

Chongqing Zhifei Biological Products Co., Ltd.

2026

Interim Business Performance

Chongqing Zhifei Biological Products Co., Ltd.

Board of Directors

August 2026

Important Notes

The main content and data of this report are from the 2026 Interim Report of Chongqing Zhifei Biological Products Co., Ltd. In case of any discrepancy between interpretations of the text, the Chinese version shall prevail.

I. Overview of Principal Business

(I) Company profile

Zhifei is an international, high-tech biopharmaceutical enterprise with integrated industrial chain covering R&D, manufacturing, sales, distribution, import and export of vaccines and other biological products. Since its inception in 2002, the Company has always adhered to its business principle of "prioritizing social benefits over corporate profits" and implemented the development model featuring "technology & market" drivers. The Company has long been guided by the health needs of the people and has constantly improved the "prevention and treatment of disease" business layout. By continuously strengthening its R&D and commercialization capabilities, the Company provides high-quality products and professional services to build a strong defense for public health.

During the reporting period, there was no material change in the principal business of the Company. The Company continued to deepen its integrated "prevention & treatment" strategic layout to achieve synergistic business development. Zhifei Lvzhu, Zhifei Longcom, and Chenan Biopharm, three high-tech enterprises, serve as the Company's core R&D and production bases, continuously advancing process iteration and product innovation in preventive products against bacteria, viruses, and tuberculosis, as well as therapeutic drugs for chronic diseases such as diabetes and obesity. As the parent company, Zhifei is committed to building a diversified, convenient, and comprehensive service system. Zhifei Airport serves as a key import and export hub, providing bonded warehousing, customs clearance, and batch release services for imported vaccines. In addition, through the Zhirui investment platform, the Company incubates and cultivates promising preventive and therapeutic biotechnology and products via equity investments, continuously expanding its industrial layout.

(II) Major products and indications

As of the disclosure date of this report, a total of fifteen products had been launched, of which one product received conditional approval. The Company offers a diverse range of products, including vaccine products for preventing infectious diseases such as meningococcal disease, cervical cancer, pneumonia, influenza, rotavirus, herpes zoster, and drugs for the diagnosis, prevention and

treatment of tuberculosis, as well as Liraglutide Injection for the treatment of adult type 2 diabetes, providing the public—including infants, teenagers and adults—diversified options for disease prevention and chronic disease management. Details are as follows:

No.	Common Name	Trade Name	Function and Use / Indication
1	ACYW ₁₃₅ Meningococcal Polysaccharide Vaccine	Menwayc	Used to prevent the meningococcal meningitis caused by ACYW ₁₃₅ meningococcal polysaccharide.
2	Group A & C Meningococcal Polysaccharide Conjugate Vaccine	Mengnakang	Used to prevent infectious diseases caused by meningococcal Group A and C, such as cerebrospinal meningitis and pneumonia.
3	Haemophilus Influenzae Type B (Hib) Conjugate Vaccine	Xifeibei	Used to prevent invasive infections caused by Haemophilus influenzae Type b (including meningitis, pneumonia, septicemia, cellulitis, arthritis, epiglottitis, etc.).
4	Group A & C Meningococcal Polysaccharide Vaccine	Mengnake	prevent epidemic cerebrospinal meningitis caused by Neisseria meningitidis group A and C.
5	Recombinant Novel Coronavirus Vaccine (CHO Cell)	Zifivax	Used to prevent diseases caused by COVID-19.
6	Recombinant Mycobacterium Tuberculosis Fusion Protein (EC)	C-TST	Used to diagnose mycobacterium tuberculosis infection, and the results of the subcutaneous test are not affected by the BCG vaccine and can be used for clinical diagnosis of tuberculosis.
7	Mycobacterium for Injection	Vaccae	Used to prevent tuberculosis in the latent groups of infected people with mycobacterium tuberculosis; also used as a drug combination for adjuvant tuberculosis chemotherapy.
8	23-Valent Pneumococcal Polysaccharide Vaccine	Youweike	Used to prevent pneumococcal disease caused by 23 serotypes contained in this product (serotypes 1, 2, 3, 4, 5, 6B, 7F, 8, 9N, 9V, 10A, 11A, 12F, 14, 15B, 17F, 18C, 19A, 19F, 20, 22F, 23F, and 33F).
9	Quadrivalent Influenza Split (Inactivated) Vaccine	/	Used for preventing influenza caused by vaccine-related types of influenza virus.
10	Influenza Virus-split Vaccine	/	Used for preventing influenza caused by vaccine-related types of influenza virus.
11	Liraglutide Injection	Dashuchen	Indicated for glycemic control in adults with type 2 diabetes: indicated for patients whose blood glucose remains inadequately controlled after maximum tolerated doses of metformin or sulfonylurea monotherapy, in combination with metformin or sulfonylurea. Also indicated for reducing the risk of major adverse cardiovascular events (cardiovascular death, non-fatal myocardial infarction, or non-fatal stroke) in adults with type 2 diabetes.

			tes and established cardiovascular disease.
12	Human Papillomavirus 9-valent Vaccine, Recombinant	Gardasil 9	1. Used to prevent the following diseases caused by HPV type contained in this product: cervical cancer caused by type HPV16, 18, 31, 33, 45, 52 and 58; precancerous lesions caused by HPV6, 11, 16, 18, 31, 33, 45, 52 and 58: cervical intraepithelial neoplasia (CIN2/3), cervical adenocarcinoma in situ (AIS), and cervical intraepithelial neoplasia (CIN1); persistent infections caused by type HPV6, 11, 16, 18, 31, 33, 45, 52 and 58. 2. Used to prevent the following diseases in males aged 9 to 26 years caused by the HPV types contained in this product: anal cancer caused by HPV types 16 and 18; genital warts (condyloma acuminata) caused by HPV types 6 and 11; and the following pre-cancerous lesions or atypical lesions caused by HPV types 6, 11, 16, and 18: anal intraepithelial neoplasia (AIN)-1, AIN-2, and AIN-3.
13	Reassortant Rotavirus Vaccine, Live, Oral, Pentavalent (Vero Cell)	RotaTeq	Used to prevent the rotavirus gastroenteritis in infants caused by serum-type G1, G2, G3, G4 and G9.
14	Pneumovax 23 - Pneumococcal Vaccine, Polyvalent	Pneumovax	Used to prevent the pneumococcal disease in the form of the capsulate bacteria contained in this vaccine.
15	Recombinant Zoster Vaccine (CHO Cell)	Shingrix	Used to prevent herpes zoster.

