latest progress
1	Injections	KIO015 (trade name: Kytogen®Defend)	Superficial filling, skin quality improvement, skin hydration	Obtained EU MDR-CE certification in August 2026
2	Injections	Ellansé S	Nasolabial folds	Completed enrollment of all subjects for U.S. clinical study by end of March 2026; currently conducting safety follow-ups according to the study protocol
3	Energy-based device	Primelase Laser device	Benign skin lesions, pigmented lesions, and benign vascular lesions	Japan registration application: Currently, the application is in the technical review stage; it is expected to get approval in Q2 2027

12. Patent progress

In recent years, the Company has placed great emphasis on the protection of intellectual property rights and the application of research outcomes, with both the number of patent applications and grants steadily increasing. The Company has filed a total of over 2,000 patent applications domestically and internationally over the years, including more than 610 authorized invention patents. Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd., a wholly-owned subsidiary of the Company, is a national intellectual property demonstration enterprise. It passed the external audit by Zhongzhi (Beijing) Certification Co., Ltd. in November 2014 and became one of the first 147 enterprises that passed the standards implementation certification. In October 2025, it smoothly passed the audit of the enterprise intellectual property compliance management system (Certificate No.: 165IP250489R0L).

During the reporting period, the Company's patent application and maintenance work proceeded smoothly. A total of 110 patent applications were filed, including 86 invention patents, and 44 patents were authorized.

Patent type	Increase during the reporting period		Total quantity	
	Number of patents applied for (units)	Number of patents received (units)	Number of patents applied for (units)	Number of patents received (units)
Invention patent	86	32	1624	619
Utility patent	18	9	339	282
Appearance design patent	6	3	54	49
Total	110	44	2,017	950

Note: The data in the above table represent the statistical patent information of main subsidiaries engaged in the pharmaceutical industry, industrial microbiology and aesthetic medicine within the Company's consolidated statements.

II. Analysis of core competitiveness

1. Open innovative drug R&D system and continuously improved innovation ability

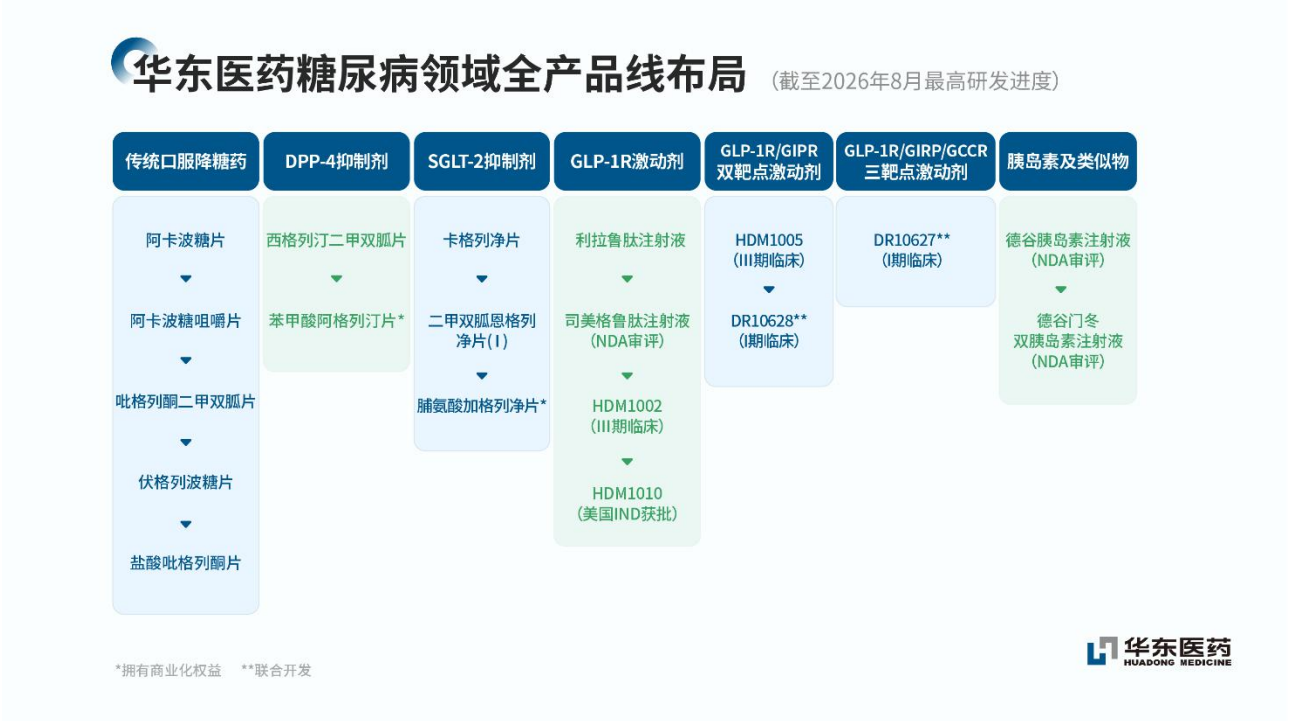
The Company has consistently placed a high priority on innovation and research and development, and adhered to the philosophy of "research-driven and patient-centered" development. Guided by the principles of clinical value, pharmacoeconomic value, and commercial viability, the Company continues to sustain a high level of investment in R&D activities. Its Global Innovative Drug R&D Center serves as the cornerstone for innovation strategy formulation, pipeline planning, and clinical study and development. Following years of dedicated development, the Company has established a relatively comprehensive and independent drug R&D system that encompasses the entire life cycle of drug development—from drug discovery and pharmaceutical research through preclinical and clinical studies to industrialization.

Focusing on three core therapeutic fields—oncology, endocrinology, and autoimmunity—the Company remains committed to continuous development and has cultivated a diversified portfolio of differentiated innovative product pipelines that cover the full R&D cycle via independent R&D, external cooperation, license-in. All these merits effectively empower the continuous initiation and marketing of innovative products, offering impetuses for the Company's medium- and long-term development. The Company has continuously leveled up its independent R&D and innovation capabilities. Its Innovative Drug R&D Center is advancing the R&D of nearly 100 innovative drug pipeline programs, placing the Company among the first tier of pharmaceutical companies in China in terms of pipeline size.

2. Diverse product pipelines for specialized and chronic diseases, and featured layout in three core therapeutic fields

Focusing on specialized medicines, medicines for chronic diseases, as well as special medicines for years, the Company has fostered good brand effect and laid strong market foundation in such fields as chronic kidney disease, immunology, endocrinology, oncology, digestive system and cardiovascular diseases, continuously keeping in the forefront of similar products in China in terms of market share. Meanwhile, the Company has launched first-in-class new drugs on the global market in core therapeutic areas including oncology, endocrinology and autoimmunity. It has formed three featured pipeline matrices covering ADCs, GLP-1s and topical preparation, building differentiated competitive advantages.

Specializing in medicines for diabetes for over two decades, the Company has comprehensively laid out product pipelines of innovative and differentiated generic drugs for clinical mainstream therapeutic targets of diabetes, with over 20 types of products under development or put in commercial production. Now, the Company has fostered good brand effect and laid strong market foundation. The existing and subsequently-upgraded products cover multiple mainstream targets, including α-glucosidase inhibitors, DPP-4 inhibitors, SGLT-2 inhibitors, GLP-1 receptor single-target and long-acting multi-target agonists, as well as insulin and its analogs. Centered on the GLP-1 target, the Company has developed a comprehensive and differentiated product pipeline that combines long-acting and multi-target global innovative drugs and biosimilars, including oral tablets and injections.



In the oncology field, the Company takes independent R&D as the core and global collaboration as the support, continuously consolidating its differentiated product pipeline. Especially in the ADC track, the Company has built full-chain capabilities spanning from R&D to commercialization. Elahere®, the world's first and currently the only approved FRα-targeting ADC drug for platinum-resistant ovarian cancer, has been officially commercialized in China. The Company is committed to building an ADC pipeline matrix centered on independent innovation, with ADC candidate products targeting differentiated innovative targets such as ROR1, FGFR2b, MUC17 and CDH17. The overall R&D progress for these novel targets ranks among the global leaders, and multiple products have obtained the Orphan Drug Designation from the FDA. Meanwhile, the Company has invested in, held controlling stakes in and incubated a number of leading domestic biotech companies. By strategically acquiring shares in Heidelberg Pharma, a German company, to become its second-largest shareholder, the Company carries out product collaboration and introduces its proprietary ATAC (Amanitin Antibody Conjugate) technology platform, further expanding its differentiated toxin ADC pipeline. Based on clinical feedback, the Company continues to carry out innovative R&D of ADCs with novel targets and new mechanisms, building a world-class independent ADC R&D industrial platform, and committed to providing innovative treatment solutions with higher clinical value for oncology patients.

In the field of autoimmunity, the Company's marketed and pipeline products cover a wide range of indications, including transplant immunology, psoriasis, atopic dermatitis, rheumatoid arthritis, seborrhoeic dermatitis, prurigo nodularis, vitiligo, recurrent pericarditis, and cryopyrin-associated periodic syndromes. These indications span across dermatology, rheumatology, cardiovascular, respiratory, and transplant-related diseases, making the Company one of the most comprehensive pharmaceutical enterprises in China in terms of coverage in the autoimmune disease area. Additionally, the Company's innovative drug R&D center has been focusing on new targets and biological mechanisms, developing multiple early-stage projects for immune diseases, all of which are progressing smoothly. With regard to autoimmunity, the Company stretched its coverage to topical preparations, built topical preparation R&D platforms, and steadily advanced the R&D

and innovation of external and complicated preparations. Currently, the Company's wholly-owned subsidiary, Huadong Medicine (Xi'an) Bodyguard Pharmaceutical Co., Ltd. and its controlled subsidiary, Shaanxi Jiuzhou Pharmaceutical Co., Ltd., have jointly fostered four production lines for topical preparations. The Company now has more than 10 products of topical preparation either under development or in commercial production.

3. A leading professional pharmaceutical service team in China and a mature and well-established commercial operation system

The Company's pharmaceutical development is supported by a highly specialized team dedicated to pharmaceutical services and market development. Centered on clinical value and academic promotion, the team advances an integrated marketing model that connects comprehensive hospitals, primary-level medical institutions, the retail sector, third-terminal channels, and online platforms. With a sales network covering more than 30 provinces, autonomous regions, and municipalities nationwide, the Company has established a multi-channel, wide-coverage presence with strong competitive advantages.

The Company's pharmaceutical distribution segment has deeply cultivated the Zhejiang market for many years, with a solid regional business foundation and a well-established product category

layout, building deep competitive moats in market access and terminal channel coverage. In terms of supply chain cooperation, the Company has established long-term, stable and in-depth strategic partnerships with over 95% of mainstream domestic and international pharmaceutical enterprises, with sufficient product supply and a mature cooperation system. Its sales network fully covers all 90 county-level administrative regions in Zhejiang Province, achieving 100% coverage of public medical institutions within the province. It also continuously expands to out-of-hospital terminal customers such as retail pharmacies and private medical institutions, with its regional market share ranking among the top in Zhejiang's pharmaceutical industry.

The Company continuously strengthens the construction of core competitive capabilities, forming systematic and institutionalized competitive advantages in deep collaboration with top-tier medical institutions, coordinated implementation of policy affairs, business model innovation and efficient organizational operation. It can provide full-value-chain integrated services for upstream and downstream partners, covering the entire process including pharmaceutical project market access, professional one-stop CSO commercial marketing, retail and DTP professional channel construction, local government affairs coordination, and compliant payment guarantee, fully empowering the coordinated development of the entire industrial chain.

With the continuous deepening of China's pharmaceutical reform, the pharmaceutical distribution industry is accelerating its transformation from the traditional commercial distribution model to a specialized, service-oriented and integrated supply chain service model. The Company accurately grasps the industry development trend, actively adapts to the orientation of policy reform, and continuously deepens strategic cooperation and ecological co-construction with core customers. At present, the Company has formed differentiated leading advantages in multiple core segmented tracks including professional market access services, omni-channel integrated marketing, pharmaceutical government affairs coordination, innovative pharmaceutical affairs services, high-end cold chain third-party pharmaceutical logistics, and automated intelligent herbal decoction. It continues to consolidate its core competitiveness as the regional industry leader, building solid core moats for sustained and steady business growth.

4. A comprehensive high-end international aesthetic medicine product pipeline

Focusing on the global high-end medical aesthetics market, the Company has established an internationalized team dedicated for aesthetic medicine operations and BD. Through mergers and acquisitions and product in-licensing in recent years, the Company has progressively refined and enriched its industrial layout for high-end aesthetic medicines. The Company now provides full-spectrum coverage in the mid- to high-end markets for non-surgical aesthetic injectables and energy-based devices. Its portfolio comprises more than 50 high-end, internationally sourced

minimally invasive and non-invasive aesthetic medicine products, 36 of which have already been launched in domestic or overseas markets. Its globally patented product suite spans mainstream non-surgical aesthetic categories, including frown line improvement, facial and body filling, thread lifting, skin management, body contouring, depilation, and intimate rejuvenation. The Company has thus established a comprehensive product cluster, ranking among the industry leaders in terms of product number and coverage breadth, while continuing to expand its global presence. Meanwhile, the Company has achieved full coverage across three major injectable categories—regenerative products, hyaluronic acid, and botulinum toxin—forming a multi-dimensional, full-face aesthetics treatment system. This allows the Company to provide precise, personalized and highly effective "one-stop" aesthetic solutions for aesthetic seekers. The Company's aesthetic medicine marketing network spans over 80 countries and regions worldwide, supported by a professional aesthetic medicine sales team of over 700 members across markets in and out of China.

5. Outstanding and leading international competitiveness in industrial microbiology segment

The Company has long been deeply engaged in the industrial microbiology segment. It operates the largest single fermentation workshop in Zhejiang Province and boasts industry-leading production capacity for microbial drugs. It possesses full-chain R&D capabilities in microbial engineering technologies, including strain construction, metabolism regulation, enzyme catalysis, synthetic modification, separation and purification. It has established a complete manufacturing system covering microbial project R&D, pilot-scale verification, commercial production, and engineering & utility system support. The Company has established an R&D cluster centered on the Synthetic Biology R&D Platform (Huadong Synthetic Biology Research Institute), the Industrial Microbiology R&D Platform (Huida Biotech) and the Synthetic Chemistry R&D Platform. It has deployed 7 industrialization bases located in Hangzhou Xiangfuqiao, Qiantang New Area, Jiangsu Joyang, Magic Health, Anhui Meihua, Wuhu Huaren and Huadong Dongbao. The Company is making every effort to continuously advance the integrated development of "production, research and marketing" in the field of industrial microbiology.

The Company's industrial microbiology segment has developed a globally-oriented, collaborative and highly efficient innovation talent team and established a multidisciplinary talent structure led by seasoned industry experts and supported by a new generation of key scientific research personnel. This has enabled the Company to build a specialized operating system underpinned by profound technical expertise and outstanding innovation capabilities. On the R&D front, the Company remains committed to talent-driven innovation, with master's and doctoral degree holders accounting for 30% of its R&D personnel. As of the end of the reporting period, the

Company's industrial microbiology segment had initiated 538 R&D projects in total, including 294 xRNA raw material projects, 148 specialty API and intermediate projects, 61 massive health and biomaterials projects, and 35 animal health projects. This extensive project pipeline provides a solid pipeline foundation for medium- and long-term business growth.

6. Prudent and pragmatic operation style, and stable returns to shareholders

The Company is committed to management innovation and continues to enhance its operating quality as a means of strengthening its core competitiveness. Leveraging its high-quality product portfolio, outstanding commercialization capabilities, compliant and efficient marketing and service system, differentiated market positioning, forward-looking R&D and innovation strategy, and a well-structured talent echelon plan, the Company is steadily advancing toward long-term, sustainable and high-quality growth. Since its listing, the Company has made a total of 26 dividend distributions, with cumulative dividends amounting to RMB 9.89 billion. Through sustained and stable cash returns, the Company has created substantial long-term investment value for its shareholders.

III. Analysis of main business

Overview

Please refer to the relevant contents of "I. Main business of the Company during the reporting period".

Year-on-year changes in key accounting data

Unit: RMB

	Current reporting period	Same period last year	Year-on-year increase/decrease	Reason for change
Operating revenue	22,066,646,185.69	21,674,928,965.21	1.81%	
Operating cost	14,828,934,265.49	14,327,396,132.90	3.50%	
Selling expenses	3,415,134,454.00	3,229,044,236.81	5.76%	
Management expenses	695,712,456.19	725,296,086.80	-4.08%	
Financial expenses	15,815,238.01	22,424,175.74	-29.47%	
Income tax expense	371,103,526.62	389,834,341.82	-4.80%	
R&D investment	747,087,944.12	999,673,972.93	-25.27%	
Net cash flow from operating activities	2,499,419,530.63	2,456,848,510.10	1.73%	
Net cash flows from investing activities	-762,606,541.65	-791,757,068.20	3.68%	
Net cash flow from financing activities	-983,956,953.27	-1,533,431,198.50	35.83%	Primarily attributable to a decrease in cash payments for other activities related to financing compared

				with the same period of the previous year
Net increase in cash and cash equivalents	751,397,083.68	14,817,239.00	4,971.10%	Primarily attributable to a decrease in net cash outflows from financing activities compared with the same period of the previous year

Significant changes in the composition or sources of the Company's profits during the reporting period

□Applicable ☑Not applicable

There were no significant changes in the composition or sources of the Company's profits during the reporting period.

Composition of operating revenue

Unit: RMB

	Current reporting period		Same period last year		Year-on-year increase/decrease
	Amount	Proportion to operating revenue	Amount	Proportion to operating revenue	
Operating revenue	22,066,646,185.69	100%	21,674,928,965.21	100%	1.81%
By industries					
Commerce	14,099,335,279.67	63.89%	13,970,510,608.22	64.45%	0.92%
Manufacturing	8,679,896,494.76	39.33%	8,603,485,229.15	39.69%	0.89%
Incl.: industry	7,968,908,996.66	36.11%	7,316,615,884.76	33.76%	8.92%
Medical aesthetics business	651,482,794.48	2.95%	1,112,235,226.85	5.13%	-41.43%
Incl.: international medical aesthetics business	332,461,848.93	1.51%	524,344,885.36	2.42%	-36.59%
Medical aesthetics business in China [Note]	344,790,625.38	1.56%	725,276,218.82	3.35%	-52.46%
Offset (inter-sectoral offset)	-712,585,588.74		-899,066,872.16		
By products					
By regions					
Sales in China	21,628,415,106.91	98.01%	21,062,550,182.23	97.17%	2.69%
Overseas sales	438,231,078.78	1.99%	612,378,782.98	2.83%	-28.44%

[Note] The medical aesthetics business in China includes revenue from self-operated aesthetic medicine products, revenue from aesthetic medicine products distributed by the Company's pharmaceutical commercial agency, and revenue from proprietary OTC weight-loss products.

