Stock code: 000963 Stock abbreviation: Huadong Medicine Announcement No.: 2026-030

Huadong Medicine Co., Ltd.

First Quarterly Report 2026

The Company and all members of the Board of Directors hereby guarantee that the information presented in this report is authentic, accurate and complete and free of any false records, misleading statements or material omissions.

Important Declaration:

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

2. The Company's legal representative, the officer in charge of accounting, and the head of Accounting Department (accounting manager) hereby declare that the financial information in this quarterly report is authentic, accurate and complete.

3. Has the First Quarterly Report been audited?

□Yes ☑No

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.

I. Key Financial Data

(I) 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	Year-on-year change for the reporting period (%)
Operating revenue (RMB)	11,183,450,824.27	10,735,787,899.82	4.17%
Net profits attributable to shareholders of the listed company (RMB)	1,002,189,357.16	914,708,484.70	9.56%
Net profits attributable to shareholders of the listed company after deduction of non-recurring profit and loss (RMB)	989,719,668.99	897,337,982.42	10.30%
Net cash flow from operating activities (RMB)	-852,335,762.63	-832,728,693.88	-2.35%
Basic earnings per share (RMB/share)	0.5715	0.5224	9.40%
Diluted earnings per share (RMB/share)	0.5715	0.5213	9.63%
Weighted average return on equity	3.97%	3.88%	0.09%
	End of the current reporting period	End of the last year	Change from prior year-end (%)
Total assets (RMB)	39,908,042,564.94	39,038,036,320.92	2.23%
Owners' equity attributable to shareholders of listed companies (RMB)	25,733,074,032.10	24,811,339,992.99	3.71%

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 (RMB)	0.00
Paid perpetual bond interest (RMB)	0.00
Fully diluted earnings per share based on the latest share capital (RMB/share)	0.5715

(II) Non-recurring profit and loss items and amounts

☑Applicable □Not applicable

Unit: RMB

Item	Amount during the current reporting period	Description
Profits/losses on disposal of non-current assets (including the written-off part of the accrued impairment provision of assets)	534,949.84	
Government grants included in the	22,334,120.97	

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)		
Other non-operating revenue and expenses other than those mentioned above	-7,779,473.38	
Less: Amount affected by income tax	1,182,827.86	
Amount affected by minority interests (after tax)	1,437,081.40	
Total	12,469,688.17	--

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.

(III) Details and reasons for changes in key accounting data and financial indicators

☑Applicable □Not applicable

Unit: RMB 10,000

Items in the balance sheet	Closing balance	Opening balance	Percentage change	Reasons for changes
Notes receivable	-	621.34	-100.00%	Mainly attributable to the decrease in commercial acceptance bills receivable during the current period
Other current assets	13,927.49	22,234.33	-37.36%	Mainly attributable to the decrease in creditable VAT input tax at the end of the period
Other current liabilities	3,494.29	1,044.36	234.59%	Mainly attributable to the increase in VAT output tax pending carryover during the current period
Employee compensation payable	23,713.85	41,159.88	-42.39%	Mainly attributable to remuneration paid during the current period
Other comprehensive income	-7,483.69	577.07	-1396.85%	Mainly attributable to changes in foreign currency translation differences during the current period
Items in the income statement	**Amount in the current period**	**Amount in the previous period**	**Percentage change**	**Reasons for changes**
R&D expenses	35,036.53	51,537.69	-32.02%	Key programs were progressed smoothly in clinical studies

				during the period. Expenditures related to Phase III clinical programs met the capitalization criteria and were capitalized during the current period, resulting in a corresponding decrease in R&D expenses
Financial expenses	-472.53	1,461.80	-132.33%	Mainly attributable to the increase in exchange earning in the current period
Investment income	-2,231.03	-4,262.41	47.66%	Mainly attributable to the increase in investment income recognized from associates in the current period
Other income	3,123.03	7,364.16	-57.59%	Mainly attributable to the decrease in government grants during the current period
Proceeds from disposal of assets	53.49	-1,454.10	103.68%	Mainly attributable to the decrease in net losses from asset disposal during the current period
Non-operating expenses	909.54	2,807.54	-67.60%	Mainly attributable to the decrease in external donations made during the current period
Items in the cash flow statement	**Amount in the current period**	**Amount in the previous period**	**Percentage change**	**Reasons for changes**
Net cash flows from investing activities	-39,140.04	-64,583.94	39.40%	Mainly attributable to the decrease in investment in the current period
Net cash flow from financing activities	3,521.20	-8,683.86	140.55%	Mainly attributable to the year-on-year decrease in the repayment of interest-bearing liabilities