(III) Main business model

The Company adheres to a "technology & market" dual-drive development model, using market commercialization to reinvest in technological innovation, and building a virtuous ecosystem where R&D and promotion mutually reinforce and advance each other, thereby accelerating the transformation of product value. Guided by the health needs of the public, the Company implements an innovation strategy of "primarily independent R&D, supplemented by collaborative R&D, and complemented by investment incubation," deeply engaged in the biopharmaceutical field and committed to independent innovation. Leveraging its group-level advantages, the Company continues to increase R&D investment, deploying multiple technology pathways and fully leveraging the synergies of its product portfolio. While strengthening its original innovation capabilities, the Company has built a well-structured, multi-tiered R&D pipeline.

In terms of product production, the Company implements a "production determined by sales" model, under which the production department works in close coordination with the sales plans of the marketing department, coordinating production schedules and organizing manufacturing, while maintaining appropriate inventory levels to ensure supply stability and response agility. In terms of product promotion, the Company adopts a direct-to-terminal sales model, conducting academic promotion through its self-established professional marketing team, simultaneously advancing public education on vaccination knowledge, and achieving broad coverage of the Company's products at end-user institutions. In terms of product distribution, the Company strictly complies with the Drug Administration Law, the Vaccine Administration Law, and other relevant laws and regulations, implementing strict management of the entire product life cycle. The Company strictly follows cold chain storage and transportation standards for vaccines and other biological products, delivering products under end-to-end temperature control to designated units through its self-built, standards-compliant storage and logistics system, and ultimately completing sales settlement.

II. Analysis of Principal Business

(I) Key accounting data and financial indicators

During the reporting period, key financial indicators are shown below:

Unit: RMB

	2026 H1	2025 H1	Increase/decrease of the current period compared to the previous period
Operating income (RMB)	4,023,767,992.30	4,928,599,472.98	-18.36%
Net profit attributable to shareholders of the Company (RMB)	-808,508,103.45	-606,283,360.63	-33.35%
Net profit attributable to shareholders of the Company after deducting non-recurring gains and losses (RMB)	-806,398,522.92	-622,570,999.40	-29.53%
Net cash flows from operating activities (RMB)	1,974,343,152.45	1,623,124,119.88	21.64%

Basic earnings per share (RMB/share)	-0.3378	-0.2533	-33.36%
Diluted earnings per share (RMB/share)	-0.3378	-0.2533	-33.36%
Weighted average return on equity	-5.24%	-1.98%	-3.26%
	2026 H1	2025 H1	Increase/decrease of the current period compared to the previous period
Total assets (RMB)	27,817,994,860.13	31,719,717,303.13	-12.30%
Net assets attributable to shareholders of the Company (RMB)	15,031,270,715.08	15,839,778,818.53	-5.10%

Note: In 2025, the Company acquired 51% equity of Chongqing Chenan Biopharmaceutical Co., Ltd. through a cash capital increase, constituting a business combination under common control. The Company has restated the financial data of the prior year period.

(II) Products or services accounting for more than 10%

Unit: RMB

	Operating income	Operating cost	Gross profit margin	Increase/decrease in operating income as compared with the same period of the previous year	Increase/decrease in operating cost as compared with the same period of the previous year	Increase/decrease in gross profit margin as compared with the same period of the previous year
By product or service						
Biological Products - Proprietary Products	382,087,088.29	103,941,838.96	72.80%	-24.94%	-3.94%	-7.54%
Biological Products - Agency Products	3,594,656,949.66	3,164,944,242.21	11.95%	-17.99%	-6.69%	-47.17%

(III) Analysis of assets and liabilities

Unit: RMB

	As at the end of the reporting period		End of the previous year		Increase/decrease in proportion	Explanations on significant changes
	Amount	Proportion of total assets	Amount	Proportion of total assets		
Monetary funds	2,104,715,012.53	7.57%	2,625,608,880.22	8.28%	-0.71%	
Accounts receivable	10,376,940,556.41	37.30%	11,164,680,690.33	35.20%	2.10%	
Inventory	2,403,052,420.65	8.64%	5,003,389,773.82	15.77%	-7.13%	Mainly due to the realization of sales of agent products in this period.
Investment properties	214,147.98	0.00%	242,972.22	0.00%	0.00%	
Fixed assets	4,141,990,784.25	14.89%	4,314,625,695.28	13.60%	1.29%	
Construction in progress	1,469,748,441.95	5.28%	1,547,297,845.79	4.88%	0.40%	
Right-of-use assets	14,134,832.53	0.05%	17,932,590.77	0.06%	-0.01%	
Short-term borrowings	302,807,476.65	1.09%	8,594,225,695.20	27.09%	-26.00%	Mainly due to debt structure adjustment, reduced short-term bank borrowings.
Contractual liabilities	47,194,051.81	0.17%	83,402,880.18	0.26%	-0.09%	
Long-term borrowings	6,687,873,079.86	24.04%	2,408,877,737.72	7.59%	16.45%	Mainly due to debt structure adjustment, increased long-term bank borrowings.
Lease liabilities	5,529,650.77	0.02%	9,538,260.53	0.03%	-0.01%	

(IV) Major subsidiaries and associates accounting for more than 10% of the company's net profit

Unit: RMB

Company Name	Company Type	Principal Business	Registered Capital	Total Assets	Net Assets	Operating Revenue	Operating Profit	Net Profit
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Zhifei Lvzhu	Subsidiary	Biological Products	1,332,156,900.00	4,431,533,427.43	2,780,469,905.92	305,586,598.44	-190,115,276.75	-122,287,482.73
Zhifei Longcom	Subsidiary	Biological Products	765,000,000.00	4,969,745,243.83	491,654,184.70	78,550,149.57	-244,226,841.81	-192,127,390.70
Chenan Biopharm	Subsidiary	Biological Products	924,369,747.00	1,999,324,076.83	519,437,257.57	28,672,481.94	-28,452,778.72	-24,141,804.56

III. MANAGEMENT DISCUSSION AND ANALYSIS

In the first half of 2026, facing the continued impact of industry demand volatility and intense market competition, the Company firmly implemented its long-term development strategy, deepened its transformation and upgrading, strengthened its risk prevention and control system, and stabilized overall operations. Seizing the opportunity presented by risk mitigation, the Company coordinated short-term operational improvement with long-term transformation and upgrading, driving technological innovation and commercialization capabilities forward simultaneously, further consolidating the foundation for sustainable development. In R&D, more than ten products achieved phased progress, and the metabolic disease pipeline continued to broaden. In commercialization, the Company restructured its strategic collaboration model, enhanced refined market management capabilities, and steadily improved terminal service capabilities. In internal control, the Company improved its risk management system to ensure compliant and stable operations.