Industries, products, regions accounting for more than 10% of the Company's operating revenue or operating profit

☑Applicable □Not applicable

Unit: RMB

	Operating revenue	Operating cost	Gross profit margin	Year-on-year change in operating revenue	Year-on-year change in operating cost	Year-on-year change in gross profit margin
By industries						
Commerce	14,099,335,279.67	13,166,618,350.01	6.62%	0.92%	1.01%	-0.08%

Manufacturing	8,679,896,494.76	2,304,003,354.92	73.46%	0.89%	9.01%	-1.98%
By products						
By regions						
Sales in China	21,628,415,106.91	14,647,274,870.13	32.28%	2.69%	3.86%	-0.76%
Overseas sales	438,231,078.78	181,659,395.36	58.55%	-28.44%	-19.06%	-4.80%

If the statistical method of the Company's main business data has been adjusted during the reporting period, the Company's main business data of the most recent period should be adjusted according to the method at the end of the reporting period

□Applicable ☑Not applicable

IV. Analysis of non-main business

☑Applicable □Not applicable

Unit: RMB

	Amount	Proportion to total profit	Reason for formation	Whether it is sustainable
Investment income	595,643.34	0.03%		
Gains or losses from changes in fair value	0.00	0.00%		
Impairment of assets	-7,889,468.30	-0.36%		
Non-operating revenue	1,638,197.10	0.07%		No
Non-operating expenses	48,620,827.68	2.20%		No
Other income	61,562,073.66	2.78%		No

V. Analysis of assets and liabilities

1. Significant changes in asset composition

Unit: RMB

	End of the current reporting period		End of the prior year		Increase or decrease in proportion	Description of significant changes
	Amount	Proportion to total assets	Amount	Proportion to total assets		
Monetary funds	5,605,360,468.39	14.02%	4,978,052,188.84	12.75%	1.27%	Primarily attributable to a decrease in net cash outflows from financing activities, an increase in net cash inflows, and an increase in bank deposits.
Accounts receivable	8,841,404,841.16	22.12%	8,985,587,945.31	23.02%	-0.90%	
Inventory	5,030,683,149.60	12.58%	5,535,765,919.86	14.18%	-1.60%	Primarily attributable to a decrease in

						finished goods and inventory
Investment property	10,480,170.79	0.03%	10,946,776.47	0.03%		
Long-term equity investment	1,650,742,294.80	4.13%	1,509,122,017.22	3.87%	0.26%	
Fixed assets	4,289,689,684.93	10.73%	4,470,264,264.88	11.45%	-0.72%	
Construction in progress	987,615,685.14	2.47%	832,431,516.18	2.13%	0.34%	
Right-of-use assets	199,999,619.57	0.50%	170,395,474.59	0.44%	0.06%	
Short-term borrowings	1,715,030,135.18	4.29%	1,621,903,523.77	4.15%	0.14%	
Contract liabilities	145,747,142.69	0.36%	188,554,462.61	0.48%	-0.12%	
Long-term borrowings	250,096,486.73	0.63%	252,034,854.55	0.65%	-0.02%	
Lease liabilities	116,993,386.72	0.29%	88,813,504.20	0.23%	0.06%	

2. Major overseas assets

☑Applicable □Not applicable

Specific item of the asset	Reason for formation	Asset scale	Location	Operating mode	Control measures to ensure asset safety	Profitability	Proportion of overseas assets to net assets of the Company	Any significant impairment risk
Sinclair Pharma Limited	Equity acquisition	RMB 2,007,706,900	The United Kingdom	Independent accounting	Major decisions approved by the Board of Directors, routine financial supervision, and audits conducted by external intermediary agencies	Loss for the current period	7.79%	No

3. Assets and liabilities measured at fair value

☑Applicable □Not applicable

Unit: RMB

Item	Opening balance	Profits or losses from changes in	Cumulative fair value changes	Impairment accrued in the current	Purchase amount in the current	Sale amount in the current	Other changes	Closing balance

		fair value in the current period	recorded in equity	period	period	period		
Financial assets								
4. Other equity instrument investments	681,006,253.76	820,934.11	4,595,102.04		2,234,465.22	1,950,196.74	-7,845,749.54	674,265,706.81
Subtotal of financial assets	681,006,253.76	820,934.11	4,595,102.04		2,234,465.22	1,950,196.74	-7,845,749.54	674,265,706.81
Receivables financing	460,578,206.16				4,047,985,068.80	3,643,296,118.31		865,267,156.65
Total of the above	1,141,584,459.92	820,934.11	4,595,102.04		4,050,219,534.02	3,645,246,315.05	-7,845,749.54	1,539,532,863.46
Financial liabilities	0.00						0.00	0.00

Description of other changes

Other changes are due to exchange rate changes

Whether there is any significant change in the measurement attributes of the Company's main assets during the reporting period

□Yes ☑No

4. Restrictions on asset rights as of the end of the reporting period

Unit: RMB

Item	Closing book balance	Closing carrying amount	Type of restriction	Reason for restriction
Monetary funds	109,173,061.46	109,173,061.46	Deposit	Deposit used for issuing bills, letters of credit, etc.
Monetary funds	8,428,383.33	8,428,383.33	Frozen	Time deposits not withdrawable on demand and interest
Monetary funds	440,276.02	440,276.02	Frozen	Special funds for reserve materials
Fixed assets	104,874,654.12	100,146,512.50	Mortgage	Property used as mortgage for loan
Intangible assets	56,297,988.87	51,611,574.67	Mortgage	Land used as mortgage for loan
Total	279,214,363.80	269,799,807.98		

VI. Analysis of investment status

1. Overall situation

☑Applicable □Not applicable

Investment amount in the reporting	Investment in the same period of the	Percentage change

period (RMB)	prior year (RMB)	
1,114,829,992.50	1,238,971,421.66	-10.02%

2. Significant equity investments acquired during the reporting period

□Applicable ☑Not applicable

3. Significant non-equity investments in progress during the reporting period

☑Applicable □Not applicable

Unit: RMB

Item	Way of investment	Investment in fixed assets or not	Industries involved in the investment project	Investment amount during the reporting period	Accumulated actual investment amount by the end of the reporting period	Source of funds	Project progress	Expected earnings	Accumulated income realized by the end of the reporting period	Reasons for failure to meet the planned progress and expected earnings	Disclosure date (if applicable)	Disclosure index (if applicable)
Huadong Medicine Bio-innovation Intelligence Center Project	Self-built project	Yes	Pharmaceutical manufacturing	82,380,365.81	513,095,275.85	Own funds	58.00%	0.00	0.00	Not applicable	February 8, 2024	CNINFO (http://www.cninfo.com.cn)
Total	--	--	--	82,380,365.81	513,095,275.85	--	--	0.00	0.00	--	--	--

4. Investment in financial assets

(1) Investment in securities

☑Applicable □Not applicable

Unit: RMB

Security type	Security code	Security abbreviation	Initial investment cost	Accounting measurement model	Opening carrying amount	Profits or losses from changes in	Cumulative fair value changes	Purchase amount in the current	Sale amount in the current	Gains or losses during the report	Closing carrying amount	Accounting item	Source of funds

						fair value in the current period	recorded in equity	t period	period	ing period			
Domestic and overseas stocks	RAPT	RAPT	20,207,400.00	Fair value measurement	1,158,325.59	820,934.11	0.00		1,950,196.74	-29,062.96	0.00	Investment in other equity instruments	Own funds
Total			20,207,400.00	--	1,158,325.59	820,934.11	0.00	0.00	1,950,196.74	-29,062.96	0.00	--	--

Note: (1) Huadong Medicine Investment Holding (Hong Kong) Limited ("Huadong Investment"), a wholly-owned subsidiary of the Company, invested USD 3.00 million in 2018 to purchase 218,102 Series C-2 preferred shares of RAPT Therapeutics, Inc. RAPT Therapeutics, Inc. was listed on the NASDAQ Stock Market in the United States on October 30, 2019 (stock code: RAPT). As of the end of the reporting period, all RAPT shares held by Huadong Medicine Investment Holding (Hong Kong) Limited had been sold.

(2) On March 11, 2024, Huadong Medicine Investment Holding (Hong Kong) Limited, one of the Company's wholly-owned subsidiaries, subscribed IPO shares of Qyuns Therapeutics Co., Ltd. at the Stock Exchange of Hong Kong Limited as cornerstone investor with the consideration of equivalent USD 5 million from its own funds in Hong Kong dollar (excluding brokerage commission, related transaction fees and levies). For details, please refer to the *Announcement on Subscribing IPO Shares of Qyuns Therapeutics Co., Ltd. in Hong Kong as Cornerstone Investor* (Announcement No.: 2024-013) disclosed by the Company on CNINFO (http://www.cninfo.com.cn). On March 20, 2024, Qyuns Therapeutics was successfully listed on the main board of the Stock Exchange of Hong Kong with the stock code of 2509.HK. As of the date of this Report, the Company holds a total of 37,876,800 shares of Qyuns Therapeutics through its wholly-owned subsidiaries Zhongmei Huadong and Huadong Medicine Investment Holding (Hong Kong) Limited, accounting for approximately 16.68% of the total shares of Qyuns Therapeutics. Among them, Zhongmei Huadong holds 35,900,000 shares and Huadong Medicine Investment holds 1,976,800 shares. The Company calculated the shares held by Zhongmei Huadong and Huadong Medicine Investment in a consolidated manner, which was reflected in the long-term equity investment in the financial statements.

(3) On November 28, 2024, Hangzhou Jiuyuan Genetic Biopharmaceutical Co., Ltd., one of the Company's shareholding enterprises, was successfully listed on the main board of the Stock Exchange of Hong Kong with the stock name (abbreviation) of Jiuyuan Gene and the stock code of 2566.HK. As of the date of the Report, the Company holds a total of 42,120,453 shares of Jiuyuan Gene through its wholly-owned subsidiary Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd., accounting for approximately 17.16% of the total shares of Jiuyuan Gene. The Company's shareholding in Jiuyuan Gene was reflected in the long-term equity investment in the financial statements.

(2) Investment in derivatives

□Applicable ☑Not applicable

The Company had no derivative investment during the reporting period.

5. Use of raised funds

□Applicable ☑Not applicable

The Company had no use of raised funds during the reporting period.

VII. Sale of major assets and equity

1. Sale of major assets

□Applicable ☑Not applicable

The Company did not sell major assets during the reporting period.

2. Sale of significant equity

□Applicable ☑Not applicable

VIII. Analysis of major shareholding companies

☑Applicable □Not applicable

Major subsidiaries and shareholding companies with an impact of more than 10% on the Company's net profit

Unit: RMB

Company name	Type of company	Main business	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd.	Subsidiary	Production of Traditional Chinese and Western APIs and formulations, and health care products	872,308,130.00	23,322,958,855.98	13,822,840,772.91	7,986,595,303.35	2,124,908,422.54	1,770,702,931.34

Acquisition and disposal of subsidiaries during the reporting period

☑Applicable □Not applicable

Company name	Method of acquisition and disposal of subsidiaries during the reporting period	Impact on overall production, operation, and performance
Huadong Medicinal Materials (Wenzhou) Co., Ltd.	Incorporation	Pharmaceutical distribution development
Huadong Medicine E-commerce (Zhejiang) Co., Ltd.	Incorporation	Pharmaceutical distribution development
Huadong Medicine New Drug R&D Center (Beijing) Co., Ltd.	Incorporation	Innovation R&D platform expansion

Description of major shareholding companies

IX. Structured entities controlled by the Company

□Applicable ☑Not applicable

X. Risks faced by the Company and countermeasures

1. Risks arising from industry policy changes and product price reductions

The pharmaceutical industry is not only a strategic industry that receives strong support and encouragement from the government, but also one that is directly related to public health and life safety. It is characterized by intense competition and active innovation, requiring companies to continuously adapt to changes in market conditions and policy developments. In recent years, policies such as centralized volume-based procurement and national medical insurance negotiations have continued to advance, with an increasing trend toward standardization, normalization and systematization. Meanwhile, external uncertainties such as geopolitical factors and macroeconomic policies have also disrupted business operations and market conditions, presenting challenges to the production costs and profitability of the pharmaceutical industry. New drug products may also face the risk of price reductions.

Countermeasures: The Company closely monitors macroeconomic policies and industry development trends and continuously adjusts its business strategies accordingly. In terms of R&D, the Company continues to increase its investment in R&D and strengthen its long-term competitiveness and growth potential by continuously expanding its product pipeline in core therapeutic areas. Meanwhile, the Company continues to deepen its presence in the aesthetic medicine and industrial microbiology sectors, fostering diversified growth drivers. In addition, the Company also mitigates its production and operation risks through cost reduction, efficiency improvement, lean management, or by other means.

2. Risks in new drug R&D

The development of innovative products is characterized by long development cycles, substantial investment requirements and a high degree of uncertainty. From R&D to commercialization, an innovative drug must go through multiple stages, including preclinical study, clinical trial, regulatory submission and registration, approval for production, and commercial launch. The process is also subject to various uncertainties arising from government policies, market conditions, regulatory reviews and approvals, among other factors. In addition, the R&D of innovative drugs requires highly educated and highly qualified R&D professionals. Upfront investments in personnel and R&D expenses may place a certain degree of pressure on the Company's achievement of its current-period operating objectives. Following commercialization, newly launched drugs also require time and market development efforts to achieve meaningful sales growth, and may be subject to risks such as price reductions. As a result, there is a risk that returns on R&D investment may fall short of expectations.

Countermeasures: The Company focuses on its core therapeutic fields and continuously enhances its in-house R&D capabilities. In recent years, it has enriched and optimized its product pipelines through a combination of independent R&D and licensed introductions, thereby building a

distinctive R&D ecosystem for Huadong Medicine and establishing differentiated R&D portfolios in oncology, endocrinology and autoimmunity. The Company will also continue to optimize its innovation mechanisms, improve its scientific evaluation and decision-making systems for new drug candidates, and deepen cooperation with renowned R&D institutions in China and abroad. At the same time, the Company will further strengthen its efforts to attract and develop high-caliber scientific and research talent, enhance the training and incentive mechanisms for key technical personnel, and build a high-level innovative R&D team capable of supporting the entire life cycle of innovative drug development.

3. Risk in investment and merger

External investment is one of the key means through which the Company pursues strategic transformation and upgrading. In recent years, to support its strategic transformation toward innovation-driven development, the Company has continued to pursue investment and M&A activities in the areas of innovative drugs, aesthetic medicine and industrial microbiology, resulting in goodwill and long-term equity investment of a certain scale. If the operating performance of investee or acquired companies fluctuates in the future, the related goodwill or long-term equity investment may be subject to impairment, which could adversely affect the Company's operating results for the current period. In addition, post-investment management and business integration of target companies place higher demands on the Company's management capabilities.

Countermeasures: The Company exercises oversight over acquired subsidiaries through control of Board of Directors and by appointing management and financial personnel to participate in major decision-making and daily operations. The Company requires its controlling subsidiaries to operate in compliance with the relevant internal control requirements applicable to listed companies. It has established comprehensive management systems for their day-to-day operations and ensured their effective implementation. The Management of acquired subsidiaries maintains efficient communication with the Company, while daily operations and major decisions are strictly carried out in accordance with relevant laws and regulations, the Company's Articles of Association, management rules, the Board of Directors and the Rules of Procedure for Shareholders' Meeting. From a risk management and control perspective, the Company conducts business, financial and tax due diligence on target companies by engaging professional intermediaries and regularly carries out special-purpose management audits. In addition, the Company is committed to comprehensively enhancing its capabilities in overall planning and coordination of business operations, management structures and financial management. It continuously strengthens resource sharing and synergies with acquired subsidiaries, enhances its capabilities in integrated business management and coordinated operations and governance, establishes a regular impairment testing mechanism

covering goodwill and long-term equity investment, and further improves the comprehensiveness, scientific rigor and timeliness of post-investment management.

4. Risk in exchange rate fluctuation

The Company has remained committed to advancing its international development. In recent years, its international cooperation has continued to deepen, its aesthetic medicine sales network has expanded globally, and its industrial microbiology segment has accelerated its expansion into international markets. The proportion of its transactions settled in foreign currencies has been steadily increasing. The fluctuation in exchange rate will affect the price of the Company's export products, cause exchange gains and losses to the Company, and increase the operating costs, thus affecting the Company's assets, liabilities and income, further impacting its operation ability, debt repayment ability and profitability.

Countermeasures: The Company will closely monitor exchange rate movements and dynamically adjust its response strategies based on actual operating conditions to mitigate adverse impacts. It will enhance awareness of foreign exchange risk prevention and improve its foreign exchange risk management system. At the same time, the Company will strengthen the professional capabilities of its financial personnel and enhance their awareness of risk mitigation, while making effective use of financial instruments and other financial management measures to prudently manage and mitigate the risks arising from exchange rate fluctuations.

XI. Implementation of the market value management system and valuation enhancement plan

Whether the Company formulates its market value management system.

☑Yes □No

Whether the Company discloses its valuation enhancement plan.

□Yes ☑No

To strengthen its market value management, further standardize its market value management practices, and practically safeguard the legitimate rights and interests of the Company, its investors, and other interested stakeholders, the Company has formulated its *Market Value Management System* in compliance with relevant laws and regulations, including the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Several Opinions of the State Council on Strengthening Regulation, Forestalling Risks, and Promoting High-Quality Development of the Capital Market*, the *Administrative Measures for the Disclosure of Information of Listed Companies*, the *No. 10 Guideline for the Supervision of Listed Companies - Market Value Management*, as well as the *Articles of Association* and the Company's operational

realities. The system was deliberated and approved at the 32nd Meeting of the 10th Board of Directors. Detailed information and the full text of the system can be found in the relevant announcement disclosed by the Company on the website of Cninfo (http://www.cninfo.com.cn) on April 18, 2025.

XII. Implementation status of the Action Plan for "Dual Enhancement of Quality and Return"

Whether the Company discloses its Action Plan for "Dual Enhancement of Quality and Return".

☑Yes □No

The Company has formulated the Action Plan for "Dual Enhancement of Quality and Return" to implement the guiding principles of "Activating the capital market and boosting investors' confidence" put forward by the Political Bureau of the CPC Central Committee, and of "Vigorously improving the quality and investment value of listed companies, taking more powerful and effective measures to stabilize the market and confidence" emphasized at the executive meeting of the State Council. The Plan aims to safeguard the interests of all shareholders, continuously strengthen the Company's core competitiveness and investment value, and achieve high-quality, efficient, and sustainable development. For details, please refer to the *Announcement on Advancing the Implementation of the Action Plan for "Dual Enhancement of Quality and Return"* (Announcement No.: 2024-011) disclosed by the Company on the website of Cninfo (http://www.cninfo.com.cn) on March 9, 2024. The progress of the Action Plan is presented as follows:

(I) Focusing on core responsibilities and principal businesses while maintaining stable operating performance and efficiency

The Company implemented the Action Plan for "Dual Enhancement of Quality and Return", concentrated on four major business segments: pharmaceutical industry, pharmaceutical distribution, aesthetic medicine, and industrial microbiology. These segments have advanced in a coordinated and in-depth manner, ensuring stable operational performance and efficiency. In the first half of 2026, the Company recorded an operating revenue of RMB 22.067 billion, representing a YoY increase of 1.81%. The net profit attributable to shareholders of the listed company reached RMB 1.861 billion, up 2.53% YoY. Net profit attributable to shareholders of the listed company excluding non-recurring profit and loss stood at RMB 1.858 billion, with a YoY increase of 5.44%. The net cash flow generated from operating activities during the reporting period was RMB 2.499 billion, up 1.73% YoY. The operating cash inflow remained in good shape, demonstrating robust earnings quality and overall stable business performance of the Company.

(II) Continuing innovative R&D to enhance core competitiveness

Adhering to the "research-driven and patient-centered" philosophy, the Company places great emphasis on innovation-driven R&D. In recent years, annual R&D expenditures of the Company have consistently surpassed RMB 1 billion.

As of the date of the Report, the Company's innovative drug R&D center is advancing 96 innovative drug pipeline projects. Since its establishment 6 years ago, the Innovative Drug R&D Center has obtained marketing authorization for 12 innovative products in total. During the reporting period, the NDA for Sailexin®/Saijiening® for the indication of Crohn's disease was approved, achieving 4 NDA/BLA applications, 9 IND approvals, and 14 innovative achievements published at international conferences. In addition, the DR10624 project was granted the Breakthrough Therapy Designation in China for severe hypertriglyceridemia. The Company's key projects, DR10624 and HDM2005, were successfully selected for the 2026 National Science and Technology Major Special Projects. During the reporting period, the Company's R&D investment in the pharmaceutical industry segment (excluding equity investment) amounted to RMB 1.208 billion, representing a YoY decrease of 18.58%, among which the direct R&D expenditure reached RMB 1.062 billion, down 9.56% year on year, accounting for 13.30% of the revenue from the pharmaceutical industrial segment.

In recent years, the Company has placed great emphasis on the protection of intellectual property rights and the application of research outcomes, with both the number of patent applications and grants steadily increasing. The Company has filed a total of over 2000 patent applications domestically and internationally over the years, including more than 610 authorized invention patents. Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd., a wholly-owned subsidiary of the Company, is a national intellectual property demonstration enterprise. It passed the external audit by Zhongzhi (Beijing) Certification Co., Ltd. in November 2014 and became one of the first 147 enterprises that passed the standards implementation certification. In October 2025, it smoothly passed the audit of the enterprise intellectual property compliance management system (Certificate No.: 165IP250489R0L).