II. Shareholder Information

(I) Total number of common shareholders, number of preferred shareholders with restored voting rights and shareholdings of top 10 shareholders

Unit: Shares

Total number of common shareholders at the end of the reporting period		84,304	Total number of preferred shareholders with restored voting rights at the end of the reporting period (if any)		0
Particulars about the top 10 shareholders (excluding shares lent through refinancing)					
Name of shareholder	Nature of shareholder	Shareholding ratio (%)	Number of shares held	Number of shares held with 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	Pledged / 138,640,000
Hangzhou Huadong Medicine Group Co., Ltd.	State-owned corporation	16.42%	288,000,000	0	Not applicable / 0
Hong Kong Securities	Overseas corporation	2.22%	38,923,330	0	Not applicable / 0

Clearing Company Limited						
New China Life Insurance Co., Ltd. - Dividend - Individual Dividend - 018L-FH002 Shenzhen	Others	2.05%	35,903,842	0	Not applicable	0
New China Life Insurance Co., Ltd. - Traditional - General Insurance Products - 018L-CT001 Shenzhen	Others	1.32%	23,204,014	0	Not applicable	0
Industrial and Commercial Bank of China Limited - Zhong Ou AMC Medical and Health Hybrid Securities Investment Fund	Others	1.21%	21,182,329	0	Not applicable	0
China Securities Finance Corporation Limited	Domestic non-state-owned corporation	1.09%	19,095,344	0	Not applicable	0
National Social Security Fund - Portfolio 112	Others	1.00%	17,589,744	0	Not applicable	0
Bank of Shanghai Co., Ltd. - Yinhua CSI Innovative Pharmaceutical Industry Traded Open-ended Index Securities Investment Fund	Others	0.74%	13,013,898	0	Not applicable	0
China Construction Bank Corporation - E Fund CSI 300 Medical and Health Trading Open Index	Others	0.70%	12,343,870	0	Not applicable	0

Securities Investment Fund						

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	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	38,923,330	RMB common shares	38,923,330
New China Life Insurance Co., Ltd. - Dividend - Individual Dividend - 018L-FH002 Shenzhen	35,903,842	RMB common shares	35,903,842
New China Life Insurance Co., Ltd. - Traditional - General Insurance Products - 018L-CT001 Shenzhen	23,204,014	RMB common shares	23,204,014
Industrial and Commercial Bank of China Limited - Zhong Ou AMC Medical and Health Hybrid Securities Investment Fund	21,182,329	RMB common shares	21,182,329
China Securities Finance Corporation Limited	19,095,344	RMB common shares	19,095,344
National Social Security Fund - Portfolio 112	17,589,744	RMB common shares	17,589,744
Bank of Shanghai Co., Ltd. - Yinhua CSI Innovative Pharmaceutical Industry Traded Open-ended Index Securities Investment Fund	13,013,898	RMB common shares	13,013,898
China Construction Bank Corporation - E Fund CSI 300 Medical and Health Trading Open Index Securities Investment Fund	12,343,870	RMB common shares	12,343,870
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.		
Description of the participation in securities margin trading business of top 10 shareholders (if any)	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

(II) Total number of preferred shareholders and shareholding list of top 10 preferred shareholders of the Company

□Applicable ☑Not applicable

Ⅲ. Other Important Matters

☑Applicable □Not applicable

(I) Overview of the Company's overall operations during the reporting period

In 2026, external competition is expected to continue intensifying, and the policy environment has become increasingly complex and volatile. Corporate development faces mounting pressures. Competition driven by market share will enter a new stage. During the reporting period, in the face of these challenges, the Company has remained firmly aligned with its overall strategic roadmap and annual operational objectives. Guided by the business priorities of "exploring new markets, focusing on new products, strengthening organizational capabilities, and building new competencies", the Company has upheld the management philosophy of "problem-solving and value creation", and integrated the principles of "innovation-driven development, resource integration, and enterprise-wide collaboration" throughout all operational processes; staying committed to its innovation, the Company has systematically advanced comprehensive upgrades across its product portfolio, management systems, and talent development. It concentrated resources on tackling key R&D and clinical study programs, deepened collaboration across sectors such as pharmaceuticals, medical aesthetics, and commercial operations, continuously activated growth drivers for innovative business, and realized steady improvements in operational quality and management efficiency, ensuring the orderly execution of various tasks.