During the reporting period, the main operations of the Company were as follows:

1. Anchoring Strategic Direction and Advancing Transformation

Corporate governance effectiveness is the foundation for navigating industry cycles and achieving sustainable development. During the reporting period, the Company continued to enhance governance by improving internal control systems, strengthening risk management, and promoting organizational innovation, thereby steadily elevating governance standards. With firm strategic determination, the Company consolidated its development foundation and effectively enhanced its risk resistance and sustainable development capabilities.

In terms of financial management, with the completion of existing debt optimization and replacement, quarter-on-quarter decline in accounts receivable, and sustained positive net operating cash flow, the Company's liquidity pressure has been effectively alleviated, further consolidating the foundation for operational improvement. Currently, the Company is gradually repaying syndicated loans as planned, continuously reducing financial leverage, and building a solid financial safety net. Meanwhile, the Company is accelerating the development of financial talent systems and, through digital management systems, the integration of business and finance.

In terms of strategic cooperation, the Company and its partners restructured their commercial cooperation model, deepening mutual trust and jointly responding to challenges in a complex and volatile market environment. In April 2026, the Company signed the Amended and Restated Supply, Distribution and Joint Promotion Agreement with MSD. Going forward, both parties will conduct procurement and supply of the agreement products based on market demand dynamics. This agreement further consolidates the global strategic partnership between the two parties, demonstrating the Company's determination to jointly respond to market changes with its business partners, while effectively reducing the risks brought by external market uncertainty.

2. Focusing on R&D Breakthroughs with Multiple Product Advancements

The Company invested RMB 566 million in R&D, accounting for 14.07% of operating revenue. As of the disclosure date of this report, more than ten R&D pipeline projects achieved key progress, with the "prevention & treatment" pipeline continuously enriched and innovative achievements emerging at an accelerating pace.

In therapeutic products, the Company accelerated the construction of innovative pipelines in metabolic disease areas. In June 2026, the innovation incubation center of the controlling subsidiary Chenan Biopharm in Shanghai was officially launched, focusing on major disease areas including diabetes, weight management, and metabolic dysfunction-associated steatohepatitis (MASH), conducting targeted innovative drug R&D. In July 2026, the first metabolic disease product, Liraglutide Injection, was officially approved for marketing by the National Medical Products

Administration. This is the Company's first approved therapeutic biological product in the metabolic disease area, marking the transition of this business segment from long-term R&D reserves to commercial operations. This represents a phased achievement in the Company's in-depth advancement of its "prevention & treatment" dual-track strategy. As of the disclosure date, the Phase Ib clinical trial of CA111 completed enrollment of the first subject, and the production registration application for Insulin Degludec Injection was accepted.

In vaccine R&D, the Company leveraged the synergistic advantages of its technology platforms, with multiple key vaccine products achieving phased results. As of the disclosure date, the Group A & C Meningococcal Polysaccharide Conjugate Vaccine was upgraded to a lyophilized formulation; the Adsorbed Acellular DTP (Component) + Hib (Conjugate) Combination Vaccine entered Phase I clinical trials; the Adsorbed Tetanus Vaccine entered Phase III clinical trials. In addition, multiple vaccine products received clinical trial approval notices, including Inactivated Japanese Encephalitis Vaccine, Inactivated Varicella-Zoster Vaccine, Herpes Zoster mRNA Vaccine, Recombinant Zoster ZFA01 Adjuvant Vaccine (CHO Cell), COVID-19 mRNA Vaccine, and Mpox (monkeypox) Vaccine. Clinical trial applications for Recombinant Rotavirus Vaccine (E. coli) and Intranasal Recombinant Respiratory Syncytial Virus (RSV) Vaccine (Chimpanzee Adenovirus Vector) were accepted.

3. Deepening Market Resource Integration and Enhancing Service Effectiveness

The Company focused on systematically improving market operational capabilities, coordinating key business chains including import customs clearance, warehousing and logistics, and terminal promotion, ensuring efficient supply of quality products and professional services. The Company continued to advance public education on disease prevention concepts, strengthen public awareness of vaccination, and continuously consolidate the commercialization foundation for proprietary products.

During the reporting period, the Company steadily advanced market penetration and terminal coverage of proprietary products such as meningococcal vaccines, pneumococcal vaccines, influenza

vaccines, EC, and Vaccae, coordinating vaccine production scheduling and batch release rhythm based on market demand. In addition, the Company continued to strengthen its market team building, with Chenan Biopharm advancing commercialization infrastructure and accelerating the cultivation of specialized promotion teams.

The Company actively responded to the national Action Plan for Accelerating the Elimination of Cervical Cancer (2023 – 2030), implementing the comprehensive prevention and control principle of "prevention first, combining prevention and treatment," deepening public science education both online and offline, and promoting widespread HPV vaccination among eligible populations. Since 2025, China has included bivalent HPV vaccines in the National Immunization Program. The Company closely followed the national policy direction of "shifting the focus forward," supporting cervical cancer prevention at its source. The Company also strengthened herpes zoster prevention education among elderly and chronic disease populations. With China's aging population deepening, the Company actively responded to the "healthy aging" strategy, using recombinant zoster vaccine promotion as an entry point to effectively improve the quality of life of the elderly.