During the reporting period, the Company's patent application and maintenance work proceeded smoothly. A total of 110 patent applications were filed, including 86 invention patents, and 44 patents were authorized.

(III) Improving corporate governance and enhancing the level of compliant operations

During the reporting period, in accordance with the latest provisions of relevant laws, regulations and regulatory documents, including the *Company Law of the People's Republic of China*, the *Stock Listing Rules of the Shenzhen Stock Exchange*, the *Self-Regulatory Guideline No. 1 for Listed Companies of the Shenzhen Stock Exchange — Standardized Operation of Main Board*

Listed Companies, and the *Code of Corporate Governance for Listed Companies*, and in light of the Company's actual circumstances, the Company adopted the *Management System for the Remuneration of Directors and Senior Managers*, and revised the *Responsible Marketing Policy* and the *Administrative System for the Preparation and Disclosure of Financial Reports*. The continuous improvement of the Company's institutional framework has further optimized its decision-making and deliberation processes, bringing its corporate governance system more closely in line with the requirements of market-oriented development and standardized operations. This has provided a solid institutional foundation for sound and efficient business decision-making and effectively safeguarded the legitimate rights and interests of the Company, its shareholders and all stakeholders.

With regard to ESG, the Company maintained an unwavering commitment to sustainable development. A Sustainability (ESG) Committee has been established under the Board of Directors to oversee ESG-related matters. The Company integrates the core ESG principles into corporate development strategy and daily operations management, guiding and innovating business practices with a science-based approach to social responsibility. It upholds the idea of green manufacturing, actively supports China's "carbon neutrality and carbon peaking" goals, operates in strict compliance with laws and regulations with integrity, and actively fulfills its social responsibilities.

(IV) Prioritizing shareholder returns and sharing development achievements

The Company places strong emphasis on management innovation and strives to enhance its market competitiveness through continuous improvements in operational excellence. Supported by high-quality products, superior commercialization capabilities, compliant and efficient marketing services, differentiated market positioning, forward-looking innovation-driven R&D layout, and comprehensive talent development, the Company continues to exhibit long-term and resilient growth. Since its listing, the Company has made a total of 26 dividend distributions, with cumulative dividends amounting to RMB 9.89 billion, providing shareholders with sustained and stable investment returns.

Pursuant to the *Proposal on the Company's 2026 Semi-Annual Profit Distribution Plan*, which was deliberated and approved at the seventh meeting of the eleventh session of the Company's Board of Directors on August 25, 2026, based on the Company's existing total share capital of 1,753,736,848.00 shares, the Company will distribute a cash dividend of RMB 3.50 (including tax) for every 10 shares to all shareholders. No bonus shares will be issued, and no capitalization of capital reserves will be made. The total cash dividend is expected to amount to RMB 613,807,896.80 (including tax). The 2026 Semi-Annual Profit Distribution Plan falls within the scope of authorization granted by the 2025 Annual Shareholders' Meeting to the Board of Directors

and therefore does not need to be submitted to the Shareholders' Meeting for deliberation and approval.

(V) Improving information disclosure and strengthening the communication with investors

The Company consistently prioritizes the quality of information disclosure, and utilizes high-quality, high-standard, and easily understandable disclosures to comprehensively and accurately convey its operational and developmental status to investors. To facilitate understanding of company dynamics among international investors, the Company publishes English versions of its periodic reports, further enhancing its international communication capabilities. Furthermore, the Company continuously innovates in the format of information disclosure, introduces visual tools such as "snapshot reports" to present its operational achievements and development plans in a more intuitive manner, enhancing the practicality and readability of information disclosure.

The Company regarded investor relations management as a vital component of corporate governance. It was committed to establishing smooth and efficient communication channels to continuously enhance interaction quality with the capital market. Through diversified investor communication activities, the Company actively conveyed its operational achievements and development strategies, effectively safeguarded investors' right to information and strengthened market recognition of the Company's long-term value.

The Company proactively organized specialized activities such as investor Q&A sessions, performance briefing, investor research events, and the "Investor Reception Day", to provide in-depth interpretations of its strategies and financial performance. The Company responds to investors' inquiries through the Shenzhen Stock Exchange's Interactive Platform and has designated personnel to answer investor hotlines. At the same time, the Company promptly addresses investors' concerns through its official email address and investor relations email address, ensuring open and effective communication channels.

The Company has established a comprehensive new media communication matrix, including WeChat official account, Tongshunhao account, as well as Snowball and East Money corporate accounts. The Company flexibly utilized various new media tools to convey the latest developments, such as operational performance, BD project introductions, R&D progress, award information, and interpretations of regular reports, to the capital market and a broad range of investors in a concise and innovative manner.

Section IV Corporate Governance, Environment, and Society

I. Changes in directors and senior managers of the Company

□Applicable ☑Not applicable

There were no changes in the Company's directors and senior managers during the reporting period. For details, please refer to the 2025 Annual Report.

II. Profit distribution and conversion of capital reserve into share capital during the reporting period

☑Applicable □Not applicable

Number of bonus shares issued per 10 shares (shares)	0
Dividend distribution per 10 shares (RMB) (tax inclusive)	3.50
Share capital base for distribution plan (shares)	1,753,736,848.00
Amount of cash dividends (RMB) (tax inclusive)	613,807,896.80
Amount of cash dividends in other ways (e.g. share repurchase) (RMB)	0.00
Total amount of cash dividends (including other ways) (RMB)	613,807,896.80
Distributable profits (RMB)	7,284,510,525.05
Proportion of total cash dividends (including other ways) to total profit distribution	100%
Current situation of cash dividends	
For companies at a mature stage of development with significant capital expenditure plans, the cash dividend payout ratio shall account for no less than 40% in the current profit distribution.	
Detailed description of the profit distribution or plan for conversion of capital reserve into share capital	
The Company's 2026 Semi-Annual Profit Distribution Plan is as follows: based on the Company's existing total share capital of 1,753,736,848.00 shares, a cash dividend of RMB 3.50 (including tax) will be distributed for every 10 shares. No bonus shares will be issued, and no capitalization of capital reserves will be made. The total cash dividend to be distributed will amount to RMB 613,807,896.80 (including tax), with the remaining undistributed profits carried forward for distribution in subsequent years. If there is a change in the Company's share capital base prior to the implementation of this profit distribution plan, the total amount of the cash dividend will be adjusted in accordance with the principle that the distribution ratio per share remains unchanged. This profit distribution plan complies with the requirements on profit distribution under the *Company Law of the People's Republic of China*, the *Regulatory Guidelines for Listed Companies No. 3 — Cash Dividend of Listed Companies*, the *Self-Regulatory Guidelines for Listed Companies No. 1 — Standardized Operation of Main Board Listed Companies* of the Shenzhen Stock Exchange, and other applicable laws, regulations and regulatory documents, as well as the Company's *Articles of Association*. Accordingly, the interim dividend plan is lawful, compliant and reasonable. This profit distribution plan takes into full consideration the Company's current operating conditions and future funding requirements, as well as the reasonable expectations and investment returns of its investors. The plan is commensurate with the Company's operating performance and future development and is consistent with its development plans. It will not have a material impact on the Company's operating cash flow or affect its normal operations or long-term development, and will not prejudice the interests of the Company's shareholders, particularly its minority shareholders. At the 2025 Annual Shareholders' Meeting, held on May 20, 2026, the Company approved the *Proposal on Authorizing the Board of Directors to Formulate the 2026 Interim Dividend Plan*, authorizing the Board of Directors to formulate specific dividend plans in accordance with the resolution of the Shareholders' Meeting, subject to the fulfillment of the conditions for profit distribution. The preconditions for the 2026 interim dividend are as follows: (1) the Company achieves stable growth in net profit attributable to shareholders of the listed company in the current period; and (2) the Company's cash flow can meet the needs of normal operations and sustainable development. The total amount of the interim dividend shall not exceed 50% of the net profit	

attributable to shareholders of the listed company for the corresponding period, and shall not be less than RMB 500 million (tax inclusive). This 2026 semi-annual profit distribution scheme falls within the scope authorized by the 2025 Annual Shareholders' Meeting resolution to the Board of Directors and does not require further approval by the Shareholders' Meeting.

III. Implementation of the Company's equity incentive plan, employee stock ownership plan or other employee incentive measures

☑Applicable □Not applicable

1. Equity incentive

(1) On August 8, 2022, the Company convened the 2nd Meeting of the 10th Board of Directors and the 2nd Meeting of the 10th Board of Supervisors, on which the following proposals were reviewed and approved: the *Proposal on the Company's Restricted Stock Incentive Plan in 2022 (Draft) and Its Abstract*, the *Proposal on Management Rules for the Implementation and Assessment of the Company's Restricted Stock Incentive Plan in 2022*, the *Proposal on the Management Rules of the Company's Restricted Stock Incentive Plan in 2022*, and the *Proposal on Applying to the General Meeting of Shareholders for Authorizing the Board of Directors to Handle Equity Incentive-related Matters*. Independent directors provided their independent opinions on whether this incentive plan is conducive to the Company's sustainable development and whether it may harm the interests of the Company and all shareholders. For specific details, please refer to the relevant announcement published by the Company on CNINFO on August 10, 2022.

(2) On August 10, 2022, the Company disclosed the *Announcement on Independent Directors Publicly Soliciting Proxy Voting Rights* on Cninfo (http://www.cninfo.com.cn). Mr. Wang Ruwei, an Independent Director of the Company, acting as the convener and commissioned by other independent directors, publicly solicited proxy voting rights from all shareholders of the Company for the proposals related to the Restricted Stock Incentive Plan in 2022 reviewed at the 1st Extraordinary General Meeting of Shareholders in 2022, which was set to be convened on August 31, 2022.

(3) From August 15 to 25, 2022, the Company posted on its intranet the list of the first batch of incentive recipients under the Restricted Stock Incentive Plan in 2022, for a total of 10 days. By the end of the public announcement period on August 25, 2022, the Board of Supervisors had not received any objections against the incentive recipients from any individuals. On August 25, 2022, the Board of Supervisors of the Company convened a meeting to review and approve the *Verification Opinions and Announcement Note on the List of the First Batch of Incentive Recipients under the Company's Restricted Stock Incentive Plan in 2022*. The Company then disclosed these Verification Opinions and relevant announcements on Cninfo (http://www.cninfo.com.cn).

(4) On August 31, 2022, the Company convened the 1st Extraordinary General Meeting in 2022, on which the following proposals were reviewed and approved: the *Proposal on the Company's Restricted Stock Incentive Plan in 2022 (Draft) and Its Abstract*, the *Proposal on Management Rules for the Implementation and Assessment of the Company's Restricted Stock Incentive Plan in 2022*, the *Proposal on the Management Rules of the Company's Restricted Stock Incentive Plan in 2022*, and the *Proposal on Applying to the General Meeting of Shareholders for Authorizing the Board of Directors to Handle Equity Incentive-related Matters*. On the same day, the Company disclosed the *Self-Inspection Report on Trading of Company Shares by Insiders and Incentive Recipients under Restricted Stock Incentive Plan in 2022* and related announcements on Cninfo (http://www.cninfo.com.cn). This incentive plan was approved at the Company's 1st Extraordinary General Meeting in 2022, and the Board of Directors was authorized to implement the Company's Restricted Stock Incentive Plan in 2022 and handle relevant matters according to the laws and regulations.

(5) On October 27, 2022, the Company convened the 4th Meeting of the 10th Board of Directors and the 5th Meeting of the 10th Board of Supervisors, on which the following proposals were reviewed and approved: the *Proposal on Adjustments of the Company's Restricted Stock Incentive Plan in 2022*, and the *Proposal on Granting Restricted Stocks to the First Batch of Incentive Recipients under the Restricted Stock Incentive Plan in 2022*. The Board of Directors confirmed that the grant conditions under the incentive plan were satisfied. The Board of Supervisors re-verified the list of incentive recipients on the first grant date and provided opinions on the adjustment and grant. The Company's independent directors agreed on the above proposals, with related reports prepared by the lawyers and independent financial advisers. On October 28, 2022, the Company disclosed the relevant announcements on Cninfo (http://www.cninfo.com.cn).

(6) On November 9, 2022, the Company disclosed the *Announcement on Completion of Registration of the First Grant of Restricted Stocks under the Restricted Stock Incentive Plan in 2022*. The Company completed the registration of the restricted stocks initially granted under the Restricted Stock Incentive Plan in 2022, and the listing date of the granted restricted stocks was November 15, 2022.

(7) On July 12, 2023, the Company convened the 12th Meeting of the 10th Board of Directors and the 8th Meeting of the 10th Board of Supervisors, on which the following proposals were reviewed and approved: the *Proposal on Adjusting the Grant Price of Reserved Stocks under the Restricted Stock Incentive Plan in 2022* and the *Proposal on Granting Reserved Restricted Stocks to Incentive Recipients under the Restricted Stock Incentive Plan in 2022*. The Board of Directors confirmed that reserved conditions of the incentive plan for granting restricted stocks were fulfilled,

and the Board of Supervisors re-verified the list of incentive recipients on the date of granting reserved stocks, and provided opinions on the grant. The Company's independent directors agreed on the above proposals, with related reports prepared by the lawyers and independent financial advisers. On the same day, the Company disclosed the relevant announcement on CNINFO.

(8) From July 13 to 23, 2023, the Company publicly displayed the list of incentive recipients for the reserved restricted stocks under this Restricted Stock Incentive Plan through its OA system, for a total of 10 days. By the end of the public announcement period on July 23, 2023, the Board of Supervisors had not received any objections against the incentive recipients from any individuals. On July 26, 2023, the Company convened a meeting of the Board of Supervisors, on which the following proposals were reviewed and approved: the *Verification Opinions of the Board of Supervisors and Announcement Note on the List of Incentive Recipients for Reserved Restricted Stocks Granted under the Company's Restricted Stock Incentive Plan in 2022*. On the same day, the Company disclosed the *Verification Opinions of the Board of Supervisors and Announcement Note on the List of Incentive Recipients for Reserved Restricted Stocks Granted under the Company's Restricted Stock Incentive Plan in 2022* and related announcements on Cninfo (http://www.cninfo.com.cn).

(9) On September 27, 2023, the Company disclosed the *Announcement on Completion of the Reserved Grant under the Restricted Stock Incentive Plan in 2022*. The Company completed the registration of the reserved restricted stocks granted under the Restricted Stock Incentive Plan in 2022, and the listing date of the granted restricted stocks was September 28, 2023.

(10) On November 21, 2023, the Company convened the 18th Meeting of the 10th Board of Directors and the 12th Meeting of the 10th Board of Supervisors, on which the following proposals were reviewed and approved: *Proposal on the Fulfillment of Conditions for the First Restriction Release Period of the Initial Grant of Restricted Stocks under the Restricted Stock Incentive Plan in 2022*, the *Proposal on Adjusting the Repurchase Price of the Restricted Stock Incentive Plan in 2022* and the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks*. The Board of Directors confirmed that the conditions for releasing restrictions during the first restriction release period of the first grant of restricted stocks under the Restricted Stock Incentive Plan in 2022 had been satisfied. Pursuant to the authorization granted by the Company's 1st Extraordinary General Meeting in 2022, the Board of Directors approved the completion of the procedures for releasing the restrictions on 1,220,940 restricted stocks under the first restriction release period for 108 incentive recipients. The Board of Directors also approved the repurchase and cancellation of a total of 97,800 restricted stocks that had been granted but not yet released, corresponding to 4 incentive recipients who were no longer eligible due to resignation and 2 incentive recipients who failed to

fully meet the individual performance assessment criteria for the first restriction release period. The Company's independent directors issued concurring independent opinions on the relevant matters, and the Board of Supervisors provided verification opinions, with related reports prepared by the lawyers and independent financial advisers. On the same day, the Company disclosed the relevant announcement on CNINFO.

(11) On December 1, 2023, the Company disclosed the *Hint on Circulation of Restricted Stocks Released during the First Restriction Release Period for First Grant of Restricted Stocks under the Restricted Stock Incentive Plan in 2022*. The restricted stocks released from the first restriction release period of the first grant under the Restricted Stock Incentive Plan in 2022 became tradable on December 5, 2023.

(12) On December 8, 2023, the Company convened its 2nd Extraordinary General Meeting in 2023, where the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks* and the *Proposal on Altering the Registered Capital and Amending the Articles of Association* were approved after review. On the same day, the Company disclosed the *Announcement on Reducing Registered Capital by Repurchasing and Canceling Some Restricted Stocks and Notifying Creditors*. As of January 24, 2024, the benchmark date for capital verification, i.e., within forty-five days from the date when the Company announced the reduction of capital, no creditor requested the Company to pay off its debts or provide corresponding guarantees.

(13) On March 28, 2024, the Company disclosed the *Announcement on the Completion of the Repurchase and Cancellation of Certain Restricted Stocks*. On March 26, 2024, the Company completed the procedures for repurchase and cancellation of 97,800 restricted stocks in Shenzhen Branch of China Securities Depository and Clearing Corporation Limited.

(14) On May 30, 2024, the Company convened the 24th Meeting of the 10th Board of Directors and the 16th meeting of the 10th Board of Supervisors, during which the *Proposal on Adjusting the Repurchase Price of the Restricted Stock Incentive Plan in 2022* and the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks* were reviewed and approved. The Board of Directors agreed to repurchase and cancel a total of 65,000 restricted stocks that had been granted but not yet released from restrictions, corresponding to 5 incentive recipients who were no longer eligible due to resignation. The Board of Supervisors provided verification opinions on the relevant matters. with related reports prepared by the lawyers and independent financial advisers. On the same day, the Company disclosed the relevant announcement on CNINFO.

(15) On June 18, 2024, the Company convened its 1st Extraordinary General Meeting in 2024, where the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks* and the *Proposal on Expanding the Business Scope, Altering the Registered Capital and Amending the "Articles of*

Association" were reviewed and approved. On the same day, the Company disclosed the *Announcement on Reducing Registered Capital by Repurchasing and Canceling Some Restricted Stocks and Notifying Creditors*. As of August 5, 2024, the benchmark date for capital verification, i.e., within forty-five days from the date when the Company announced the reduction of capital, no creditor requested the Company to pay off its debts or provide corresponding guarantees.

(16) On August 29, 2024, the Company disclosed the *Announcement on the Completion of the Repurchase and Cancellation of Certain Restricted Stocks*. On August 27, 2024, the Company completed the procedures for repurchase and cancellation of 65,000 restricted stocks in Shenzhen Branch of China Securities Depository and Clearing Corporation Limited.

(17) On October 10, 2024, the Company convened the 28th Meeting of the 10th Board of Directors and the 18th Meeting of the 10th Board of Supervisors. During these two meetings, the *Proposal on the Fulfillment of the Release Conditions during the First Restriction Release Period of the Reserved Restricted Stocks Granted under the Restricted Stock Incentive Plan in 2022* was reviewed and approved. The Board of Directors confirmed that the conditions for releasing restrictions during the first restriction release period of the reserved grant of restricted stocks under the Restricted Stock Incentive Plan in 2022 had been satisfied. Pursuant to the authorization granted by the Company's 1st Extraordinary General Meeting in 2022, the Board of Directors approved the completion of the procedures for releasing the restrictions on 192,500 restricted stocks under the first restriction release period for 18 incentive recipients. The Board of Supervisors provided verification opinions on the relevant matters. with related reports prepared by the lawyers and independent financial advisers. On the same day, the Company disclosed the relevant announcement on CNINFO.

(18) On October 24, 2024, the Company disclosed the *Hint on Circulation of Restricted Stocks Released during the First Restriction Release Period of Reserved Restricted Stocks Granted under the Restricted Stock Incentive Plan in 2022*. The restricted stocks released from the first restriction release period of the reserved grant under the Restricted Stock Incentive Plan in 2022 became tradable on October 28, 2024.