During the reporting period, the Company's vaccines were only made available for sale after obtaining a national batch release and approval certificate in strict compliance with applicable laws and regulations. The details of batch releases of the Company's vaccines during the reporting period are presented below:

(1) Proprietary products

Manufacturer	Product Name	Number of Released and Approved Products in H1 2026 (Dose)	Number of Released and Approved Products in H1 2025 (Dose)	Growth Rate (%)
Zhifei Lvzhu	ACYW ₁₃₅ polysaccharide vaccine	1,926,729	1,926,220	0.03
	AC conjugate vaccine	0	430,982	-100.00
	Hib vaccine	1,121,323	583,722	92.10
	AC polysaccharide vaccine	1,384,119	2,701,517	-48.77
	23-valent pneumonia vaccine	114,786	0	--

(2) Agency products

Manufacturer	Product Name	Number of Released and Approved Products in H1 2026 (Dose)	Number of Released and Approved Products in H1 2025 (Dose)	Growth Rate (%)
MSD	9-valent HPV vaccine	0	4,238,826	-100.00
	Pentavalent rotavirus vaccine	1,266,531	2,688,518	-52.89
	23-valent pneumonia vaccine	281,035	571,877	-50.86
GSK	Recombinant Zoster Vaccine	0	574,704	-100.00

4. Deepening the Internationalization Strategy and Accelerating Global Layout of Proprietary Products

Guided by the vision of "becoming a world-class biopharmaceutical enterprise," the Company continues to strengthen its global resource allocation capabilities, leveraging quality products and technological innovation to accelerate the overseas market expansion of proprietary products. The Company continues to deepen communication and collaboration with international organizations such as the WHO, GAVI, and UNICEF, actively integrating into the global public health governance system.

During the reporting period, the international commercialization of the Company's proprietary products progressed steadily. In product exports, the Company continued to supply ACYW₁₃₅ Meningococcal Polysaccharide Vaccine to countries including Indonesia, Pakistan, and Uzbekistan. In overseas registration, the registration of 23-Valent Pneumococcal Polysaccharide Vaccine in multiple countries progressed steadily, and the tuberculosis diagnostic product EC initiated registration procedures in Thailand and other high-TB-burden countries.

For pipeline products with global leading potential, the Company accelerated overseas clinical research and intellectual property layout. The Bivalent Shigella (Flexneri/Sonnei) Conjugate Vaccine and 26-Valent Pneumococcal Conjugate Vaccine continued clinical trials in Bangladesh and Australia, respectively. The Company also actively participated in high-level international academic exchanges. In April 2026, the Company attended the EMBO Workshop on "Shigella: from biology to prevention" in Paris, France, sharing core research progress on the Bivalent Shigella (Flexneri/Sonnei) Conjugate Vaccine with global peers. In July 2026, the Company participated in

the WHO Product Development for Vaccines Advisory Committee (PDVAC) meeting, presenting on the same topic, drawing broader international attention to the vaccine's global public health value.

IV. Analysis of Core Competitiveness

The Company takes technological innovation as its engine, consolidating its advantages in preventive products while expanding into metabolic disease therapeutic areas, continuously improving its three-dimensional "prevention & treatment" strategic layout. Relying on its self-built professional teams and extensive market network, the Company continuously enhances the accessibility of quality products, building a national health protection barrier. Meanwhile, by improving corporate governance standards and strengthening talent team building, the Company has built differentiated competitive advantages, building core competitiveness characterized by the synergistic development of prevention and treatment and the efficient translation of R&D into market value. This is mainly reflected in the following aspects:

(I) R&D Excellence: Innovation-Driven High-Quality Development

The Company has always taken the health needs of the public as its core guiding principle, adhering to an innovation development approach of "primarily independent R&D, supplemented by collaborative R&D, and complemented by investment incubation," driving the synergistic advancement of both endogenous innovation and outward expansion. The Company has established a strategic layout of three R&D and production bases and two innovation incubation centers, building an end-to-end innovation R&D ecosystem spanning from frontier exploration to industrial production. Among them, the three R&D and production bases—Beijing Zhifei Lvzhu, Anhui Zhifei Longcom, and Chongqing Chenan Biopharm—leverage their respective industrial supporting advantages to steadily advance the R&D pipelines and compliant smart manufacturing of vaccines, biological products, and metabolic drugs. The Beijing Innovation Incubation Center and the Shanghai Innovation Incubation Center focus on frontier biotechnology exploration, systematically strengthening the Company's comprehensive R&D competitiveness and forward-looking technology reserves, laying a solid foundation for the continuous breakthroughs of subsequent innovation

pipelines.

1. Independent Innovation and Multi-Matrix Synergistic Development

The Company is one of the enterprises with the most extensive vaccine pipeline portfolio in China, with R&D product reserves covering a broad range of disease areas, forming a multi-tiered R&D pipeline. Facing the profound transformation of the domestic vaccine industry from follow-on innovation to original innovation, the Company continues to track frontier technology breakthroughs and deepen its innovative product layout. The Company has established the "7+N" technology platforms covering multiple technology pathways, enabling optimized allocation and efficient synergies of R&D resources. Leveraging these technology platforms, the Company has built seven major product portfolios—Respiratory Vaccines, Enteric (Gastrointestinal) Vaccines, Tuberculosis Products, Oncology-Related Vaccines, Multi-Combo Vaccines, Adult Vaccines, Metabolic-Disease Therapeutics—covering the two core areas of prevention and treatment. Through years of sustained investment, the Company has built an innovative R&D asset portfolio encompassing key projects such as the Quadrivalent Recombinant Norovirus Vaccine (*Pichia Pastoris*), Bivalent Shigella (*Flexneri/Sonnei*) Conjugate Vaccine, 26-Valent Pneumococcal Conjugate Vaccine, and Epstein-Barr Virus (EBV) Vaccine, with the breadth of its product pipeline and differentiated competitiveness continuously improving.