(19) On November 25, 2024, the Company convened the 30th Meeting of the 10th Board of Directors and the 20th Meeting of the 10th Board of Supervisors, during which the following proposals were reviewed and approved: *Proposal on the Fulfillment of the Release Conditions during the Second Restriction Release Period for First Grant of Reserved Restricted Stocks under the Restricted Stock Incentive Plan in 2022*, the *Proposal on Adjusting the Repurchase Price of the Restricted Stock Incentive Plan in 2022* and the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks*. The Board of Directors confirmed that the conditions for releasing

restrictions during the second restriction release period of the first grant of restricted stocks under the Restricted Stock Incentive Plan in 2022 had been satisfied. Pursuant to the authorization granted by the Company's 1st Extraordinary General Meeting in 2022, the Board of Directors approved the completion of the procedures for releasing the restrictions on 1,063,740 restricted stocks under the second restriction release period for 90 incentive recipients. The Board of Directors also approved the repurchase and cancellation of a total of 185,500 restricted stocks that had been granted but not yet released from restrictions, corresponding to 1 incentive recipient who was no longer eligible due to resignation, 16 incentive recipients whose individual performance assessment results for the second restriction release period were unqualified, and 1 reserved incentive recipient whose individual performance assessment results for the first restriction release period were unqualified. The Board of Supervisors provided verification opinions on the relevant matters. with related reports prepared by the lawyers and independent financial advisers. On November 27, 2024, the Company disclosed the relevant announcements on Cninfo (http://www.cninfo.com.cn).

(20) On December 13, 2024, the Company disclosed the *Hint on Circulation of Restricted Stocks Released during the Second Restriction Release Period for First Grant of Restricted Stocks under the Restricted Stock Incentive Plan in 2022*. The restricted stocks released from the second restriction release period of the first grant under the Restricted Stock Incentive Plan in 2022 became tradable on December 16, 2024.

(21) On December 20, 2024, the Company convened its 2nd Extraordinary General Meeting in 2024, where the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks* and the *Proposal on Expanding the Business Scope, Altering the Registered Capital and Amending the "Articles of Association"* were reviewed and approved. On the same day, the Company disclosed the *Announcement on Reducing Registered Capital by Repurchasing and Canceling Some Restricted Stocks and Notifying Creditors*. As of February 5, 2025, the benchmark date for capital verification, i.e., within forty-five days from the date when the Company announced the reduction of capital, no creditor requested the Company to pay off its debts or provide corresponding guarantees.

(22) On March 28, 2025, the Company disclosed the *Announcement on the Completion of the Repurchase and Cancellation of Certain Restricted Stocks*. On March 26, 2025, the Company completed the procedures for repurchase and cancellation of 185,500 restricted stocks in Shenzhen Branch of China Securities Depository and Clearing Corporation Limited.

(23) On June 27, 2025, the Company convened the 34th Meeting of the 10th Board of Directors and the 24th Meeting of the 10th Board of Supervisors, where the *Proposal on Adjusting the Repurchase Price of the Restricted Stock Incentive Plan in 2022* and the *Proposal on*

Repurchase and Cancellation of Certain Restricted Stocks and Reduction of the Company's Registered Capital were reviewed and approved. The Board of Directors agreed to repurchase and cancel a total of 56,000 restricted stocks that had been granted but not yet released from restrictions, corresponding to 6 incentive recipients who were no longer eligible due to resignation, and to reduce the Company's registered capital accordingly. The Board of Supervisors provided verification opinions on the relevant matters. with related reports prepared by the lawyers and independent financial advisers. On July 1, 2025, the Company disclosed the relevant announcement on CNINFO.

(24) On July 16, 2025, the Company convened its 1st Extraordinary General Meeting in 2025, where the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks and Reduction of the Company's Registered Capital* was reviewed and approved. On the same day, the Company disclosed the *Announcement on Reducing Registered Capital by Repurchasing and Canceling Some Restricted Stocks and Notifying Creditors*. As of September 1, 2025, the benchmark date for capital verification, i.e., within forty-five days from the date when the Company announced the reduction of capital, no creditor requested the Company to pay off its debts or provide corresponding guarantees.

(25) On September 11, 2025, the Company disclosed the *Announcement on the Completion of Repurchase and Cancellation of Certain Restricted Stocks*. On September 9, 2025, the Company completed the procedures for repurchase and cancellation of 56,000 restricted stocks at Shenzhen Branch of China Securities Depository and Clearing Corporation Limited.

(26) On October 13, 2025, the Company convened the 3rd Meeting of the 11th Board of Directors, where the *Proposal on the Fulfillment of Conditions for the Second Restriction Release Period of Reserved Restricted Stocks Granted under the Restricted Stock Incentive Plan in 2022* was reviewed and approved. The Board of Directors confirmed that the conditions for releasing restrictions during the second restriction release period of the reserved restricted stocks granted under the Restricted Stock Incentive Plan in 2022 had been satisfied. Pursuant to the authorization granted by the Company's 1st Extraordinary General Meeting in 2022, the Board of Directors approved the completion of the procedures for releasing the restrictions on 175,000 restricted stocks under the second restriction release period for 16 incentive recipients. The Remuneration and Appraisal Committee of the Board of Directors issued verification opinions on relevant matters, while lawyers and independent financial advisors provided corresponding reports. On October 15, 2025, the Company disclosed the relevant announcements on Cninfo (http://www.cninfo.com.cn).

(27) On October 25, 2025, the Company disclosed the *Hint on Circulation of Restricted Stocks Released during the Second Restriction Release Period of Reserved Restricted Stocks Granted*

under the Restricted Stock Incentive Plan in 2022. The restricted stocks released from the second restriction release period of the reserved restricted stocks granted under the Restricted Stock Incentive Plan in 2022 became tradable on October 29, 2025.

(28) On November 20, 2025, the Company convened the 5th Meeting of the 11th Board of Directors, on which the following proposals were reviewed and approved: *Proposal on the Fulfillment of the Release Conditions during the Third Restriction Release Period for First Grant of Reserved Restricted Stocks under the Restricted Stock Incentive Plan in 2022*, the *Proposal on Adjusting the Repurchase Price of the Restricted Stock Incentive Plan in 2022* and the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks*. The Board of Directors believed that the conditions for releasing restrictions during the third restriction release period of the first grant of restricted stocks under the Restricted Stock Incentive Plan in 2022 had been satisfied. Pursuant to the authorization granted by the Company's 1st Extraordinary General Meeting in 2022, the Board of Directors agreed to handle the releasing procedures for 1,275,120 restricted stocks for 77 incentive recipients during the third restriction release period, and also approved the repurchase and cancellation of a total of 284,200 restricted stocks that had been granted but not yet released from trading restrictions, corresponding to 6 incentive recipients who were no longer eligible due to resignation, 16 incentive recipients whose individual performance assessment results for the third restriction release period were unqualified, 3 incentive recipients whose individual performance assessment results for the restriction release period were qualified among the initially granted incentive recipients, 1 reserved incentive recipient who was no longer eligible due to resignation, and 2 incentive recipients whose individual performance evaluations for the second restriction release period were unqualified among the incentive recipients of reserved grants. The Remuneration and Appraisal Committee of the Board of Directors issued verification opinions on relevant matters, while lawyers and independent financial advisors provided corresponding reports. On November 22, 2025, the Company disclosed the relevant announcements on Cninfo (http://www.cninfo.com.cn).

(29) On December 6, 2025, the Company disclosed the *Hint on Circulation of Restricted Stocks Released during the Third Restriction Release Period for First Grant of Restricted Stocks under the Restricted Stock Incentive Plan in 2022*. The restricted stocks released from the third restriction release period of the first grant under the Restricted Stock Incentive Plan in 2022 became tradable on December 10, 2025.

(30) On December 9, 2025, the Company convened its 2nd Extraordinary Shareholders' Meeting in 2025, where the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks* and the *Proposal on Expanding the Business Scope, Altering the Registered Capital and Amending*

the "Articles of Association" were reviewed and approved. On the same day, the Company disclosed the *Announcement on Reducing Registered Capital by Repurchasing and Canceling Some Restricted Stocks and Notifying Creditors*. As of January 23, 2026, the benchmark date for capital verification, i.e., within forty-five days from the date when the Company announced the reduction of capital, no creditor requested the Company to pay off its debts or provide corresponding guarantees.

(31) On March 7, 2026, the Company disclosed the *Announcement on the Completion of Repurchase and Cancellation of Certain Restricted Stocks*. On March 5, 2026, the Company completed the procedures for repurchase and cancellation of 284,200 restricted stocks at Shenzhen Branch of China Securities Depository and Clearing Corporation Limited.

2. Implementation of employee stock ownership plan (ESOP)

□Applicable ☑Not applicable

3. Other employee incentives

□Applicable ☑Not applicable

IV. Disclosure of environmental information

Whether the listed company and its major subsidiaries are included in the list of enterprises legally required to disclose environmental information

☑Yes □No

Number of enterprises included in the list of enterprises legally required to disclose environmental information (unit)		6
No.	Enterprise name	Index for accessing the environmental information disclosure report
1	Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd.	Enterprise Environmental Information Disclosure System (Zhejiang): https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330100609120774J&uniqueCode=f07f08c3e871f665&date=2026&type=true&isSearch=true National Pollutant Discharge Permit Management Information Platform (Public Access): https://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=getxxgkContent&dataid=5fce8b294f2542e8a5aa1841f3251baa
2	Hangzhou Zhongmei Huadong Pharmaceutical Jiangdong Co., Ltd.	Enterprise Environmental Information Disclosure System (Zhejiang): https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-

		more?code=913301000678586850&uniqueCode=06bcf781a9a3946f&date=2026&type=true National Pollutant Discharge Permit Management Information Platform (Public Access): https://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=getxxgkContent&dataid=1d7a321cefe745c99140308e0eea1fa4
3	Joyang Laboratories	Filling of "Environmental Portrait" enterprise environmental information disclosure system for Jiangsu enterprises (One File for One Enterprise): http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http%3A%2F%2Fywxt.sthjt.jiangsu.gov.cn%3A18181%2Fspsarchive-webapp%2Fweb%2Fsps%2Fviews%2Ffpl%2Fviews%2FyfplEntInfo%2Findex.js&year=2026&isTemp=1&ticket=d38bdb981d864df49c63d93039dc2d3f&versionId=1B45D14C2F334189899BB0955146C3E6&spCode=3209240200002612 National Pollutant Discharge Permit Management Information Platform (Public Access): https://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=getxxgkContent&dataid=40175a71fada4866a256047dc4e460ed
4	Anhui Meihua Hi-Tech Pharmaceutical Co., Ltd.	Enterprise Environmental Information Disclosure System (Anhui): https://39.145.37.16:8081/zhhb/yfplpub_html/?mcpParams=%7B%7D#/searchPage?keyWord=%E5%AE%89%E5%BE%BD%E7%BE%8E%E5%8D%8E%E9%AB%98%E7%A7%91&hy=%5B%5D National Pollutant Discharge Permit Management Information Platform (Public Access): https://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=getxxgkContent&dataid=8159494acc9847248285d17188e6e3a6
5	Wuhu Huaren Science and Technology Co., Ltd.	Enterprise Environmental Information Disclosure System (Anhui): https://39.145.37.16:8081/zhhb/yfplpub_html/?mcpParams=%7B%7D#/searchPage?keyWord=%E8%8A%9C%E6%B9%96%E5%8D%8E%E4%BB%81%E7%A7%91%E6%8A%80&hy=%5B%5D National Pollutant Discharge Permit

		Management Information Platform (Public Access): https://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=getxxgkContent&dataid=2ae2e3ca099d4c8f9cb30585d3eecbd2
6	Huadong Medicine (Xi'an) Bodyguard Pharmaceutical Co., Ltd.	Enterprise Environmental Information Disclosure System (Shaanxi): http://113.140.66.227:11077/#/noLogin/qymd?key=%E5%8D%8E%E4%B8%9C%E5%8C%BB%E8%8D%AF%EF%BC%88%E8%A5%BF%E5%AE%89%EF%BC%89%E5%8D%9A%E5%8D%8E%E5%88%B6%E8%8D%AF%E6%9C%89%E9%99%90%E5%85%AC%E5%8F%B8 National Pollutant Discharge Permit Management Information Platform (Public Access): https://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=getxxgkContent&dataid=ee04cda65d6a483b9abf8cba0def606d

V. Social responsibility

In the process of its strategic transformation, the Company strictly fulfills its corporate social responsibilities, and actively addresses the concerns of all stakeholders, including shareholders, governments and regulatory agencies, employees, customers and patients, suppliers, communities, the public, as well as partners The Company continues to deepen its engagement in public health education, expand access to medical services to a broader population, and strive to provide affordable healthcare solutions for patients. Meanwhile, the Company remains committed to social welfare initiatives, uniting diverse forces to deliver warmth and care. By sharing cutting-edge technologies and collaborating with leading experts and industry partners, the Company also continues to drive progress in both industry development and societal advancement.

Section V Important Matters

I. Commitments that have been fulfilled by the commitment-related parties, such as de facto controller, shareholders, related parties, acquirers and the Company, during the reporting period, and those have not been fulfilled as of the end of the reporting period

□Applicable ☑Not applicable

During the reporting period, the company did not have any commitments made by the de facto controller, shareholders, related parties, acquirers, or the Company itself that were fulfilled during the reporting period or remained overdue as of the end of the reporting period.

II. Non-operational appropriation of funds of the listed company by controlling shareholders and other related parties

□Applicable ☑Not applicable

During the reporting period, there was no non-operational appropriation of funds of the listed company by controlling shareholders and other related parties

III. Violations of external guarantees

□Applicable ☑Not applicable

There was no violation of external guarantee during the reporting period.

IV. Appointment and dismissal of accounting firms

Whether the semi-annual financial report has been audited

□Yes ☑No

The Company's semi-annual report has not been audited.

V. Explanations by the Board of Directors on the "Non-standard Audit Report" during the reporting period

□Applicable ☑Not applicable

VI. Explanation of the Board of Directors on the situation relating to the "Non-standard Audit Report" of the prior year

□Applicable ☑Not applicable

VII. Matters related to bankruptcy and reorganization

□Applicable ☑Not applicable

The Company was not involved in matters related to bankruptcy and reorganization during the reporting period.

VIII. Litigation matters

Significant litigation and arbitration matters

□Applicable ☑Not applicable

During the reporting period, the company was not involved in major litigation or arbitration matters.

Other litigation matters

☑Applicable □Not applicable

Basic information of litigation (arbitration)	Amount involved (RMB 10,000)	Whether an estimated liability is formed	Progress of litigation (arbitration)	Adjudication result and impact of litigation (arbitration)	Execution of litigation (arbitration) judgments	Disclosure date	Disclosure index
Summary of matters not meeting the thresholds for disclosure of major litigations (arbitrations) (China)	36,959.63	No	Some cases are pending trial, while some have been adjudicated and the relevant judgments have become effective (Of the concluded cases, the total amount involved is RMB 28.6118 million, of which RMB 18.2322 million remains pending enforcement.)	The summary of the litigation matters has no significant impact on the Company	Some cases have been executed, some adjudicated cases are under enforcement, some cases are not adjudicated		/
Summary of matters not meeting the thresholds for disclosure of major litigations (arbitrations) (overseas)	6,930	No	All cases are under trials	The summary of the litigation matters has no significant impact on the Company	Some first-instance judgments have been issued and are still under appeal. some cases are not adjudicated		/
Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd., the Company's	11,137.58	No	The first-instance judgment has been received from the Zhejiang	This litigation is still pending at the second-instance stage and	The first-instance judgment has not yet become effective.	December 15, 2025	For details, please refer to the *Announcement on the Receipt of the First-*

wholly-owned subsidiary, demanded that Qinghai Everest Cordyceps Sinensis Raw Materials Co., Ltd. (Defendant 1) and Qinghai Everest Cordyceps Sinensis Pharmaceutical Co., Ltd. (Defendant 2) immediately cease all acts of infringement of relevant invention patents of Zhongmei Huadong and compensate for damages.			High People's Court. Zhongmei Huadong has filed an appeal in accordance with the law. The Supreme People's Court held a hearing on April 23, 2026.	does not have a material impact on the Company.			*Instance Civil Judgment by the Wholly-Owned Subsidiary* (Announcement No.: 2025-113) disclosed by the Company on the website of Cninfo (http://www.cninfo.com.cn) on December 15, 2025.

Note: During the reporting period, the Company made positive progress in initiating administrative rulings and lawsuits against 20 infringing enterprises for violating the invention patent "Indobufen Crystal form D and Its Preparation Method" (Patent No.: ZL202211596913.5) owned by Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd. (hereinafter referred to as "Zhongmei Huadong"), its wholly-owned subsidiary. The Company also actively defended against the patent invalidation request filed by the accused infringing enterprises. As of August 25, 2026, the progress is as follows:

1. Administrative rulings: Zhongmei Huadong has submitted administrative ruling applications to the Hangzhou Intellectual Property Office, Huzhou Intellectual Property Office, Chengdu Intellectual Property Office, Nanjing Intellectual Property Office, Guangdong Intellectual Property Office, and Changsha Intellectual Property Office regarding patent infringement by 20 companies, demanding an immediate cessation of the infringing activities. As of August 25, 2026, the Hangzhou Intellectual Property Office had issued 4 administrative rulings, all finding that infringement had occurred and ordering the involved enterprises to immediately cease their infringing activities. In response to the above administrative rulings, the involved enterprises filed administrative lawsuits before the Hangzhou Intermediate People's Court, with Zhongmei Huadong participating in the proceedings as a third party. One case involving an administrative ruling was withdrawn due to jurisdictional issues, one administrative ruling was upheld by the Hangzhou Intermediate People's Court, and the remaining 2 cases remain pending before the court. Guangdong Intellectual Property Office issued an administrative decision in one case, determining that the alleged infringement was not established. The decision further clarified that, if a subsequent effective judgment of a people's court makes a new determination regarding the scope of protection afforded by the claims of the patent at issue, Zhongmei Huadong may re-submit a request for an administrative ruling on the patent infringement dispute based on the new effective decision confirming the validity and ownership of the patent rights. Zhongmei Huadong has filed an administrative lawsuit against the administrative decision in accordance with the law. The administrative ruling application filed with the Changsha Intellectual Property Office has been accepted but has not yet proceeded to an oral hearing. The other applications for administrative rulings have been docketed and accepted by the intellectual property offices in the respective regions, and oral hearings have been completed, but rulings have not yet been issued.

2. Judicial litigation: In addition to the administrative ruling applications, Zhongmei Huadong filed patent infringement lawsuits with the Hangzhou Intermediate People's Court in 2024 and 2025, respectively, requesting an immediate cessation of the infringing acts and compensation for losses. One case has obtained a judgment determining infringement, and the involved enterprise has filed an appeal with the Supreme People's Court, which has been accepted and is pending adjudication; the other case has been accepted by the Hangzhou Intermediate People's Court, but has not yet been adjudicated.

3. Patent invalidation proceedings: As of August 25, 2026, the Company has received 15 cases involving requests for patent invalidation concerning the patent at issue. On March 12, 2025, the China National Intellectual Property Administration (CNIPA) issued decisions on the examination of requests for patent invalidation in all 5 cases simultaneously, maintaining the patent at issue in

full force and effect. Four cases were closed following the withdrawal of the requests by the requesters, and the remaining 6 cases remain pending. In response to the *Decision on the Review of a Request for an Invalidation Declaration* issued by the China National Intellectual Property Administration, two invalidation petitioners, dissatisfied with the decisions, filed administrative lawsuits for invalidation with the Beijing Intellectual Property Court, which ruled to uphold the original decisions and dismissed the petitioners' claims; two petitioners, still dissatisfied with the judgment, subsequently appealed to the Supreme People's Court, which has accepted the case, but has not yet rendered a judgment.

In addition, during the reporting period, the Company received: (1) a non-infringement confirmation lawsuit filed by a related party of the involved enterprise with the Jinan Intermediate People's Court, which ruled to reject all claims brought by the related party of the involved enterprise; (2) an unfair competition lawsuit filed by the involved enterprise with the Yinchuan Intermediate People's Court, which was later voluntarily withdrawn by the involved enterprise; subsequently, the involved enterprise filed another unfair competition lawsuit with the Wucheng District People's Court in Jinhua City. As of August 25, 2026, this case has been transferred to the Gongshu District People's Court in Zhejiang Province for handling, and has not yet been heard or adjudicated.

IX. Penalties and rectification

□Applicable ☑Not applicable

The Company had no penalties or rectifications during the reporting period.

X. Integrity of the Company and its controlling shareholders and de facto controllers

☑Applicable □Not applicable

During the reporting period, neither the Company, its controlling shareholders, nor its de facto controller has failed to comply with any effective court judgment, nor defaulted on any material debt obligations that had become due.