As of the disclosure date of this report, the Company has a total of 42 proprietary R&D projects in progress, including 28 preventive R&D projects at the stages of application, conduct of clinical trials, and registration application, and 5 key therapeutic R&D projects at various clinical stages. The details are as follows:

Projects entering the registration process

No.	Product Name	Registration Class	Indications	Registration Stage	Development Progress
1	Lyophilized Human Rabies Vaccine (Human Diploid Cell)	Prophylactic Biologic Products, Class 3.3	Used for prevention of rabies.	Registration	Under review

No.	Product Name	Registration Class	Indications	Registration Stage	Development Progress
2	15-Valent Pneumococcal Conjugate Vaccine	Prophylactic Biologic Products, Class 2.1	Used for prevention of infectious diseases caused by <i>Streptococcus pneumoniae</i> .	Registration	Under review
3	ACYW ₁₃₅ Meningococcal Conjugate Vaccine	Prophylactic Biologic Products, Class 3.2	Used for prevention of infectious diseases caused by <i>Neisseria meningitidis</i> .	Registration	Under review
4	Lyophilized Human Rabies Vaccine (Vero Cell)	Prophylactic Biologic Products, Class 15	Used for prevention of rabies.	Clinical trial	Phase III
5	Bivalent Shigella (Flexneri/Sonnei) Conjugate Vaccine	Prophylactic Biologic Products, Class 1	Used for the prevention of diarrheal disease caused by <i>Shigella flexneri</i> and <i>Shigella sonnei</i> infection.	Clinical trial	Phase III
6	Component DTP (Acellular) Vaccine	Prophylactic Biologic Products, Class 4	Used for the prevention of diseases caused by <i>Bordetella pertussis</i> , <i>Corynebacterium diphtheriae</i> and <i>Clostridium tetani</i> .	Clinical trial	Phase III
7	Quadrivalent Recombinant Norovirus Vaccine (Pichia Pastoris)	Prophylactic Biologic Products, Class 1	Used for prevention of acute gastroenteritis caused by norovirus infection.	Clinical trial	Phase III
8	Therapeutic BCG Vaccine	Therapeutic Biologic Products, Class 3.4	Used for treatment of bladder carcinoma in situ and prevention of recurrence, and for the prevention of recurrence after transurethral resection of papillary tumors of the bladder at stage Ta or T1. This product is not intended for papilloma beyond T1 stage.	Clinical trial	Phase III
9	Adsorbed Tetanus Vaccine	Prophylactic Biologic Products, Class 3.3	Used for prevention of tetanus.	Clinical trial	Phase III
10	Lyophilized Recombinant Tuberculosis Vaccine (AEC/BC02)	Prophylactic Biologic Products, Class 1	Used for booster immunization following BCG primary immunization and for the prevention of tuberculosis in individuals with latent tuberculosis infection.	Clinical trial	Phase II
11	BCG-Derived Purified Protein Derivative (PPD) / BCG Protein Derivative	Therapeutic Biologic Products,	Used for clinical ancillary diagnosis of tuberculosis, epidemiological survey of tuberculosis and monitoring of the body's	Clinical trial	Phase II

No.	Product Name	Registration Class	Indications	Registration Stage	Development Progress
		Class 15	immune response after BCG vaccination. In combination with an in vivo diagnostic reagent (Recombinant Mycobacterium Tuberculosis Fusion Protein (EC)) for identification purposes, it can be used to identify the groups not infected with tuberculosis that are not vaccinated or are negative after vaccination by BCG, the groups not infected with tuberculosis that are positive after vaccination by BCG, and the groups infected with tuberculosis.		
12	26-Valent Pneumococcal Conjugate Vaccine	Prophylactic Biologic Products, Class 1.4	Used for prevention of infectious diseases caused by <i>Streptococcus pneumoniae</i> .	Clinical trial	Phase I/II
13	Quadrivalent Influenza Split Vaccine (adjuvant ZFA02)	Prophylactic Biologic Products, Class 1.3	Used for prevention of influenza caused by the particular virus strain.	Clinical trial	Phase I/II
14	Intradermal BCG Vaccine	Prophylactic Biologic Products, Class 15	Used for prevention of tuberculosis.	Clinical trial	Phase I
15	Inactivated Rotavirus Vaccine	Prophylactic Biologic Products, Class 1	Used for prevention of diarrhea caused by group A rotavirus in infants and young children. It may provide cross-protection against rotavirus serotypes not contained in the vaccine.	Clinical trial	Phase I
16	Recombinant Group B Meningococcal Vaccine (E. coli Expression System)	Prophylactic Biologic Products, Class 2.6	Used for prevention of invasive diseases caused by <i>Neisseria meningitidis</i> group B.	Clinical trial	Phase I
17	Adsorbed Acellular DTP (Component) + Hib (Conjugate) Combination Vaccine	Prophylactic Biologic Products, Class 2.2	Used for prevention of infectious diseases caused by <i>Bordetella pertussis</i> , <i>Corynebacterium diphtheriae</i> , <i>Clostridium tetani</i> and <i>Haemophilus influenzae</i> type b, such as pertussis, diphtheria, tetanus, meningitis, pneumonia, sepsis and epiglottitis.	Clinical trial	Phase I
18	Influenza Split Vaccine (adjuvant ZFA02)	Prophylactic Biologic Products, Class 1.3	Used for prevention of influenza caused by H1N1, H3N2 and BV subtype viruses.	Clinical trial approved	Clinical trial approved

No.	Product Name	Registration Class	Indications	Registration Stage	Development Progress
19	Recombinant Herpes Zoster Vaccine (CHO Cell)	Prophylactic Biologic Products, Class 1.3	Used for prevention of herpes zoster.	Clinical trial approved	Clinical trial approved
20	Acellular DTP Vaccine for Adolescents & Adults	Prophylactic Biologic Products, Class 2.6	Used for prevention of diphtheria, tetanus and pertussis.	Clinical trial approved	Clinical trial approved
21	Herpes Zoster mRNA Vaccine	Prophylactic Biologic Products, Class 1.2	Used for prevention of herpes zoster.	Clinical trial approved	Clinical trial approved
22	Inactivated Varicella-Zoster Vaccine	Prophylactic Biologic Products, Class 2.2	Used for prevention of diseases caused by varicella-zoster virus.	Clinical trial approved	Clinical trial approved
23	Recombinant Zoster ZFA01 Adjuvant Vaccine (CHO Cell)	Prophylactic Biologic Products, Class 1.3	Used for prevention of herpes zoster.	Clinical trial approved	Clinical trial approved
24	Mpox (monkeypox) Vaccine	Prophylactic Biologic Products, Class 3.2	Used for prevention of mpox caused by mpox virus.	Clinical trial approved	Clinical trial approved
25	COVID-19 mRNA Vaccine	Prophylactic Biologic Products, Class 1.2	Used for prevention of disease caused by SARS-CoV-2 infection.	Clinical trial approved	Clinical trial approved
26	Inactivated Japanese Encephalitis Vaccine	Prophylactic Biologic Products, Class 2.2	Used for prevention of diseases caused by Japanese encephalitis virus infection.	Clinical trial approved	Clinical trial approved
27	Recombinant Rotavirus Vaccine (E. coli)	Prophylactic Biologic Products, Class 1.2	Used for the prevention of acute gastroenteritis caused by rotavirus infection in infants and children.	Clinical trial application	Application accepted
28	Intranasal Recombinant RSV Vaccine (Chimpanzee Adenovirus Vector)	Prophylactic Biologic Products, Class 1.2	Used for the prevention of lower respiratory tract infections caused by RSV.	Clinical trial application	Application accepted

No.	Product Name	Registration Class	Indications	Registration Stage	Development Progress
Note: The above does not include all of the Company's projects under development that have entered the registration process.					

Preclinical Project

No.	Product Name	Progress and Changes in 2026H1	Expected Progress (2026 – 2027)	
1	Quadrivalent HFMD (hand-foot-mouth disease) vaccine	Preclinical study	Clinical trial application	Clinical study
2	Epstein-Barr Virus (EBV) Vaccine	Preclinical study	Preclinical study	Clinical trial application
3	Pentavalent Meningococcal Conjugate Vaccine	Preclinical study	Preclinical study	Clinical trial application
4	Lyophilized Human Rabies Vaccine (ZFB-3 cells)	Preclinical study	Preclinical study	Clinical trial application
5	Pertussis OMV Vaccine	Preclinical study	Preclinical study	Clinical trial application
6	DTP-based combination vaccine	Preclinical study	Preclinical study	Preclinical study
7	Recombinant Hepatitis B Vaccine (Hansenula / Hansen yeast)	Preclinical study	Preclinical study	Preclinical study
8	Respiratory Syncytial Virus (RSV) Vaccine	Preclinical study	Clinical trial application	Clinical study
9	Pandemic Influenza Virus mRNA Vaccine	Preclinical study	Clinical trial application	Clinical study
Note: The above does not include all of the Company's preclinical-stage preventive pipeline projects.				

Chenan Biopharm's key programs that have entered the clinical trial stage

No.	Product Name	Registration Class	Indications	Registration Stage	Development Progress
1	Insulin Degludec Injection	New Drug Class 3.3	Type 2 diabetes	Registration	Under review
2	Semaglutide Injection(T2D)	New Drug Class 3.3	Type 2 diabetes	Clinical trial	Completed
3	Insulin Degludec and Aspart Injection	New Drug Class 3.3	Type 2 diabetes	Clinical trial	Completed
4	Semaglutide Injection(Overweight / Obesity)	New Drug Class 3.3	Overweight/Obesity	Clinical trial	Completed
5	CA111	New Drug Class 1	Overweight/Obesity	Clinical trial	Phase I
Note: The above does not include all of the Company's clinical-stage therapeutic pipeline projects.					

As of the disclosure date of this report, the Company continued to deepen its intellectual property

system development, with a total of 90 granted patents (including patents obtained overseas), of which 78 remain within their validity period, building a rights protection framework for the Company's technological innovation achievements and providing strong support through patent barriers for the commercialization of the product pipeline.

2.Collaborative Research: Advancing Industry-Academia-Research Integration

Guided by the vision of "becoming a world-class biopharmaceutical enterprise," the Company regards industry-academia-research collaborative innovation as a key engine driving high-quality development. By strengthening multi-party collaboration among enterprises, universities, and research institutions, the Company continues to cultivate the industry-academia-research integration ecosystem, opening up the pathway from laboratory research to commercialization. The Company adheres to the philosophy of open innovation, establishing deep strategic partnerships with top research institutions and leading industry enterprises, and building an end-to-end collaborative innovation network covering basic research, technology development, clinical translation, and industrial commercialization. This ecosystem not only effectively shortens the cycle from proof-of-concept to commercialization of frontier technologies, but also builds differentiated technological barriers and first-mover advantages for the Company in fierce market competition.

In the life and health sector, which is vital to the national economy and people's livelihood, the Company focuses on the urgent needs in the prevention and treatment of major diseases and public health, establishing long-term cooperation mechanisms with multiple parties and concentrating advantageous resources for joint research breakthroughs. Currently, the Company has established deep strategic cooperation with top domestic research institutions including the Institute of Microbiology of the Chinese Academy of Sciences and Sun Yat-sen University, conducting multiple clinical studies and high-level academic collaborations in areas such as the R&D of next-generation innovative vaccines and comprehensive tuberculosis prevention and treatment. These projects aim at the frontier of international science and technology while closely aligning with major national strategic needs, reflecting the Company's sense of responsibility as a backbone enterprise in the

industry. Deep research-enterprise collaboration not only accelerates the translation of scientific research outcomes into clinical value, but also consolidates the Company's position as an innovation leader in the biopharmaceutical field. Looking ahead, the Company will further deepen the breadth and depth of industry-academia-research integration, responding to the call of the times with more breakthrough achievements and contributing to the building of a Healthy China.

3. Strategic Layout: Refining the "Prevention & Treatment" Development Strategy and Planning

The Company's forward-looking move to increase capital and acquire a controlling stake in Chenan Biopharm has begun to pay off. In July 2026, the Liraglutide Injection (Dashuchen), independently developed by Chenan Biopharm, was officially approved for marketing, becoming the Company's first approved therapeutic biological product in the metabolic disease area. As of the disclosure date of this report, Insulin Degludec Injection is under marketing review, Semaglutide Injection and Insulin Degludec and Aspart Injection have completed Phase III clinical trials, and the GLP-1/GIP dual-target agonist CA111 is undergoing Phase I clinical trials, with the commercialization of its pipeline accelerating. Focusing on metabolic disease areas such as diabetes and obesity, Chenan Biopharm will become the core engine for the Company's future therapeutic drug growth.