XI. Significant related party transactions

1. Related party transactions related to daily operations

☑Applicable □Not applicable

Related party	Related party relationship	Type of related party transaction	Contents of related party transaction	Pricing policy for related party transactions	Price of related party transaction	Related party transaction amount (RMB 10,000)	Proportion of the amount of similar transactions	Approved transaction amount (RMB 10,000)	Whether it exceeds the approved amount	Settlement method for related party transactions	Available market price of similar transactions	Disclosure date	Disclosure index
Hangzhou Grand Biologic Pharmaceutical Inc.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making proce	Market price	2,143.14	0.11%	4,003	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

				dures for related party transactions								
Grand Life Sciences (Shandong) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	1,291.83	0.07%	6,762.03	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Grand Shuyang Life Sciences (Chengdu) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	1,066.34	0.05%	3,050	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Lei Yunshang Pharmaceutical Group Co., Ltd.	Subsidiary of controlling shareholder of the Comp	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's	Market price	896.39	0.05%	3,346	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

	any			decision-making procedures for related party transactions								
Beijing Grand Johamu Pharmaceutical Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	848.04	0.04%	7,823.72	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Grand Medical Nutrition Science (Wuhan) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	819.16	0.04%	6,762.03	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Grand Life Science	Subsidiary of contro	Procurement of drugs	Procurement of drugs	Market price determined	Market price	468	0.02%	6,762.03	No	Cash, bank acceptance	Market price	April 24, 2026	CNINFO

(Liaoning) Co., Ltd.	lling shareholder of the Company			according to the Company's decision-making procedures for related party transactions					bill			
Wuhan Grand Pharmaceutical Group Sales Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	446.15	0.02%	7,823.72	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Grand Life Sciences (Anshan) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transa	Market price	411.67	0.02%	6,762.03	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

				ctions								
Yunnan Leiyunshang Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	271.05	0.01%	3,346	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Grand Life Science (Jiangsu) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	254.44	0.01%	3,346	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Beijing Yuanda Changsheng Pharmaceutical Sales Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures	Market price	222.88	0.01%	7,823.72	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

				for related party transactions								
Xi'an Grand Chang'an Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	206.55	0.01%	7,823.72	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Xi'an Grand Deten Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	134.32	0.01%	210	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Chongqing Duoputai Pharmaceutical Technology Co.,	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decisi	Market price	132.57	0.01%	7,823.72	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

Ltd.				on-making procedures for related party transactions								
Grand Pharmaceutical (Tianjin) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	115.11	0.01%	7,823.72	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Jiangsu Shenming Medical Technology Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	115.08	0.01%	7,823.72	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Shenyang Yaoda Leiyunshan	Subsidiary of controlling	Procurement of drugs	Procurement of drugs	Market price determined accor	Market price	65.61	0.00%	3,346	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

g Pharmaceutical Co., Ltd.	shareholder of the Company			ding to the Company's decision-making procedures for related party transactions								
Anhui Leiyunshang Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	52.18	0.00%	3,346	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Changshu Lei Yun Shang Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	47	0.00%	3,346	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

Changchun Lei Yun Shang Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	39.42	0.00%	3,346	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Guangdong Leiyunshang Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	35.13	0.00%	3,346	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Grand Jiu He (Jiangxi) Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for	Market price	26.82	0.00%	7,823.72	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

				related party transactions								
Cangzhou Huachen Biotechnology Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	19.82	0.00%	7,823.72	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Shaanxi Jianmin Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	15.96	0.00%	3,346	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Grand Pharmaceutical (China) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-	Market price	15	0.00%	7,823.72	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

				making procedures for related party transactions								
Wuhan Grand Hoyo Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	14.34	0.00%	7,823.72	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Huangshi Feiyun Pharmaceutical Co., Ltd. (a subsidiary of Grand Pharmaceutical Group)	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	9.03	0.00%	7,823.72	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Beijing Huajin Pharmaceuti	Subsidiary of controlling shareh	Procurement of drugs	Procurement of drugs	Market price determined according	Market price	6.35	0.00%	7,823.72	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

cal Co., Ltd.	older of the Company			to the Company's decision-making procedures for related party transactions									
Lei Yun Shang Pharmaceutical Group Sales Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	2.53	0.00%	3,346	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Leiyunshang Health Technology (Suzhou) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	0.95	0.00%	3,346	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Grand	Subsi	Contr	Contr	Marke	Marke	166.1	0.01%	1,796.	No	Cash,	Marke	April	CNIN

Life Sciences (Shandong) Co., Ltd.	diary of controlling shareholder of the Company	act manufacturing and other services	act manufacturing and other services	t price determined according to the Company's decision-making procedures for related party transactions	t price	8		4		bank acceptance bill	t price	24, 2026	FO
Grand Bay Hotel Beijing	Subsidiary of controlling shareholder of the Company	Conference fee	Conference fee	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	13.81	0.00%	57.22	Yes	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Grand Bay Hotel Beijing	Subsidiary of controlling shareholder of the Company	Service fee	Service fee	Market price determined according to the Company's decision-making procedures for relate	Market price	26.15	0.00%	57.22	Yes	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

				d party transactions								
Beijing Grand Innovation Property Management Co., Ltd.	Subsidiary of controlling shareholder of the Company	Property management fee	Property management fee	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	28.68	0.00%	57.22	Yes	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Xi'an Grand Detenpharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Contract manufacturing services	Contract manufacturing services	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	17.92	0.00%	0.00	Yes	Cash, bank acceptance bill	Market price	August 24, 2026	CNINFO
Chongqing Peg-Bio Biopharm Co., Ltd.	Associate of the Company's subsidiary	Inspection fee	Inspection fee	Market price determined according to the Company's decision-makin	Market price	8.02	0.00%	4,000	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

				g procedures for related party transactions								
Grand Bay Hotel, Zhuhai	Subsidiary of controlling shareholder of the Company	Conference fee	Conference fee	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	0.36	0.00%	57.22	Yes	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Suzhou Leiyunshang Sinopharm Chain Store Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	801.95	0.04%	856	Yes	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Anhui Leiyunshang Pharmaceutical	Subsidiary of controlling shareholder	Sales of drugs	Sales of drugs	Market price determined according to the	Market price	623.74	0.03%	856	Yes	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

Co., Ltd.	of the Company			Company's decision-making procedures for related party transactions									
Yunnan Leiyunshang Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	132.72	0.01%	856	Yes	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Hubei Grand Life Science & Technology Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	57.61	0.00%	60	Yes	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Beijing	Subsidiary	Sales of	Sales of	Market price	Market price	57.35	0.00%	60	Yes	Cash, bank	Market price	April 24,	CNINFO

Grand Joham u Pharm aceuti cal Ltd.	of contro lling shareh older of the Comp any	drugs	drugs	deter mined accor ding to the Comp any's decisi on-makin g proce dures for relate d party transa ctions						accept ance bill		2026	
Hangz hou Grand Biolo gic Pharm aceuti cal Inc.	Subsi diary of contro lling shareh older of the Comp any	Sales of drugs	Sales of drugs	Marke t price deter mined accor ding to the Comp any's decisi on-makin g proce dures for relate d party transa ctions	Marke t price	38.86	0.00%	135	No	Cash, bank accept ance bill	Marke t price	April 24, 2026	CNIN FO
Guan gdong Leiyu nshan g Pharm aceuti cal Co., Ltd.	Subsi diary of contro lling shareh older of the Comp any	Sales of drugs	Sales of drugs	Marke t price deter mined accor ding to the Comp any's decisi on-makin g proce dures for relate d	Marke t price	17.96	0.00%	856	Yes	Cash, bank accept ance bill	Marke t price	April 24, 2026	CNIN FO

				party transactions								
Guiping Shuyang Plasma Collection Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	8.58	0.00%	34	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Lei Yunshang Pharmaceutical Group Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	6.01	0.00%	856	Yes	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Grand Pharmaceutical (Xi'an) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making	Market price	4.82	0.00%	856	Yes	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

				procedures for related party transactions								
Danleng Shuyang Plasma Collection Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	3.5	0.00%	34	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Changning Shuyang Plasma Collection Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	2.55	0.00%	34	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Jiangyou Shuyang Plasma Collection	Subsidiary of controlling shareholder of the	Sales of drugs	Sales of drugs	Market price determined according to the Comp	Market price	2.55	0.00%	34	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

Co., Ltd.	Company			any's decision-making procedures for related party transactions								
Santai Shuyang Plasma Collection Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	2.39	0.00%	34	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Zizhong Shuyang Plasma Collection Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	2.39	0.00%	34	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Grand Medical	Subsidiary of	Sales of drugs	Sales of drugs	Market price deter	Market price	2.31	0.00%	856	Yes	Cash, bank accept	Market price	April 24, 2026	CNINFO

Nutrition Science (Wuhan) Co., Ltd.	controlling shareholder of the Company			mined according to the Company's decision-making procedures for related party transactions					ance bill			
Mianyang Anzhou District Shuyang Plasma Collection Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	2.07	0.00%	34	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
China Grand Enterprises, Inc.	Controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related party	Market price	0.64	0.00%	856	Yes	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

				transactions								
Grand Pharmaceutical (Xiantao) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	0.25	0.00%	60	Yes	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Grand Life Sciences (Hangzhou) Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	0.02	0.00%	135	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Xi'an Grand Deten Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Agency services	Agency services	Market price determined according to the Company's decision-making proce	Market price	1,244.87	0.06%	3,840.1	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

				dures for related party transactions								
Guangdong Leiyunshang Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Information services	Information services	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	304.23	0.01%	3,570.65	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Lei Yunshang Pharmaceutical Group Co., Ltd.	Subsidiary of controlling shareholder of the Company	Information services	Information services	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	282.59	0.01%	3,570.65	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Anhui Leiyunshang Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Comp	Information services	Information services	Market price determined according to the Company's	Market price	226.85	0.01%	3,570.65	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

	any			decision-making procedures for related party transactions								
Changchun Lei Yun Shang Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Information services	Information services	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	216.59	0.01%	3,570.65	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Yunnan Leiyunshang Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Information services	Information services	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	85.38	0.00%	3,570.65	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Chongqing Peg-Bio	Associate of the Comp	Technical services	Technical services	Market price determined	Market price	76.7	0.00%	376.7	No	Cash, bank acceptance	Market price	April 24, 2026	CNINFO

Biopharm Co., Ltd.	any's subsidiary			according to the Company's decision-making procedures for related party transactions					bill			
Changshu Leiyun Shang Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Information services	Information services	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	51.12	0.00%	3,570.65	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Grand Life Sciences (Shandong) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Technical services	Technical services	Market price determined according to the Company's decision-making procedures for related party transa	Market price	12	0.00%	12.72	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

				ctions								
Grand Pharmaceutical (Xi'an) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Technical services	Technical services	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	7.92	0.00%	3,570.65	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Grand Shuyang Life Sciences (Chengdu) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Transportation and warehousing service	Transportation and warehousing service	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	5.29	0.00%	10	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Hangzhou Sihan Biotechnology Co., Ltd.	Subsidiary of controlling shareholder of the Company	Property and other services	Property and other services	Market price determined according to the Company's decision-making procedures	Market price	3.01	0.00%	3,570.65	No	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO

				for related party transactions								
Beijing Yanhuang Real Estate Co., Ltd.	Other enterprises controlled by the de facto controller	Houses and buildings	Houses and buildings	Market price determined according to the Company's decision-making procedures for related party transactions	Market price	121.77	0.01%	0	Yes	Cash, bank acceptance bill	Market price	April 24, 2026	CNINFO
Total				--	--	14,860.57	--	39,943.53	--	--	--	--	--
Details of significant sales returns				Not applicable									
Estimated total amount of daily related party transactions expected to occur in the current period by category, and the actual fulfillment during the reporting period (if any)				For 2026, the Company and its subsidiaries expect to enter into routine related party transactions with related parties in an aggregate amount of RMB 399.4353 million, including RMB 355.6683 million in transactions with enterprises affiliated with China Grand Enterprises and RMB 43.7670 million in transactions with other related enterprises. For details, please refer to the *Announcement on the Estimated Routine Related Party Transactions for 2026* disclosed by the Company on the website of Cninfo on April 24, 2026. In the first half of 2026, the total amount of daily related party transactions between the Company and its subsidiaries and related parties was RMB 148.6057 million, which did not exceed the expected total amount.									
Reasons for significant differences between transaction prices and market prices (if applicable)				Not applicable									

2. Related party transactions involving the acquisition or selling assets and equity

□Applicable ☑Not applicable

During the reporting period, the company did not have any related party transactions arising from the acquisition or sale of assets or equity interests.

3. Related party transactions of joint investments abroad

□Applicable ☑Not applicable

The company did not have any related party transactions of joint investments abroad during the reporting period.

4. Related party receivables and payables

□Applicable ☑Not applicable

The company did not have any related credit and debt transactions during the reporting period.

5. Transactions with related party financial companies

□Applicable ☑Not applicable

There was no deposit, loan, credit or other financial business among the Company, the finance company with which the Company has established a relationship, and the related parties.

6. Transactions between the Company's controlled financial subsidiaries and related parties

□Applicable ☑Not applicable

There was no deposit, loan, credit facility or other financial transactions between the finance companies controlled by the Company and related parties.

7. Other major related party transactions

□Applicable ☑Not applicable

The Company did not have other significant related party transactions during the reporting period.

XII. Significant contracts and fulfillment

1. Entrustment, contracting and leasing

(1) Trusteeship

□Applicable ☑Not applicable

The company did not have trusteeship during the reporting period.

(2) Contracting

□Applicable ☑Not applicable

The company did not have contracting during the reporting period.

(3) Leasing

☑Applicable □Not applicable

Lease description

Refer to the relevant content in "Section VIII Financial Report - VII. Notes to consolidated financial statement items, 82. Leasing".

Items that brought gains and losses to the Company amounting to more than 10% of the Company's total profit during the reporting period

□Applicable ☑Not applicable

There was no leasing item that brought gains and losses to the Company amounting to more than 10% of the Company's total

profit during the reporting period.

2. Important guarantees

☑Applicable □Not applicable

Unit: RMB 10,000

External guarantees by the Company and its subsidiaries (excluding guarantees for subsidiaries)										
Name of guarantee recipient	Disclosure date of announcement regarding the guarantee quota	Guarantee quota	Actual occurrence date	Actual guaranteed amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Guarantee period	Whether it has been fulfilled	Whether it is a guarantee for related parties
The company's guarantees for its subsidiaries										
Name of guarantee recipient	Disclosure date of announcement regarding the guarantee quota	Guarantee quota	Actual occurrence date	Actual guaranteed amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Guarantee period	Whether it has been fulfilled	Whether it is a guarantee for related parties
Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd.	April 18, 2024	155,000	August 26, 2024	500	Joint and several liability guarantee	None	None	1 year	No	No
Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd.	April 18, 2025	155,000	February 27, 2026	7,150	Joint and several liability guarantee	None	None	1 year	No	No
Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd.	April 24, 2026	115,000	May 22, 2026	355	Joint and several liability guarantee	None	None	1 year	No	No
Hangzho	April 24,	115,000	June 25,	13,434	Joint and	None	None	1 year	No	No

u Zhongmei Huadong Pharmaceutical Co., Ltd.	2026		2026		several liability guarantee					
Huadong Medicine Supply Chain Management (Jinhua) Co., Ltd.	April 19, 2019	20,000						10 years	No	No
Huadong Medicine (Xi'an) Bodyguard Pharmaceutical Co., Ltd.	July 22, 2024	5,284.7	July 19, 2024	5,285	Joint and several liability guarantee	None	None	2 years	No	No
Huadong Medicine (Xi'an) Bodyguard Pharmaceutical Co., Ltd.	April 18, 2025	37,000	June 23, 2025	25,684	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Xi'an) Bodyguard Pharmaceutical Co., Ltd.	April 24, 2026	37,000						1 year	No	No
Shaanxi Bohua (Weinan) Pharmaceutical Co., Ltd.	April 24, 2026	30,000						1 year	No	No
Huadong Medicine Ningbo Sales Co., Ltd.	April 18, 2025	16,000	January 14, 2026	1,900	Joint and several liability guarantee	None	None	1 year	No	No

Huadong Medicine Ningbo Sales Co., Ltd.	April 18, 2025	16,000	March 16, 2026	1,900	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Ningbo Sales Co., Ltd.	April 18, 2025	16,000	March 26, 2026	2,000	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Ningbo Sales Co., Ltd.	April 24, 2026	18,000	May 21, 2026	2,850	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Ningbo Sales Co., Ltd.	April 24, 2026	18,000	May 25, 2026	2,850	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Ningbo Sales Co., Ltd.	April 24, 2026	18,000	June 15, 2026	2,850	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Jinhua Co., Ltd.	April 24, 2026	15,000	June 16, 2026	3,800	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Jinhua Co., Ltd.	April 24, 2026	15,000	June 23, 2026	4,750	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Huzhou Co., Ltd.	April 18, 2025	19,300	January 8, 2026	4,750	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Huzhou Co., Ltd.	April 18, 2025	19,300	January 14, 2026	1,900	Joint and several liability guarantee	None	None	1 year	No	No

Huadong Medicine Huzhou Co., Ltd.	April 18, 2025	19,300	March 20, 2026	2,850	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Huzhou Co., Ltd.	April 18, 2025	19,300	March 26, 2026	1,000	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Huzhou Co., Ltd.	April 24, 2026	19,300	May 21, 2026	2,850	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Huzhou Co., Ltd.	April 24, 2026	19,300	June 22, 2026	2,850	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Shaoxing Co., Ltd.	April 18, 2025	20,000	January 14, 2026	1,900	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Shaoxing Co., Ltd.	April 18, 2025	20,000	March 19, 2026	1,900	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Shaoxing Co., Ltd.	April 18, 2025	20,000	March 25, 2026	3,800	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Shaoxing Co., Ltd.	April 18, 2025	20,000	March 26, 2026	2,000	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Shaoxin	April 24, 2026	20,000	May 21, 2026	2,850	Joint and several liability guarantee	None	None	1 year	No	No

g Co., Ltd.										
Huadong Medicine Shaoxing Co., Ltd.	April 24, 2026	20,000	June 15, 2026	2,850	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 18, 2025	5,000	April 23, 2026	76	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 24, 2026	5,000	April 29, 2026	539	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 24, 2026	5,000	April 29, 2026	237	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 24, 2026	5,000	June 25, 2026	247	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou) Biological Product	April 24, 2026	5,000	June 25, 2026	30	Joint and several liability guarantee	None	None	1 year	No	No

Co., Ltd.										
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 24, 2026	5,000	June 25, 2026	16	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 24, 2026	5,000	June 25, 2026	29	Joint and several liability guarantee	None	None	1 year	No	No
Joyang Laboratories	April 24, 2026	5,000						1 year	No	No
Huadong Medicine Wenzhou Co., Ltd.	April 18, 2025	24,000	August 6, 2025	1,000	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Huadong Medicine Wenzhou Co., Ltd.	April 18, 2025	24,000	August 14, 2025	1,000	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Huadong Medicine Wenzhou Co., Ltd.	April 18, 2025	24,000	March 26, 2026	215	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Huadong Medicine Wenzhou Co., Ltd.	April 18, 2025	24,000	March 26, 2026	1,000	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Huadong Medicine Wenzho	April 18, 2025	24,000	March 30, 2026	1,000	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No

u Co., Ltd.										
Huadong Medicine Wenzhou Co., Ltd.	April 24, 2026	24,000	April 28, 2026	722	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Huadong Medicine Wenzhou Co., Ltd.	April 24, 2026	24,000	April 28, 2026	171	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Huadong Medicine Wenzhou Co., Ltd.	April 24, 2026	24,000	April 29, 2026	1,000	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Huadong Medicine Wenzhou Co., Ltd.	April 24, 2026	24,000	May 27, 2026	446	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Huadong Medicine Wenzhou Co., Ltd.	April 24, 2026	24,000	June 26, 2026	379	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Huadong Medicine Lishui Co., Ltd.	April 24, 2026	15,000	May 26, 2026	3,563	Joint and several liability guarantee	None	Guarantee + financial loan	1 year	No	No
Huadong Medicine Daishan Co., Ltd.	April 24, 2026	2,500						1 year	No	No
Huadong Medicine Cunde (Zhoushan) Co., Ltd.	April 18, 2025	7,600	March 19, 2026	950	Joint and several liability guarantee	None	None	1 year	No	No
Huadong	April 18, 2025	7,600	March 26, 2026	1,000	Joint and several	None	None	1 year	No	No