The Company continues to refine its three-dimensional "prevention & treatment" development strategy and planning. Through the Zhirui investment platform, the Company incubates and nurtures promising preventive and therapeutic biotechnologies and products in the form of equity investment, primarily targeting areas such as oncology, autoimmune diseases, metabolic diseases, neurodegenerative diseases, and cardiovascular diseases. Zhirui Investment has built the Zhirui Biopharmaceutical Industrial Park in Chongqing, successfully incubating over a dozen technology innovation enterprises with a reserve of more than 50 pipeline projects. Multiple Class 1 new drugs within the Zhirui Investment system rank among the industry leaders in R&D and commercialization progress, supporting the Company's steady and sustained progress on its journey to "becoming a

world-class biopharmaceutical enterprise."

(II) Pursuing Excellence: The Continuously Optimized Promotion Network

The Company continues to consolidate its commercial operation system covering the full product life cycle, having built end-to-end professional service capabilities spanning market access, academic promotion, cold chain distribution and after-sales service. Relying on a scaled professional marketing team, the Company has established a tiered, vertically integrated service network, deeply covering 31 provincial administrative regions, over 2,600 districts and counties nationwide, with terminals reaching over 30,000 grassroots healthcare service points, achieving deep penetration from central cities to county markets with full-tier channel advantages.

The scale, professional quality, coverage breadth and depth of the Company's market team remain industry-leading. Extensive and in-depth refined operations continuously strengthen product recognition and brand awareness, providing strong support for innovative product launches and internationalization strategy implementation. Based on dynamic management of the terminal network, the Company can keenly capture market trends, flexibly adjust layout, and promote the rapid introduction of quality products to the market, truly benefiting the public with innovative R&D achievements.

The Company's long-term strategic cooperation with international leading pharmaceutical enterprises continues to deepen. With extensive terminal coverage, professional science education, and stable supply capabilities, the Company's core agency product market share continues to lead. In the proprietary product segment, ACYW₁₃₅ Meningococcal Polysaccharide Vaccine, Group A & C Meningococcal Polysaccharide Conjugate Vaccine and other meningococcal series vaccines also occupy important market shares in the domestic market. Meanwhile, with Chenan Biopharm's Liraglutide Injection approved for marketing, the Company's metabolic disease therapeutic commercialization map has commenced, achieving a key extension from infectious disease prevention to the therapeutic field.

(III) Quality Assurance: Building a Full-Process Quality Lifeline

The Company always adheres to the core value of "quality first," with providing quality products and professional services to the public as its core goal, applying the full-life-cycle quality control concept to every stage from laboratory R&D to terminal use. The Company not only possesses comprehensive hard capabilities including scaled compliant production, full-chain standardized quality control, and professional commercial development, but also proactively benchmarks against international standards to continuously improve production and quality control capabilities, possessing domestically leading industrialization capabilities.

Since the Company's first batch of products passed batch release in 2008, the Company's proprietary product batch release qualification rate has been maintained at 100%. In quality control, the Company has built a comprehensive quality management system, clarifying quality priorities and responsibilities from product R&D, raw material inspection, production, procurement, transportation, warehousing, sales, to post-market management, strictly implementing standardized management procedures. In supply chain, the Company has established long-term stable cooperation with multiple excellent domestic and overseas suppliers. In logistics, the Company has built automatic temperature-controlled drug cold storage complying with quality management standards, and formed a self-owned delivery team with vaccine temperature-controlled refrigerated vehicles. In digitalization, the Company's self-built vaccine traceability management system can achieve real-time tracking of vaccine temperature and flow direction, with full traceability to the smallest packaging unit.

(IV) Pooling Wisdom and Strengths: Strengthening Team Building

The Company's management team gathers elite talents from various fields including biopharmaceuticals, public health, clinical research, and commercial operations. Core members not only possess deep professional backgrounds in related fields, but also have rich experience deeply engaged in disease prevention and control and the biopharmaceutical industry, building an efficient management system with both strategic decision-making capability and strong execution. The management team always maintains high sensitivity to industry policy trends and technological changes able to act promptly at key junctures, ensuring that the Company's development strategy is

both practical and sufficiently forward-looking.

Since its founding, the Company has always adhered to the principle of "social benefits first, corporate profits second." Over more than twenty years of progress, the Company has deeply integrated social responsibility into its development genes, refining the corporate values centered on "Six Priorities and Six Balances," thereby shaping the distinctive Zhifei culture. The Company uses Zhifei culture as its spiritual core, attracting, gathering, and retaining talent with highly unified shared values. Meanwhile, with diverse incentive mechanisms, sound benefit-sharing mechanisms, and full-sequence talent development strategies, the Company has built a competitive talent ecosystem, accumulating core driving force for achieving "world-class" status.

V. Explanation of Other Major Issues

During the reporting period, the Company signed *the Amended and Restated Supply, Distribution and Joint Promotion Agreement* with MSD. The two parties will confirm expected procurement and supply plans through consultation based on market expected demand and actual vaccination conditions, and the Company will make rolling procurements of the products under the agreement accordingly. Specific procurement will be subject to written orders confirmed by both parties. For details, see *the Announcement on Adjusting the Strategic Cooperation Agreement with MSD* (2026-20).

VI. Industrial Situation and Trends

(I) Full-Chain Policies Continue to Empower; Industry's Strategic Position Achieves a Historic Leap

The biopharmaceutical industry concerns national welfare, people's livelihood, and national security. With its distinct technological attributes and high strategic importance, it has been deeply integrated into national security and people's welfare protection. With the intensive implementation and effectiveness of innovation support policies covering the full chain of R&D, registration, production, and payment, the strong technological attributes and strategic driving power of the

biopharmaceutical industry are accelerating transformation into new productive forces, becoming a key engine for building a modern industrial system.

In 2026, the industry's top-level design ushered in a milestone upgrade. The government work report for the first time listed biomedicine alongside integrated circuits, aerospace, and low-altitude economy as national emerging pillar industries. The 15th Five-Year Plan further established it as a key direction for mid-term economic development, marking the biopharmaceutical industry's formal transition from key cultivation to pillar leadership. In January 2026, the newly revised Regulations for Implementing the Drug Administration Law of the People's Republic of China were officially released. In April, the General Office of the State Council issued the Opinions on Improving the Drug Pricing Formation Mechanism, launching 14 specific measures. In July, the State Council officially issued the 15th Five-Year Plan for National Health, and the 15th Five-Year Plan for Disease Prevention and Control was jointly issued by 7 departments including the National Administration of Disease Prevention and Control and the National Development and Reform Commission.