Medicine Cunde (Zhoushan) Co., Ltd.					liability guarantee					
Huadong Medicine Cunde (Zhoushan) Co., Ltd.	April 24, 2026	7,600	June 23, 2026	1,900	Joint and several liability guarantee	None	None	1 year	No	No
Hangzhou Zhongmei Huadong Pharmaceutical Jiangdong Co., Ltd.	April 24, 2026	60,000						1 year	No	No
Hangzhou Huadong Medicine Chain Co., Ltd.	April 24, 2026	7,000	June 23, 2026	1,900	Joint and several liability guarantee	None	None	1 year	No	No
Hubei Magic Health Technology Co., Ltd.	April 18, 2025	3,600	January 26, 2026	111	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Hubei Magic Health Technology Co., Ltd.	April 18, 2025	3,600	February 10, 2026	42	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Hubei Magic Health Technology Co., Ltd.	April 18, 2025	3,600	March 10, 2026	61	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Hubei Magic Health Technology Co., Ltd.	April 24, 2026	3,600	June 26, 2026	263	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Hubei Magic Health	April 24, 2026	3,600	June 29, 2026	71	Joint and several liability	None	Proportional guarante	1 year	No	No

Technology Co., Ltd.					guarantee		e			
Huadong Medicine (Jiaxing) Co., Ltd.	April 18, 2025	10,000	March 26, 2026	1,900	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Jiaxing) Co., Ltd.	April 24, 2026	15,000						1 year	No	No
Zhejiang Yiqun Biological Pharmaceutical Trading Co., Ltd.	April 24, 2026	1,500						1 year	No	No
Hangzhou Huayi Pharmacy Co., Ltd.	April 24, 2026	1,500						1 year	No	No
Anhui Meihua Hi-Tech Pharmaceutical Co., Ltd.	April 18, 2025	5,000	January 14, 2026	77	Joint and several liability guarantee	None	None	1 year	No	No
Anhui Meihua Hi-Tech Pharmaceutical Co., Ltd.	April 18, 2025	5,000	January 26, 2026	476	Joint and several liability guarantee	None	None	1 year	No	No
Anhui Meihua Hi-Tech Pharmaceutical Co., Ltd.	April 18, 2025	5,000	February 25, 2026	168	Joint and several liability guarantee	None	None	1 year	No	No
Anhui Meihua Hi-Tech Pharmaceutical Co., Ltd.	April 18, 2025	5,000	March 16, 2026	39	Joint and several liability guarantee	None	None	1 year	No	No
Anhui Meihua Hi-Tech Pharmaceutical	April 18, 2025	5,000	March 23, 2026	366	Joint and several liability guarantee	None	None	1 year	No	No

Co., Ltd.										
Anhui Meihua Hi-Tech Pharmaceutical Co., Ltd.	April 18, 2025	5,000	April 14, 2026	146	Joint and several liability guarantee	None	None	1 year	No	No
Anhui Meihua Hi-Tech Pharmaceutical Co., Ltd.	April 24, 2026	5,000	April 24, 2026	158	Joint and several liability guarantee	None	None	1 year	No	No
Anhui Meihua Hi-Tech Pharmaceutical Co., Ltd.	April 24, 2026	5,000	May 7, 2026	56	Joint and several liability guarantee	None	None	1 year	No	No
Anhui Meihua Hi-Tech Pharmaceutical Co., Ltd.	April 24, 2026	5,000	May 22, 2026	434	Joint and several liability guarantee	None	None	1 year	No	No
Anhui Meihua Hi-Tech Pharmaceutical Co., Ltd.	April 24, 2026	5,000	May 26, 2026	68	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine International Trade (Zhejiang) Co., Ltd.	April 24, 2026	15,000						1 year	No	No
Hangzhou Yuexing Youpin Health Management Co., Ltd.	April 24, 2026	2,000						1 year	No	No
Wuhu Huaren Science and Technology Co., Ltd.	April 24, 2026	3,000						1 year	No	No
Huadon	April 18,	20,000	March	1,694	Joint and	None	None	1 year	No	No

g Medicine (Guizhou) Pharmaceutical Co., Ltd.	2025		24, 2026		several liability guarantee					
Huadong Medicine (Guizhou) Pharmaceutical Co., Ltd.	April 24, 2026	20,000						1 year	No	No
Huadong Medicine (Hangzhou) Co., Ltd.	April 24, 2026	17,000						1 year	No	No
Bailing Health Science (Hangzhou) Co., Ltd.	April 18, 2025	1,200	April 1, 2026	19	Joint and several liability guarantee	None	None	1 year	No	No
Bailing Health Science (Hangzhou) Co., Ltd.	April 24, 2026	1,800	May 9, 2026	4	Joint and several liability guarantee	None	None	1 year	No	No
Bailing Health Science (Hangzhou) Co., Ltd.	April 24, 2026	1,800	May 9, 2026	63	Joint and several liability guarantee	None	None	1 year	No	No
Bailing Health Science (Hangzhou) Co., Ltd.	April 24, 2026	1,800	June 10, 2026	29	Joint and several liability guarantee	None	None	1 year	No	No
Bailing Health Science (Hangzhou) Co., Ltd.	April 24, 2026	1,800	June 10, 2026	21	Joint and several liability guarantee	None	None	1 year	No	No
Gongwei Lianchu	April 18, 2025	2,000	April 13, 2026	228	Joint and several liability	None	None	1 year	No	No

ang (Shanghai) Biotechnology Co., Ltd.					guarantee					
Gongwei Lianchuang (Shanghai) Biotechnology Co., Ltd.	April 24, 2026	2,000	June 16, 2026	95	Joint and several liability guarantee	None	None	1 year	No	No
HD Animal Health (Jiangsu) Pharmaceutical Co., Ltd.	April 18, 2025	1,000	January 30, 2026	950	Joint and several liability guarantee	None	Equity pledge by minority shareholders	1 year	No	No
HD Animal Health (Jiangsu) Pharmaceutical Co., Ltd.	April 24, 2026	1,000								
Total approved guarantee quota for subsidiaries during the reporting period (B1)		468,800		Total actual guarantee amount for subsidiaries during the reporting period (B2)						98,298.26
Total approved guarantee quota for subsidiaries at the end of the reporting period (B3)		975,785		Total guarantee balance for subsidiaries at the end of the reporting period (B4)						131,766.6
Guarantees provided by subsidiaries to other subsidiaries										
Name of guarantee recipient	Disclosure date of announcement regarding the guarantee quota	Guarantee quota	Actual occurrence date	Actual guaranteed amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Guarantee period	Whether it has been fulfilled	Whether it is a guarantee for related parties
Chongqing Peg-Bio Biopharm Co.,	April 18, 2024	1,396.4	May 7, 2024	113	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes

Ltd.										
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2024	1,396.4	July 26, 2024	60	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2024	1,396.4	August 21, 2024	32	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2024	1,396.4	August 23, 2024	48	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2024	1,396.4	September 2, 2024	51	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	April 21, 2025	5	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	April 25, 2025	10	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	April 29, 2025	18	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	May 15, 2025	15	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	May 20, 2025	55	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-	April 18, 2025	1,396.4	May 28, 2025	11	Joint and several	None	Proportional	3 years	No	Yes

Bio Biopharm Co., Ltd.					liability guarantee		guarantee			
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	June 6, 2025	15	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	June 12, 2025	76	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	June 26, 2025	15	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	July 10, 2025	21	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	July 14, 2025	8	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	July 23, 2025	14	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	July 31, 2025	14	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	August 7, 2025	23	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co.,	April 18, 2025	1,396.4	August 21, 2025	9	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes

Ltd.										
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	September 15, 2025	8	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	October 16, 2025	23	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	October 28, 2025	7	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	November 13, 2025	32	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	December 16, 2025	29	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	December 31, 2025	3	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	January 9, 2026	10	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	January 15, 2026	35	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	January 22, 2026	33	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-	April 18, 2025	1,396.4	January 30, 2026	6	Joint and several	None	Proportional	3 years	No	Yes

Bio Biopharm Co., Ltd.					liability guarantee		guarantee			
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	February 5, 2026	11	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	February 11, 2026	10	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	March 12, 2026	15	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	March 20, 2026	124	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	March 27, 2026	9	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	April 2, 2026	24	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	April 9, 2026	11	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	April 14, 2026	10	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co.,	April 18, 2025	1,396.4	April 15, 2026	6	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes

Ltd.										
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	April 21, 2026	13	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396.4	April 23, 2026	8	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 24, 2026	1,396.4	May 14, 2026	17	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 24, 2026	1,396.4	June 4, 2026	21	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 24, 2026	1,396.4	June 11, 2026	35	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 24, 2026	1,396.4	June 25, 2026	35	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Total approved guarantee quota for subsidiaries during the reporting period (C1)		1,396		Total actual guarantee amount for subsidiaries during the reporting period (C2)		432.34				
Total approved guarantee quota for subsidiaries at the end of the reporting period (C3)		4,189		Total guarantee balance for subsidiaries at the end of the reporting period (C4)		1,146.99				
Total Company guarantees (sum of the fore-mentioned three major items)										
Total approved guarantee quota during the reporting period (A1 + B1 + C1)		470,196		Total actual guarantee amount during the reporting period (A2 + B2 + C2)		98,730.6				
Total approved guarantee quota at the end of the		979,974		Total guarantee balance at the end of the reporting period		132,913.59				

reporting period (A3 + B3 + C3)		(A4 + B4 + C4)	
Proportion of total actual guarantees (i.e., A4 + B4 + C4) in the Company's net assets		5.22%	
Incl.:			
Outstanding debt guarantees provided directly or indirectly to guarantee recipients with an asset liability ratio exceeding 70% (E)		34,619.76	
Total of the above three guaranteed amounts (D + E + F)		34,619.76	

Explanation of specific situations for composite guarantee

3. Entrusted wealth management

□Applicable ☑Not applicable

The Company did not have any entrusted wealth management during the reporting period.

4. Other significant contracts

□Applicable ☑Not applicable

The Company did not have any other significant contracts during the reporting period.

XIII. Registration form for activities such as research, communication, and interviews conducted during the reporting period

☑Applicable □Not applicable

Reception date	Reception address	Reception method	Type of visitor	Visitors	Main content of discussion and information provided	Index of basic information of the research
January 21 and 22, 2026	Conference room of the Company	Field visits	Institutions and individuals	Guotai Haitong Securities, TF Securities, Zheshang Securities, etc.	Investor communication	For details, please refer to the *Record Sheet of Investor Relations Activities on January 21 and 22, 2026* published by the Company on the Shenzhen Stock Exchange Interactive Platform (https://irm.cninfo.com.cn/) and the website of Cninfo (at www.cninfo.com.cn).
April 24, 2026	Conference room of the Company	Online exchange	Institutions and individu	Industrial Securities, Soochow	2025 Annual & 2026 First Quarter	For details, see the *Record Sheet of Investor Relations*

			als	Securities, GF Securities, etc.	Performance Exchange Meeting of Huadong Medicine	*Activities on April 24, 2026*, which was published by the Company on the Shenzhen Stock Exchange Interactive Platform (https://irm.cninfo.com.cn/) and the website of Cninfo (at www.cninfo.com.cn) .
May 13, 2026	Conference room of the Company	Online exchange	Individuals	Individual investors	2026 Online Collective Investor Reception Day for Listed Companies in Zhejiang and 2025 Annual and 2026 First-Quarter Results Briefing	For details, see the *Record Sheet of Investor Relations Activities on May 13, 2026*, which was published by the Company on the Shenzhen Stock Exchange Interactive Platform (https://irm.cninfo.com.cn/) and the website of Cninfo (at www.cninfo.com.cn) .
May 20, 2026	Conference room of the Company	Field visits	Institutions and individuals	CICC, Industrial Securities, CITIC Securities, etc.	Investor Reception Day	For details, see the *Record Sheet of Investor Relations Activities (Investor Day Events) on May 20, 2026*, which was published by the Company on the Shenzhen Stock Exchange Interactive Platform (https://irm.cninfo.com.cn/) and the website of Cninfo (at www.cninfo.com.cn) .
May 21, 2026	8/F, Listed Companies Hall, Shenzhen Stock Exchange	Online meetings via an Internet platform and on-site research visits	Institutions and individuals	Institutional and individual investors	"Striving for Excellence in R&D and Cultivating New Drivers for Pharmaceutical Growth" — 2025 Collective Results Briefing Hosted by the Shenzhen	For details, see the *Record Sheet of Investor Relations Activities on May 21, 2026*, which was published by the Company on the Shenzhen Stock Exchange Interactive Platform (https://irm.cninfo.com.cn/) and the website of Cninfo (at www.cninfo.com.cn)

					Stock Exchange	.

XIV. Other major events

□Applicable ☑Not applicable

The Company had no other significant matters requiring explanation during the reporting period.

XV. Major events of subsidiaries

☑Applicable □Not applicable

As of the release date of the Report, under the supervision of the court, the liquidation of Huadong Ningbo Medicine Co., Ltd. has completed the disposal of major asset. Currently, only the collection of remaining receivables remains pending. The Company will actively advance the subsequent liquidation. During this reporting period, the Company recognized an investment income of RMB -2,119,166.93 by using the equity method.

Section VI Share Changes and Shareholders Information

I. Changes in shares

1. Changes in shares

Unit: Shares

	Before the change		Change in the period (+/-)					After the change	
	Quantity	Ratio	New shares	Bonus shares	Shares converted from capital reserve	Others	Subtotal	Quantity	Ratio
I. Shares subject to trading restrictions	1,007,950	0.06%	0	0	0	-284,200	-284,200	723,750	0.04%
1. Shares held by the State	0	0.00%	0	0	0	0	0	0	0.00%
2. Shares held by the state-owned corporations	0	0.00%	0	0	0	0	0	0	0.00%
3. Shares held by other domestic investors	1,007,950	0.06%	0	0	0	-284,200	-284,200	723,750	0.04%
Incl.: Shares held by domestic corporations	0	0.00%	0	0	0	0	0	0	0.00%
Shares held by domestic natural persons	1,007,950	0.06%	0	0	0	-284,200	-284,200	723,750	0.04%
4. Shares held by overseas investors	0	0.00%	0	0	0	0	0	0	0.00%

Incl.: shares held by overseas corporations	0	0.00%	0	0	0	0	0	0	0.00%
Shares held by overseas natural persons	0	0.00%	0	0	0	0	0	0	0.00%
II. Shares without trading restrictions	1,753,013,098	99.94%	0	0	0	0	0	1,753,013,098	99.96%
1. Common shares in RMB	1,753,013,098	99.94%	0	0	0	0	0	1,753,013,098	99.96%
2. Foreign capital shares listed in China	0	0.00%	0	0	0	0	0	0	0.00%
3. Foreign capital shares listed overseas	0	0.00%	0	0	0	0	0	0	0.00%
4. Others	0	0.00%	0			0	0	0	0.00%
III. Total number of shares	1,754,021,048	100.00%	0	0	0	-284,200	-284,200	1,753,736,848	100.00%

Reason for changes in shares

☑Applicable □Not applicable

During the reporting period, the Company completed the repurchase and cancellation of certain restricted shares under its Restricted Stock Incentive Plan in 2022. A total of 284,200 restricted stocks were repurchased and canceled, resulting in a corresponding decrease of 284,200 shares in the Company's total share capital.

Approval of changes in shares

☑Applicable □Not applicable

1. On November 20, 2025, the Company convened the 5th Meeting of the 11th Board of Directors, on which the following proposals were reviewed and approved: *Proposal on the*

Fulfillment of the Release Conditions during the Third Restriction Release Period for First Grant of Reserved Restricted Stocks under the Restricted Stock Incentive Plan in 2022, the *Proposal on Adjusting the Repurchase Price of the Restricted Stock Incentive Plan in 2022* and the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks*. The Board of Directors believed that the conditions for releasing restrictions during the third restriction release period of the first grant of restricted stocks under the Restricted Stock Incentive Plan in 2022 had been satisfied. Pursuant to the authorization granted by the Company's 1st Extraordinary General Meeting in 2022, the Board of Directors agreed to handle the releasing procedures for 1,275,120 restricted stocks for 77 incentive recipients during the third restriction release period, and also approved the repurchase and cancellation of a total of 284,200 restricted stocks that had been granted but not yet released from trading restrictions, corresponding to 6 incentive recipients who were no longer eligible due to resignation, 16 incentive recipients whose individual performance assessment results for the third restriction release period were unqualified, 3 incentive recipients whose individual performance assessment results for the restriction release period were qualified among the initially granted incentive recipients, 1 reserved incentive recipient who was no longer eligible due to resignation, and 2 incentive recipients whose individual performance evaluations for the second restriction release period were unqualified among the incentive recipients of reserved grants. The Remuneration and Appraisal Committee of the Board of Directors issued verification opinions on relevant matters, while lawyers and independent financial advisors provided corresponding reports. On November 22, 2025, the Company disclosed the relevant announcements on Cninfo (http://www.cninfo.com.cn).

2. On December 9, 2025, the Company convened its 2nd Extraordinary Shareholders' Meeting in 2025, where the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks* and the *Proposal on Expanding the Business Scope, Altering the Registered Capital and Amending the "Articles of Association"* were reviewed and approved. On the same day, the Company disclosed the *Announcement on Reducing Registered Capital by Repurchasing and Canceling Some Restricted Stocks and Notifying Creditors*. As of January 23, 2026, the benchmark date for capital verification, i.e., within forty-five days from the date when the Company announced the reduction of capital, no creditor requested the Company to pay off its debts or provide corresponding guarantees.

3. On March 7, 2026, the Company disclosed the *Announcement on the Completion of Repurchase and Cancellation of Certain Restricted Stocks*. On March 5, 2026, the Company completed the procedures for repurchase and cancellation of 284,200 restricted stocks at Shenzhen Branch of China Securities Depository and Clearing Corporation Limited.

Transfer of changed shares

☑Applicable □Not applicable

In February 2026, the Company submitted the relevant registration materials to the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited for the repurchase and cancellation of 284,200 shares involved in the equity incentive plan. In the same month, the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited issued the *Confirmation for Registration of Securities Transfer* to the Company, and the total share capital of the Company was reduced from 1,754,021,048.00 shares to 1,753,736,848.00 shares.

Progress of implementation of share repurchase

□Applicable ☑Not applicable

Progress in the implementation of the reduction of repurchased shares via centralized bidding

□Applicable ☑Not applicable

Impact of share changes on financial indicators such as basic and diluted earnings per share, and net assets per share attributable to common shareholders of the Company in the last year and the latest period

☑Applicable □Not applicable

Calculated based on the total number of stocks before the change in share capital (1,754,021,048 shares), the Company's basic earnings per share in 2026 were RMB 1.0609/share, diluted earnings/share were RMB 1.0609/share, and net assets per share attributable to common shareholder of the Company were RMB 14.5046/share. Calculated based on the total number of stocks after the change in share capital (1,753,736,848 shares), the Company's basic earnings per share for 2026 were RMB 1.0610/share, diluted earnings per share were RMB 1.0610/share, and net assets per share attributable to common shareholder of the Company were RMB 14.5069/share.

Overall, the aforementioned changes in share capital did not have a significant impact on the Company's financial indicators for the first half of 2026, including basic and diluted earnings per share, as well as net assets per share attributable to common shareholder of the Company.