(II) Deepening the Integration of Healthcare and Disease Prevention

Strengthening the integration of medical care and prevention is to promote the "shifting the focus forward" and "shifting the focus downward" of medical and health work. Shifting the focus forward means directing attention to prevention, screening and risk intervention before disease occurrence; shifting the focus downward means transferring from a large hospital-centered model to a grassroots model. The pace of the integration of medical care and prevention has clearly accelerated. The National Administration of Disease Prevention and Control's Guiding Opinions on Promoting the High-Quality Development of Full-Life-Cycle Vaccination Services has been fully implemented, with adult vaccination clinics widely established in provinces and cities nationwide. Public health and clinical medical resource barriers have been gradually broken, with service scenarios deeply integrated.

As the most effective and cost-effective means of preventing and controlling infectious diseases, vaccination has seen its value in preventing infection, blocking transmission, and reducing severe

cases and deaths further highlighted. With the dynamic adjustment of the National Immunization Program and comprehensive popularization of health education, public awareness of vaccines continues to deepen, and the adult immunization market has become the industry's second growth point.

(III) Industry Enters Structural Adjustment Period

The vaccine industry is currently at a critical node of deep adjustment. The previously spreading "vaccine hesitancy" sentiment still affects public vaccination willingness and vaccine trust to a certain extent, also pushing the overall market demand of the vaccine industry into a periodic trough, with market expectations and development confidence facing periodic tests. Meanwhile, the medical industry's work-style rectification has entered a stage of high-pressure normalization, with corruption rectification advancing from periodic centralized campaigns to comprehensive long-term mechanisms. The industry ecosystem has undergone profound changes, accelerating the construction of a fairer and more transparent competitive environment. In this context, compliance capability is no longer just the survival bottom line for enterprises, but also the core foundation determining market success or failure.

Crisis always breeds opportunity, and deep adjustment also provides the industry with an opportunity for industrial transformation and upgrading. China's biopharmaceutical industry, through years of accumulation, has built solid technological barriers, accumulated rich talent resources, and constructed a comprehensive innovation industrial chain. Currently, the industry is accelerating the transition from imitative innovation to original innovation, with a series of major innovative achievements rapidly translating into clinical applications. Looking forward, only enterprises mastering core technology, with rich R&D pipeline reserves and differentiated layout, can achieve disruptive breakthroughs through innovative technology, expanding the range of preventable diseases and upgrading existing products. By utilizing new technology platforms, focusing on insufficiently covered demand scenarios for adults, the elderly, and special immunocompromised populations, and developing innovative vaccines and drugs meeting public health needs, enterprises will reshape core

competitiveness, driving the industry from price competition to value creation, ultimately achieving high-quality sustainable development.

VII. Risks and Countermeasures

(I) Policy risk

As one of China's emerging strategic industries, the biopharmaceutical industry receives high attention from government departments at all levels, with particularly strict regulation of the biological vaccine industry. The Company strictly implements various systems and standards, improving enterprise operation and management. However, with rapid social and economic development, continuous changes in the trade environment, and ongoing adjustments and changes in industry policies, there may be impacts on the Company's production and sales. The Company continues to closely monitor policy changes and timely adjust business strategies to comply with regulatory requirements.

(II) Product R&D Risks

Given that biological and pharmaceutical R&D involves significant investment, long cycles, and high risks, uncertainties may arise during the product development and registration process, potentially leading to product R&D and registration risks. The Company adheres to a risk management-oriented approach, focusing on building a robust clinical management team, strengthening clinical trial and product registration management, and mitigating product development and registration risks.

(III) Risks of Sales Underperformance and Inventory Impairment

Biological product sales are influenced by multiple interrelated variables, including industry policies, supply dynamics, and market demand. Fluctuations in any area can affect end sales. Currently, vaccine hesitancy, demand volatility, and intensifying competition are collectively pressuring the industry. The Company and its partners are restructuring and deepening strategic collaboration, while employing optimized promotion strategies and enhanced disease education to

restore public confidence in vaccines across multiple dimensions, steadily promoting increased willingness to vaccinate.

(IV) Risk of Bad Debts

China's vaccine sales implement the "one-invoice system," and the Company's accounts receivable are mainly product sales payments with disease control centers across regions, with a certain payment period between sales and collection. Currently, the Company's accounts receivable account for a relatively high proportion of total assets. If the external environment undergoes significant changes in the future and the Company's accounts receivable cannot be normally recovered, it will adversely affect the Company's normal operations. The Company attaches great importance to pre-sale risk control, in-sale performance tracking, and post-sale effective communication, reducing the risk of bad debt occurrence.

(V) Talent Management Risk

The talent team is the solid foundation for the Company's planned R&D, production and sales activities. However, with the company's growth and expansion, the complexity of personnel management continues to rise. Business diversification and increasing organizational hierarchies pose new management requirements for the Company, and goal alignment, capability development, and incentive matching for employees of different positions, regions, and cultural backgrounds also bring new challenges. The Company has long adhered to the talent selection principle of "character first," integrating corporate culture into employee onboarding training and daily behavior management to ensure team stability and standardization. Meanwhile, the Company adopts diverse incentive systems and benefit-sharing mechanisms to energize the team.

(VI) Risks of public opinion response

With the vigorous advancement of vaccination and the significant improvement of national disease prevention awareness, the scope and quantity of vaccine product administration have gradually increased. Additionally, as a public company, the Company has high social attention, creating a certain public opinion management risk. Once public opinion events occur, they will have

negative impacts on vaccination work, vaccine industry development, and the Company's normal production and operations. The Company always strengthens its sense of responsibility, establishes a good brand image, continuously monitors public opinion information related to the Company, and establishes sound public opinion management mechanisms and response measures to safeguard the Company's development.

(VII) Vaccine Hesitancy Risk

Although vaccines are the most economical and effective way to prevent and control infectious diseases, vaccine hesitancy still affects the recognition and vaccination rates of vaccines. Reluctance or refusal to vaccinate may reverse progress made in disease prevention and will also reduce the prosperity of the vaccine industry for a period of time, thereby affecting the Company's performance. The Company always adheres to compliant operations, actively participates in vaccine knowledge popularization and vaccination promotion, and encourages the public to form rational awareness of vaccination.