Other contents deemed necessary by the Company or required to be disclosed by securities regulatory authorities

□Applicable ☑Not applicable

2. Changes in restricted stocks

☑Applicable □Not applicable

Unit: Shares

Name of shareholder	Number of restricted stocks at the beginning of the period	Number of restricted stocks released during the current period	Number of newly increased restricted stocks during the current period	Number of restricted stocks at the end of the period	Reasons for sale restriction	Restriction release date

Zhang Jianfei	60,000	0	0	60,000	Locked-up stocks for senior management	In accordance with regulations on the management of shares held by senior managers
Zhang Jianfei	112,500	0	0	112,500	Locked-up stocks for senior management	In accordance with regulations on the management of shares held by senior managers
Lv Liang	150,000	0	0	150,000	Locked-up stocks for senior management	In accordance with regulations on the management of shares held by senior managers
Zhu Li	22,500	0	0	22,500	Locked-up stocks for senior management	In accordance with regulations on the management of shares held by senior managers
Zhu Li	112,500	0	0	112,500	Locked-up stocks for senior management	In accordance with regulations on the management of shares held by senior managers
Wu Hui	78,750	0	0	78,750	Locked-up stocks for senior management	In accordance with regulations on the management of shares held by senior managers
Chen Bo	75,000	0	0	75,000	Locked-up stocks for senior management	In accordance with regulations on the management of shares held by senior managers
Qiu Renbo	75,000	0	0	75,000	Locked-up	In accordance

					stocks for senior management	with regulations on the management of shares held by senior managers
Zhu Liang	22,500	0	0	22,500	Locked-up stocks for senior management	In accordance with regulations on the management of shares held by senior managers
Zhang Zhongxing	15,000	0	0	15,000	Locked-up stocks for senior management	In accordance with regulations on the management of shares held by senior managers
Other mid-level management personnel and core technical (business) personnel of the Company	284,200	0	-284,200	0	Restricted stocks under equity incentive plan	/
Total	1,007,950	0	-284,200	723,750	--	--

II. Issuance and listing of securities

□Applicable ☑Not applicable

III. Number of shareholders and shareholding

Unit: Shares

Total number of common shareholders at the end of the reporting period	100,196	Total number of preferred shareholders with restored voting rights at the end of the reporting period (if any) (see Note 8)	0

Particulars about shareholders with a shareholding ratio of over 5% or the top 10 shareholders (excluding shares lent through conversions)

Name of shareholder	Nature of shareholder	Shareholding ratio	Number of shares held at the end of the reporting period	Changes during the reporting period	Number of shares held with trading restrictions	Number of shares held without trading restrictions	Pledged, marked or locked-up status	
							Status of shares	Quantity
China Grand Enterprises, Inc.	Domestic non-state-owned corporation	41.68%	730,938,157	0	0	730,938,157	Pledged	144,810,000

Hangzhou Huadong Medicine Group Co., Ltd.	State-owned corporation	16.42%	288,000,000	0	0	288,000,000	Not applicable	0
Hong Kong Securities Clearing Company Limited	Overseas corporation	2.33%	40,944,342	-5,423,649	0	40,944,342	Not applicable	0
New China Life Insurance Co., Ltd. - Dividend - Individual Dividend - 018L-FH002 Shenzhen	Others	2.05%	35,907,902	942,660	0	35,907,902	Not applicable	0
New China Life Insurance Co., Ltd. - Traditional - General Insurance Products - 018L-CT001 Shenzhen	Others	1.44%	25,203,996	3,413,182	0	25,203,996	Not applicable	0
Bank of Shanghai Co., Ltd. - Yinhua CSI Innovative Pharmaceutical Industry Traded Open-ended Index Securities Investment Fund	Others	0.82%	14,464,550	3,812,809	0	14,464,550	Not applicable	0
China Construction Bank Corporation - E Fund CSI 300 Medical and Health Trading Open Index Securities Investment	Others	0.81%	14,252,950	2,540,440	0	14,252,950	Not applicable	0

Fund								
National Social Security Fund - Portfolio 110	Others	0.59%	10,419,328	6,182,224	0	10,419,328	Not applicable	0
Bank of China Co., Ltd. – GF CSI Innovative Drug Industry Exchange Traded Open-end Index Securities Investment Fund	Others	0.54%	9,530,815	3,408,208	0	9,530,815	Not applicable	0
China Merchants Bank Co., Ltd. – Industrial Synergy Return Enhanced Bond Securities Investment Fund	Others	0.42%	7,361,209	3,821,209	0	7,361,209	Not applicable	0
Strategic investors or general corporations become the top 10 shareholders due to the placement of new shares (if any) (see Note 3)	Not applicable							
Explanation on associated relationships or concerted actions among the above-mentioned shareholders	The Company is unaware of whether the above-mentioned shareholders are related parties or whether they are concert parties with one another.							
Explanation on the above shareholders involved in proxy/trusted voting rights and waiver of voting rights	Not applicable							
Special notes on the existence of repurchase special accounts among the top 10 shareholders(if any)(See Note 11)	Not applicable							
Information about the top 10 shareholders without trading restrictions (excluding shares lent through conversions and locked-up shares for senior management)								

Name of shareholder	Number of shares held without trading restrictions at the end of the reporting period	Type of shares	
		Type of shares	Quantity
China Grand Enterprises, Inc.	730,938,157	RMB common shares	730,938,157
Hangzhou Huadong Medicine Group Co., Ltd.	288,000,000	RMB common shares	288,000,000
Hong Kong Securities Clearing Company Limited	40,944,342	RMB common shares	40,944,342
New China Life Insurance Co., Ltd. - Dividend - Individual Dividend - 018L-FH002 Shenzhen	35,907,902	RMB common shares	35,907,902
New China Life Insurance Co., Ltd. - Traditional - General Insurance Products - 018L-CT001 Shenzhen	25,203,996	RMB common shares	25,203,996
Bank of Shanghai Co., Ltd. - Yinhua CSI Innovative Pharmaceutical Industry Traded Open-ended Index Securities Investment Fund	14,464,550	RMB common shares	14,464,550
China Construction Bank Corporation - E Fund CSI 300 Medical and Health Trading Open Index Securities Investment Fund	14,252,950	RMB common shares	14,252,950
National Social Security Fund - Portfolio 110	10,419,328	RMB common shares	10,419,328
Bank of China Co., Ltd. – GF CSI Innovative Drug Industry Exchange Traded Open-end Index Securities Investment Fund	9,530,815	RMB common shares	9,530,815
China Merchants Bank Co., Ltd. – Industrial Synergy Return Enhanced Bond Securities Investment Fund	7,361,209	RMB common shares	7,361,209
Description of the related party relationship or concerted action among the top 10 shareholders holding unrestricted shares, and between the top 10 shareholders holding unrestricted shares and the top 10 shareholders.	The Company is unaware of whether the above-mentioned shareholders are related parties or whether they are concert parties with one another.		

Description of the top 10 common shareholders' participation in margin trading business (if any) (see Note 4)	As of the end of the current reporting period, none of the top 10 common shareholders of the Company held shares of the Company through securities margin trading accounts.

Participation in the lending of shares through refinancing business of shareholders holding more than 5% of shares, top 10 shareholders and top 10 shareholders holding tradable shares without trading restriction

□Applicable ☑Not applicable

Change in top 10 shareholders and top 10 shareholders holding tradable shares without trading restriction due to lending/returning of shares through refinancing as compared to the previous period

□Applicable ☑Not applicable

Whether the top 10 common shareholders and the top 10 common shareholders with unrestricted stocks in the Company engage in the agreed repurchase transactions during the reporting period

□Yes ☑No

The top 10 common shareholders and the top 10 common shareholders with unrestricted stocks in the Company did not engage in any agreed repurchase transactions during the reporting period.

IV. Changes in shareholdings of directors and senior managers

□Applicable ☑Not applicable

There has been no change in the shareholding status of the Company's directors and senior managers during the reporting period. For full details, please refer to the 2025 Annual Report.

V. Changes in controlling shareholders or de facto controllers

As previously disclosed by the Company, the de facto controller is planning a change of control which has not yet been completed. Please provide an update on the progress of this change of control.

□Applicable ☑Not applicable

Change in controlling shareholder during the reporting period

□Applicable ☑Not applicable

There was no change in the controlling shareholder of the Company during the reporting period.

Change in the de facto controller during the reporting period

□Applicable ☑Not applicable

There was no change in the de facto controller of the Company during the reporting period.

VI. Relevant situation of preferred shares

□Applicable ☑Not applicable

The Company did not have preferred shares during the reporting period.

Section VII Information on Bonds

□Applicable ☑Not applicable

Section VIII Financial Reports

I. Audit report

Whether the semi-annual financial report has been audited

□Yes ☑No

The Company's semi-annual financial report has not been audited.

II. Financial statements

The unit in the notes to financial statements is: RMB

1. Consolidated balance sheet

Prepared by: Huadong Medicine Co., Ltd.

June 30, 2026

Unit: RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	5,605,360,468.39	4,978,052,188.84
Deposit reservation for balance		
Lendings to banks and other financial institutions		
Trading financial assets		
Derivative financial assets		
Notes receivable	9,420,826.08	6,213,394.05
Accounts receivable	8,841,404,841.16	8,985,587,945.31
Receivables financing	865,267,156.65	460,578,206.16
Prepayments	440,117,285.40	445,803,941.09
Premium receivable		
Reinsurance accounts receivable		
Reinsurance contract reserve receivable		
Other receivables	632,928,610.62	517,535,129.39
Incl.: Interest receivable		
Dividends receivable	5,024,474.67	223,608.84
Financial assets purchased for resale		
Inventory	5,030,683,149.60	5,535,765,919.86
Incl.: Data resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year		75,464,880.54
Other current assets	188,965,311.55	222,343,329.23

Total current assets	21,614,147,649.45	21,227,344,934.47
Non-current assets:		
Loans and advances issued		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investment	1,650,742,294.80	1,509,122,017.22
Investment in other equity instruments	674,265,706.81	681,006,253.76
Other non-current financial assets		
Investment property	10,480,170.79	10,946,776.47
Fixed assets	4,289,689,684.93	4,470,264,264.88
Construction in progress	987,615,685.14	832,431,516.18
Productive biological assets		
Oil and gas assets		
Right-of-use assets	199,999,619.57	170,395,474.59
Intangible assets	3,798,710,511.50	3,849,691,624.59
Incl.: Data resources		
Development expenditure	2,119,595,539.50	1,757,196,902.53
Incl.: Data resources		
Goodwill	2,839,831,632.30	2,860,135,566.37
Long-term deferred expenses	16,458,438.84	19,541,767.43
Deferred income tax assets	439,471,542.07	385,084,524.45
Other non-current assets	1,334,473,280.11	1,264,874,697.98
Total non-current assets	18,361,334,106.36	17,810,691,386.45
Total assets	39,975,481,755.81	39,038,036,320.92
Current liabilities:		
Short-term borrowings	1,715,030,135.18	1,621,903,523.77
Borrowings from the central bank		
Borrowings from other banks and other financial institutions		
Trading financial liabilities		
Derivative financial liabilities		
Notes payable	3,068,414,627.61	2,910,051,094.08
Accounts payable	5,243,981,724.11	5,059,850,765.02
Advance receipts	495,915.58	797,358.84
Contract liabilities	145,747,142.69	188,554,462.61
Expense for financial assets sold for repurchase		
Deposits taken and interbank deposits		
Receivings from vicariously traded securities		
Receivings from vicariously sold securities		

Employee compensation payable	212,037,322.11	411,598,841.94
Taxes and dues payable	373,250,286.43	563,317,023.92
Other payables	2,581,603,873.52	2,215,275,211.55
Incl.: Interests payable		
Dividends payable	101,810,219.60	102,560,219.60
Handling charges and commissions payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	72,199,920.12	108,871,732.55
Other current liabilities	17,003,618.72	10,443,641.94
Total current liabilities	13,429,764,566.07	13,090,663,656.22
Non-current liabilities:		
Provision for insurance contracts		
Long-term borrowings	250,096,486.73	252,034,854.55
Bonds payable		
Incl.: Preferred share		
Perpetual bonds		
Lease liabilities	116,993,386.72	88,813,504.20
Long-term payables		
Long-term employee compensation payable		
Estimated liabilities	4,018,799.32	20,617,015.41
Deferred revenue	182,119,801.26	190,942,291.61
Deferred income tax liabilities	212,327,829.99	223,959,318.75
Other non-current liabilities		
Total non-current liabilities	765,556,304.02	776,366,984.52
Total liabilities	14,195,320,870.09	13,867,030,640.74
Owners' equity:		
Share capital	1,753,736,848.00	1,753,736,848.00
Other equity instruments		
Incl.: Preferred share		
Perpetual bonds		
Capital reserve	2,405,166,419.87	2,416,358,618.64
Less: Treasury share		
Other comprehensive income	-194,461,639.77	5,770,687.07
Special reserves		
Surplus reserves	1,616,443,486.39	1,616,443,486.39
General risk reserves		
Retained earnings	19,860,477,809.20	19,019,030,352.89
Total owners' equity attributable to the parent company	25,441,362,923.69	24,811,339,992.99
Minority interests	338,797,962.03	359,665,687.19
Total owners' equity	25,780,160,885.72	25,171,005,680.18
Total liabilities and owners' equity	39,975,481,755.81	39,038,036,320.92

Legal representative: Lv Liang Officer in charge of accounting: Lv Liang Head of Accounting Department: Qiu Renbo

2. Balance sheet of the parent company

Unit: RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	4,310,026,513.42	3,564,448,718.56
Trading financial assets		
Derivative financial assets		
Notes receivable	9,420,826.08	6,213,394.05
Accounts receivable	5,287,063,503.46	5,391,415,855.65
Receivables financing	237,087,856.44	244,857,205.35
Prepayments	261,760,229.68	245,653,821.11
Other receivables	5,475,950,962.47	3,563,354,230.97
Incl.: Interest receivable		
Dividends receivable	2,067,200,000.00	67,200,000.00
Inventory	3,121,025,899.27	3,288,268,422.10
Incl.: Data resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year		53,905,213.88
Other current assets	13,327,168.63	45,575,531.66
Total current assets	18,715,662,959.45	16,403,692,393.33
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investment	6,391,381,154.30	6,201,961,896.83
Investment in other equity instruments	10,080,000.00	10,080,000.00
Other non-current financial assets		
Investment property	5,561,297.02	5,794,413.34
Fixed assets	127,382,735.08	131,080,028.79
Construction in progress	1,800,536.15	752,212.39
Productive biological assets		
Oil and gas assets		
Right-of-use assets	161,702.52	1,686,359.56
Intangible assets	108,933,501.04	110,137,694.50
Incl.: Data resources		
Development expenditure		
Incl.: Data resources		
Goodwill		
Long-term deferred expenses	5,333,518.74	5,542,232.16
Deferred income tax assets	65,893,677.66	75,065,627.63
Other non-current assets	300,759,793.64	286,664,901.46

Total non-current assets	7,017,287,916.15	6,828,765,366.66
Total assets	25,732,950,875.60	23,232,457,759.99
Current liabilities:		
Short-term borrowings	630,713,926.42	710,713,926.42
Trading financial liabilities		
Derivative financial liabilities		
Notes payable	1,320,723,517.00	1,256,135,416.88
Accounts payable	3,560,108,728.09	3,549,725,618.44
Advance receipts		
Contract liabilities	66,784,419.68	36,191,247.19
Employee compensation payable	13,553,074.43	19,904,483.43
Taxes and dues payable	67,344,370.67	82,180,746.62
Other payables	6,971,742,843.01	5,337,446,854.57
Incl.: Interests payable		
Dividends payable	224,219.60	224,219.60
Liabilities held for sale		
Non-current liabilities due within one year		193,295.01
Other current liabilities	8,449,120.34	4,614,684.54
Total current liabilities	12,639,419,999.64	10,997,106,273.10
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Incl.: Preferred share		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term employee compensation payable		
Estimated liabilities		
Deferred revenue	26,586,598.89	27,869,536.35
Deferred income tax liabilities	40,425.63	10,075,067.31
Other non-current liabilities		
Total non-current liabilities	26,627,024.52	37,944,603.66
Total liabilities	12,666,047,024.16	11,035,050,876.76
Owners' equity:		
Share capital	1,753,736,848.00	1,753,736,848.00
Other equity instruments		
Incl.: Preferred share		
Perpetual bonds		
Capital reserve	2,334,357,232.56	2,334,357,232.56
Less: Treasury share		
Other comprehensive income		
Special reserves		
Surplus reserves	1,694,299,245.83	1,694,299,245.83

Retained earnings	7,284,510,525.05	6,415,013,556.84
Total owners' equity	13,066,903,851.44	12,197,406,883.23
Total liabilities and owners' equity	25,732,950,875.60	23,232,457,759.99

3. Consolidated income statement

Unit: RMB

Item	First half of 2026	First half of 2025
I. Total operating revenue	22,066,646,185.69	21,674,928,965.21
Incl.: Operating revenue	22,066,646,185.69	21,674,928,965.21
Interest income		
Premiums earned		
Handling charges and commissions revenue		
II. Total operating costs	19,835,882,521.19	19,418,419,774.58
Incl.: Operating costs	14,828,934,265.49	14,327,396,132.90
Interest expenditure		
Handling charges and commissions expenditure		
Surrender value		
Net payments for insurance claims		
Net provision for insurance liabilities		
Expense for insurance policy dividends		
Reinsurance expenses		
Taxes and surcharges	133,198,163.38	114,585,169.40
Selling expenses	3,415,134,454.00	3,229,044,236.81
Management expenses	695,712,456.19	725,296,086.80
R&D expenses	747,087,944.12	999,673,972.93
Financial expenses	15,815,238.01	22,424,175.74
Incl.: Interest expense	36,071,715.71	56,147,464.39
Interest income	37,923,772.29	45,613,834.96
Plus: Other incomes	61,562,073.66	144,290,664.93
Investment income (loss expressed with "-")	595,643.34	-67,265,820.65
Incl.: Investment income in associates and joint ventures	28,392,197.57	-35,365,772.99
Income from derecognition of financial assets measured on the basis of amortized costs		
Exchange gains (loss expressed with "-")		
Net exposure hedging gains (loss expressed with "—")		
Gains from changes in fair value		

(loss expressed with "-")		
Credit impairment loss (loss expressed with "-")	-28,480,291.32	-83,959,366.71
Asset impairment loss (loss expressed with "-")	-7,889,468.30	
Gains from disposal of assets (loss expressed with "-")	1,424,072.58	-6,201,002.36
III. Operating profit (loss expressed with "-")	2,257,975,694.46	2,243,373,665.84
Plus: Non-operating revenue	1,638,197.10	4,157,614.19
Less: Non-operating expenses	48,620,827.68	54,367,929.24
IV. Total profit (total loss expressed with "-")	2,210,993,063.88	2,193,163,350.79
Less: Income tax expense	371,103,526.62	389,834,341.82
V. Net profit (net loss expressed with "-")	1,839,889,537.26	1,803,329,008.97
(I) Classification by continuity of operation		
1. Net profit from continuing operations (net loss expressed with "-")	1,839,889,537.26	1,803,329,008.97
2. Net profit from discontinued operations (net loss expressed with "-")		
(II) Classification by ownership		
1. Net profit attributable to shareholders of the parent company (net loss expressed with "-")	1,860,757,262.42	1,814,826,860.86
2. Profit or loss attributable to minority shareholders (net loss expressed with "-")	-20,867,725.16	-11,497,851.89
VI. Other comprehensive income (net of tax)	-202,374,761.11	23,756,112.05
Other comprehensive income attributable to the owner of the parent company (net of tax)	-202,374,761.11	23,756,112.05
(I) Other comprehensive income that cannot be reclassified into the profits and losses	-233,323.77	-171,215.68
1. Change from re-measurement of defined benefit plan		
2. Other comprehensive income that cannot be included in the profits and losses under the equity method	-1,054,257.88	
3. Changes in fair value of investment in other equity instruments	820,934.11	-171,215.68
4. Changes in fair value by the enterprise's credit risks		
5. Others		
(II) Other comprehensive income that will be reclassified into the profits and losses	-202,141,437.34	23,927,327.73
1. Other comprehensive income that can be transferred to the profit and loss under the equity method		
2. Changes in fair value of investments in other debt investments		

3. Financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other debt investments		
5. Cash flow hedging reserves		
6. Converted difference in foreign currency financial statements	-202,141,437.34	23,927,327.73
7. Others		
Other comprehensive income attributable to minority shareholders (net of tax)		
VII. Total comprehensive income	1,637,514,776.15	1,827,085,121.02
Total comprehensive income attributable to the owner of the parent company	1,658,382,501.31	1,838,582,972.91
Total comprehensive income attributable to minority shareholders	-20,867,725.16	-11,497,851.89
VIII. Earnings per share:		
(I) Basic earnings per share	1.0610	1.0293
(II) Diluted earnings per share	1.0610	1.0346

If there is a business combination under common control in this period, the net profit of the combined party before the combination is RMB 0.00, and the net profit of the combined party in the previous period is RMB 0.00.

Legal representative: Lv Liang Officer in charge of accounting: Lv Liang Head of Accounting Department: Qiu Renbo

4. Income statement of the parent company

Unit: RMB

Item	First half of 2026	First half of 2025
I. Operating revenue	12,631,586,239.42	11,924,816,596.23
Less: Operating cost	12,065,132,012.66	11,319,964,972.46
Taxes and surcharges	22,709,024.58	12,340,230.92
Selling expenses	180,334,972.13	236,318,613.02
Management expenses	93,815,406.83	84,584,023.83
R&D expenses		
Financial expenses	127,314,588.26	-119,960,930.02
Incl.: Interest expense	54,453,009.18	17,223,303.45
Interest income	28,890,599.07	5,044,375.26
Plus: Other incomes	5,886,338.08	10,728,229.03
Investment income (loss expressed with "-")	2,044,883,368.32	2,206,749,733.14
Incl.: Investment income in associates and joint ventures	-2,119,166.93	977,686.70
Income from derecognition of financial assets measured on the basis of amortized cost (loss expressed with "-")		
Net exposure hedging gains (loss expressed with "－")		
Gains from changes in fair value (loss expressed with "-")		

Credit impairment loss (loss expressed with "-")	-257,444,880.28	-223,466,792.26
Asset impairment loss (loss expressed with "-")		
Gains from disposal of assets (loss expressed with "-")	188,867.53	-278,243.93
II. Operating profit (loss expressed with "-")	1,935,793,928.61	2,385,302,612.00
Plus: Non-operating revenue	6,937.93	17,931.33
Less: Non-operating expenses	20,685,635.67	12,363,241.49
III. Total profit (total loss expressed with "-")	1,915,115,230.87	2,372,957,301.84
Less: Income tax expense	28,450,890.82	97,197,219.33
IV. Net profit (net loss expressed with "-")	1,886,664,340.05	2,275,760,082.51
(I) Net profits from continuing operations (net loss expressed with "-")	1,886,664,340.05	2,275,760,082.51
(II) Net profit from discontinued operations (net loss expressed with "-")		
V. Other comprehensive income (net of tax)		
(I) Other comprehensive income that cannot be reclassified into the profits and losses		
1. Change from re-measurement of defined benefit plan		
2. Other comprehensive income that cannot be included in the profits and losses under the equity method		
3. Changes in fair value of investment in other equity instruments		
4. Changes in fair value by the enterprise's credit risks		
5. Others		
(II) Other comprehensive income that will be reclassified into the profits and losses		
1. Other comprehensive income that can be transferred to the profit and loss under the equity method		
2. Changes in fair value of investments in other debt investments		
3. Financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other debt investments		
5. Cash flow hedging reserves		
6. Converted difference in foreign currency financial statements		
7. Others		
VI. Total comprehensive income	1,886,664,340.05	2,275,760,082.51
VII. Earnings per share:		
(I) Basic earnings per share		
(II) Diluted earnings per share		

5. Consolidated cash flow statement

Unit: RMB

Item	First half of 2026	First half of 2025
I. Cash flows from operating activities:		
Cash received from selling goods and providing services	23,464,347,633.15	23,043,949,397.08
Net increase in deposits from customers as well as banks and other financial institutions		
Net increase in borrowings from the central bank		
Net increase in borrowings from other financial institutions		
Cash received from the original insurance contract premium		
Net cash received from reinsurance business		
Net increase in deposits and investments from policyholders		
Cash received from interests, handling charges and commissions		
Net increase in borrowings from banks and other financial institutions		
Net increase in funds from repurchase business		
Net cash received from securities trading agency		
Refund of taxes and fees received	2,589,794.81	5,110,647.25
Receipt of other cash relating to operating activities	400,570,732.10	311,722,673.58
Subtotal of cash inflows from operating activities	23,867,508,160.06	23,360,782,717.91
Cash paid for purchase of goods and receipt of labor services	14,522,926,495.71	13,943,183,727.91
Net increase in customer loans and advance payments		
Net increase in deposits with the central bank and interbank		
Cash for payment of the original insurance contract		
Net increase in lendings to banks and other financial institutions		
Cash paid for interests, handling charges and commissions		
Cash for payment of dividends on policies		
Cash paid to and for employees	2,724,872,670.38	2,692,040,129.25
Various taxes and fees paid	1,573,252,891.88	1,576,435,543.90
Payment of other cash relating to operating activities	2,547,036,571.46	2,692,274,806.75
Subtotal of cash outflows from operating	21,368,088,629.43	20,903,934,207.81

activities		
Net cash flow from operating activities	2,499,419,530.63	2,456,848,510.10
II. Cash flows from investing activities:		
Cash received from investment recovery	1,979,259.70	
Cash received from obtaining investment income	16,907,623.61	47,347,567.67
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	4,772,727.51	10,814,966.49
Net cash received from disposal of subsidiaries and other business units		
Receipt of other cash relating to investing activities	81,650,074.99	
Subtotal of cash inflows from investing activities	105,309,685.81	58,162,534.16
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	718,496,969.99	788,358,827.36
Cash paid for investment	149,419,257.47	61,560,775.00
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other business entities		
Payments of other cash relating to investing activities		
Subtotal of cash outflows from investing activities	867,916,227.46	849,919,602.36
Net cash flows from investing activities	-762,606,541.65	-791,757,068.20
III. Cash flows from financing activities:		
Cash received by absorbing investment		
Incl.: Cash received by subsidiaries from minority shareholders' investment		
Cash received from obtaining borrowings	1,683,103,844.50	1,720,372,646.92
Receipt of other cash relating to financing activities	55,903,162.77	217,401,111.10
Subtotal of cash inflows from financing activities	1,739,007,007.27	1,937,773,758.02
Cash paid for debt repayment	1,613,149,927.02	1,728,740,028.90
Cash paid to distribute dividends, profits or pay interest	1,042,083,356.71	1,057,608,222.25
Incl.: Dividends and profits paid by subsidiaries to minority shareholders	750,000.00	
Payment of other cash relating to financing activities	67,730,676.81	684,856,705.37
Subtotal of cash outflows from financing activities	2,722,963,960.54	3,471,204,956.52
Net cash flow from financing activities	-983,956,953.27	-1,533,431,198.50
IV. Effect of exchange rate changes on cash and cash equivalents	-1,458,952.03	-116,843,004.40
V. Net increase in cash and cash equivalents	751,397,083.68	14,817,239.00
Plus: Opening balance of cash and cash equivalents	4,735,921,663.90	4,990,151,186.68
VI. Closing balance of cash and cash	5,487,318,747.58	5,004,968,425.68

equivalents		

6. Cash flow statement of the parent company

Unit: RMB

Item	First half of 2026	First half of 2025
I. Cash flows from operating activities:		
Cash received from selling goods and providing services	13,598,040,758.73	12,852,057,702.55
Refund of taxes and fees received		
Receipt of other cash relating to operating activities	120,347,173.18	81,235,533.54
Subtotal of cash inflows from operating activities	13,718,387,931.91	12,933,293,236.09
Cash paid for purchase of goods and receipt of labor services	12,464,444,424.75	11,701,705,674.97
Cash paid to and for employees	161,790,608.85	152,400,783.19
Various taxes and fees paid	196,358,472.64	154,375,654.03
Payment of other cash relating to operating activities	181,938,421.93	259,455,509.87
Subtotal of cash outflows from operating activities	13,004,531,928.17	12,267,937,622.06
Net cash flow from operating activities	713,856,003.74	665,355,614.03
II. Cash flows from investing activities:		
Cash received from investment recovery		
Cash received from obtaining investment income	15,300,000.00	197,347,567.67
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	1,428,647.17	60,172.90
Net cash received from disposal of subsidiaries and other business units		
Receipt of other cash relating to investing activities	765,382,904.24	646,911,010.54
Subtotal of cash inflows from investing activities	782,111,551.41	844,318,751.11
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	60,199,684.34	104,186,490.92
Cash paid for investment	189,419,257.47	160,000,000.00
Net cash paid for acquisition of subsidiaries and other business entities		
Payments of other cash relating to investing activities	894,554,800.00	1,108,831,020.00
Subtotal of cash outflows from investing activities	1,144,173,741.81	1,373,017,510.92
Net cash flows from investing activities	-362,062,190.40	-528,698,759.81
III. Cash flows from financing activities:		
Cash received by absorbing investment		
Cash received from obtaining borrowings	620,000,000.00	849,998,846.92
Receipt of other cash relating to financing activities	2,398,300,830.03	7,420,914,030.58
Subtotal of cash inflows from financing	3,018,300,830.03	8,270,912,877.50

activities		
Cash paid for debt repayment	700,000,000.00	899,998,846.92
Cash paid to distribute dividends, profits or pay interest	1,025,126,300.24	1,035,935,768.08
Payment of other cash relating to financing activities	854,041,693.04	6,479,986,464.74
Subtotal of cash outflows from financing activities	2,579,167,993.28	8,415,921,079.74
Net cash flow from financing activities	439,132,836.75	-145,008,202.24
IV. Effect of exchange rate changes on cash and cash equivalents		
V. Net increase in cash and cash equivalents	790,926,650.09	-8,351,348.02
Plus: Opening balance of cash and cash equivalents	3,500,327,111.51	3,940,066,700.23
VI. Closing balance of cash and cash equivalents	4,291,253,761.60	3,931,715,352.21

7. Consolidated statement of changes in owners' equity

Amount in the current period

Unit: RMB

Item	First half of 2026													
	Owners' equity attributable to the parent company												Minority interests	Total owners' equity
	Share capital	Other equity instruments			Capital reserve	Less: Treasury share	Other comprehensive income	Special reserves	Surplus reserves	General risk reserves	Retained earnings	Others	Subtotal	
		Preferred share	Perpetual bonds	Others										
I. Closing balance of the prior year	1,753,736,848.00				2,416,358,618.64		5,770,687.07		1,616,443,486.39		19,019,030,352.89		24,811,339,992.99	359,665,687.19	25,171,005,680.18
Plus: Changes in accounting policies															
Correction of prior period errors															
Others															
II. Opening balance of the current year	1,753,736,848.00				2,416,358,618.64		5,770,687.07		1,616,443,486.39		19,019,030,352.89		24,811,339,992.99	359,665,687.19	25,171,005,680.18
III. Increase					-11,1		-200,				841,447,		630,022,	-20,8	609,155,

or decrease in the current period (decrease expressed with "-")					92,198.77		232,326.84				456.31		930.70	67,725.16	205.54
(I) Total comprehensive income							-202,374,761.11				1,860,757,262.42		1,658,382,501.31	-20,867,725.16	1,637,514,776.15
(II) Owner's investment and reduction of capital															
1. Common stocks invested by the owner															
2. Capital invested by holders of other equity instruments															
3. Amount of share-based payment included in owners' equity															
4. Others															
(III) Profit distribution											-1,017,167,371.84		-1,017,167,371.84		-1,017,167,371.84
1. Provision for surplus reserves															
2. Provision for general risk reserves															
3. Distribution to owners (or shareholders)											-1,017,167,371.84		-1,017,167,371.84		-1,017,167,371.84
4. Others															
(IV) Internal carry-over of owners' equity							2,142,434.27				-2,142,434.27				
1.															

Conversion of capital reserve to capital (or share capital)															
2. Conversion of surplus reserve to capital (or share capital)															
3. Losses covered by surplus reserve															
4. Changes in the defined benefit plan transferred to retained earnings															
5. Other comprehensive income carried forward to retained earnings							2,142,434.27				-2,142,434.27				
6. Others															
(V) Special reserves															
1. Amount withdrawn in the current period															
2. Amount utilized in the current period															
(VI) Others					-11,192,198.77								-11,192,198.77		-11,192,198.77
IV. Closing balance in the current period	1,753,736,848.00				2,405,166,419.87		-194,461,639.77		1,616,443,486.39		19,860,477,809.20		25,441,362,923.69	338,797,962.03	25,780,160,885.72

Amount of the prior year

Unit: RMB

Item	First half of 2025

	Owners' equity attributable to the parent company												Minority interests	Total owners' equity
	Share capital	Other equity instruments			Capital reserve	Less: Treasury share	Other comprehensive income	Special reserves	Surplus reserves	General risk reserves	Retained earnings	Others	Subtotal		
		Preferred share	Perpetual bonds	Others											
I. Closing balance of the prior year	1,754,262,548.00				2,550,780,602.69	46,804,116.67	-50,598,204.17		1,395,568,477.98		17,456,842,089.53		23,060,051,397.36	503,703,514.76	23,563,754,912.12
Plus: Changes in accounting policies															
Correction of prior period errors															
Others															
II. Opening balance of the current year	1,754,262,548.00				2,550,780,602.69	46,804,116.67	-50,598,204.17		1,395,568,477.98		17,456,842,089.53		23,060,051,397.36	503,703,514.76	23,563,754,912.12
III. Increase or decrease in the current period (decrease expressed with "-")	-185,500.00				-133,802,109.43	-4,635,325.00	23,756,112.05				797,462,173.02		691,866,000.64	-140,614,414.67	551,251,585.97
(I) Total comprehensive income							23,756,112.05				1,814,826,860.86		1,838,582,972.91	-11,497,851.89	1,827,085,121.02
(II) Owner's investment and reduction of capital	-185,500.00				-1,775,711.44	-4,635,325.00							2,674,113.56	-28,960.77	2,645,152.79
1. Common stocks invested by the owner	-185,500.00												-185,500.00		-185,500.00
2. Capital invested by holders of other equity															

instruments															
3. Amount of share-based payment included in owners' equity					2,674,113.56								2,674,113.56	-28,960.77	2,645,152.79
4. Others					-4,449,825.00	-4,635,325.00							185,500.00		185,500.00
(III) Profit distribution											-1,017,364,687.84		-1,017,364,687.84	-9,114,000.00	-1,026,478,687.84
1. Provision for surplus reserves															
2. Provision for general risk reserves															
3. Distribution to owners (or shareholders)											-1,017,364,687.84		-1,017,364,687.84	-9,114,000.00	-1,026,478,687.84
4. Others															
(IV) Internal carry-over of owners' equity															
1. Conversion of capital reserve to capital (or share capital)															
2. Conversion of surplus reserve to capital (or share capital)															
3. Losses covered by surplus reserve															
4. Changes in the defined benefit plan transferred to retained															

earnings															
5. Other comprehensive income carried forward to retained earnings															
6. Others															
(V) Special reserves															
1. Amount withdrawn in the current period															
2. Amount utilized in the current period															
(VI) Others					-132,026,397.99								-132,026,397.99	-119,973,602.01	-252,000,000.00
IV. Closing balance in the current period	1,754,077,048.00				2,416,978,493.26	42,168,791.67	-26,842,092.12		1,395,568,477.98		18,254,304,262.55		23,751,917,398.00	363,089,100.09	24,115,006,498.09

8. Statement of changes in owners' equity of the parent company

Amount in the current period

Unit: RMB

Item	First half of 2026											
	Share capital	Other equity instruments			Capital reserve	Less: Treasury share	Other comprehensive income	Special reserves	Surplus reserves	Retained earnings	Others	Total owners' equity
		Preferred share	Perpetual bonds	Others								
I. Closing balance of the prior year	1,753,736,848.00				2,334,357,232.56				1,694,299,245.83	6,415,013,556.84		12,197,406,883.23
Plus: Changes in accounting policies												
Correction of prior period errors												

Others												
II. Opening balance of the current year	1,753,736,848.00				2,334,357,232.56				1,694,299,245.83	6,415,013,556.84		12,197,406,883.23
III. Increase or decrease in the current period (decrease expressed with "-")										869,496,968.21		869,496,968.21
(I) Total comprehensive income										1,886,664,340.05		1,886,664,340.05
(II) Owner's investment and reduction of capital												
1. Common stocks invested by the owner												
2. Capital invested by holders of other equity instruments												
3. Amount of share-based payment included in owners' equity												
4. Others												
(III) Profit distribution										-1,017,167,371.84		-1,017,167,371.84
1. Provision for surplus reserves												
2. Distribution to owners (or shareholders)										-1,017,167,371.84		-1,017,167,371.84
3. Others												
(IV) Internal carry-over of owners' equity												

1. Conversion of capital reserve to capital (or share capital)												
2. Conversion of surplus reserve to capital (or share capital)												
3. Losses covered by surplus reserve												
4. Changes in the defined benefit plan transferred to retained earnings												
5. Other comprehensive income carried forward to retained earnings												
6. Others												
(V) Special reserves												
1. Amount withdrawn in the current period												
2. Amount utilized in the current period												
(VI) Others												
IV. Closing balance in the current period	1,753,736,848.00				2,334,357,232.56				1,694,299,245.83	7,284,510,525.05		13,066,903,851.44

Amount of the prior year

Unit: RMB

Item	First half of 2025											
	Share capital	Other equity instruments			Capital reserv	Less: Treasury	Other comprehensi	Special reserv	Surplus reserv	Retained earnin	Others	Total owners'
		Prefer	Perpet	Others								

		red share	ual bonds		e	share	ve incom e	es	es	gs		equity
I. Closing balance of the prior year	1,754,262,548.00				2,346,443,494.22	46,804,116.67			1,473,424,237.42	6,058,410,535.83		11,585,736,698.80
Plus: Changes in accounting policies												
Correction of prior period errors												
Others												
II. Opening balance of the current year	1,754,262,548.00				2,346,443,494.22	46,804,116.67			1,473,424,237.42	6,058,410,535.83		11,585,736,698.80
III. Increase or decrease in the current period (decrease expressed with "-")	-185,500.00				-1,804,672.22	-4,635,325.00				1,258,395,394.67		1,261,040,547.45
(I) Total comprehensive income										2,275,760,082.51		2,275,760,082.51
(II) Owner's investment and reduction of capital	-185,500.00				-1,804,672.22	-4,635,325.00						2,645,152.78
1. Common stocks invested by the owner	-185,500.00											-185,500.00
2. Capital invested by holders of other equity instruments												
3. Amount of share-based payment included in owners' equity					-1,804,672.22							-1,804,672.22
4. Others						-4,635,325.00						4,635,325.00

(III) Profit distribution										-1,017,364,687.84		-1,017,364,687.84
1. Provision for surplus reserves												
2. Distribution to owners (or shareholders)										-1,017,364,687.84		-1,017,364,687.84
3. Others												
(IV) Internal carry-over of owners' equity												
1. Conversion of capital reserve to capital (or share capital)												
2. Conversion of surplus reserve to capital (or share capital)												
3. Losses covered by surplus reserve												
4. Changes in the defined benefit plan transferred to retained earnings												
5. Other comprehensive income carried forward to retained earnings												
6. Others												
(V) Special reserves												
1. Amount withdrawn in the current period												

2. Amount utilized in the current period												
(VI) Others												
IV. Closing balance in the current period	1,754,077,048.00				2,344,638,822.00	42,168,791.67			1,473,424,237.42	7,316,805,930.50		12,846,777,246.25

III. Basic information of the Company

Huadong Medicine Co., Ltd. (hereinafter referred to as the "Company") was formerly known as Hangzhou Medicine Station Co., Ltd., established as a directed share issuance company in March 1993. It was registered with the Zhejiang Provincial Administration for Industry and Commerce on March 31, 1993, with its headquarters located in Hangzhou City, Zhejiang Province. The Company currently holds a business license with the Unified Social Credit Code of 91330000143083157E, a registered capital of RMB 1,753,736,848.00, and a total of 1,753,736,848 shares (par value of RMB 1 per share). As of June 30, 2026, there were 723,750 A shares with selling restrictions and 1,753,013,098 A shares without selling restrictions. The Company's shares were listed on the Shenzhen Stock Exchange on January 27, 2000.

The Company operates in the pharmaceutical industry. The main business activities include the research, development, manufacturing, and sales of pharmaceutical products.

These financial statements were approved by the seventh meeting of the eleventh session of the Board of Directors on August 25, 2026.

Huadong Medicine Co., Ltd.

Lv Liang, Chairman

August 27, 2026