During the reporting period, the Company achieved operating revenue of RMB 11.183 billion, representing a YoY increase of 4.17% and a quarter-on-quarter increase of 2.15% compared with Q4 2025. Net profit attributable to shareholders of the listed company reached RMB 1.002 billion, up 9.56% year-on-year. Net profit attributable to shareholders excluding non-recurring profit and loss items was RMB 990 million, marking a YoY increase of 10.30% and reaching a historical high for the same period.

During the reporting period, Zhongmei Huadong, the Company's core subsidiary in the field of pharmaceutical industry, maintained steady growth in overall operations. It achieved operating revenue (including CSO business) of RMB 4.048 billion, representing an 11.82% YoY increase. The consolidated net profit attributable to the parent company reached RMB 931 million, up 10.44% year-on-year. Both operating revenue and net profit attributable to the parent company recorded the growth exceeding 10%.

During the reporting period, the revenue contribution of innovative products continued to increase. Sales and agency service revenue generated from innovative products reached RMB 810

million, representing a year-on-year growth of 61.8% and accounting for 20.05% of the operating revenue of the pharmaceutical industry segment (including the CSO business). The overall business of the Company has entered a strong growth trajectory, further demonstrating the effectiveness of the Company's R&D achievement transformation and the professionalism of its commercialization operations. By the end of the first quarter of 2026, medical institutions that were certified and registered to administer the CAR-T therapy Zevorcabtagene Autoleucel Injection (zevor-cel) had expanded to more than 20 provinces and municipalities across the country. Zevor-cel has also been included in the *Commercial Health Insurance Innovative Drug List*. As of the date of this Report, more than 100 commercial and Huiminbao (a city-specific supplemental medical insurance program) programs have incorporated zevor-cel into their reimbursement coverage. Since its launch, Sailexin®, the biosimilar of Ustekinumab Injection, has demonstrated outstanding market performance. To date, it has been prescribed in over 2,000 hospitals, and its sales revenue in the first quarter of 2026 increased by nearly 200% year on year.

In the diabetes field, Huiyoujing®, i.e., Ganagliflozin Proline Tablets, which is the Class 1 new drug, has now been adopted by over 1,900 tiered hospitals. Its sales revenue in the first quarter of 2026 increased by over 800% year on year (noting that the first quarter of 2025 was its first sales period after inclusion in the national reimbursement drug list).

By the end of the first quarter, Mirvetuximab Soravtansine Injection (trade name: ELAHERE®) had been listed on drug procurement platforms in 29 provinces, prescribed in over 200 hospitals, and made available in more than 400 medical institutions and over 200 DTP pharmacies. Currently, Elahere® has also been successfully incorporated in multiple Huiminbao (a city-specific supplemental medical insurance program) programs and commercial insurance programs, such as Beijing Inclusive Medical Insurance Program, Jiangxi Ganhuibao (inclusive commercial health insurance program), Leshan Huijiabao (city-customized insurance program), and Shaanxi Universal Health Insurance. From 2025 to the end of the reporting period, cumulative sales of Elahere® exceeded RMB 100 million. The novel PARP inhibitor, Senaparib Capsules (trade name: Paishuning®), exclusively promoted by the Company, has delivered outstanding market performance. Currently, it is available in over 300 DTP pharmacies and more than 900 medical institutions, supported by a multi-tier distribution network; at the same time, the Company actively promoted the inclusion of its product in reimbursement coverage of insurance programs. The product has been incorporated into multiple regional Huiminbao programs (e.g., West Lake Yilianbao, Huhuibao, Chonghuibao, Jiaxing Huiminbao, and CPIC-Huxiangbao), as well as other commercial insurance programs, effectively reducing the financial burden of patients.

MediBeacon® TGFR, the world's first bedside renal function assessment device applicable to

patients with normal or impaired renal function , has officially commenced commercial sales in the Chinese market. To date, consumables of MediBeacon® TGFR have been listed in 25 provinces, while Relmapirazin Injection has been listed in 21 provinces.

During the reporting period, the pharmaceutical distribution segment of the Company sustained stable operations, yielding an aggregate operating revenue of RMB 7.181 billion, marking a year-on-year (YoY) uptick of 3.57%, and a net profit of RMB 119 million, representing a 3.16% YoY increase. Overall, it demonstrated a robust developmental trajectory.

Affected by multiple factors such as the cyclical fluctuations in the global economy, intensified industry competition, and slower-than-expected recovery in domestic aesthetic medicine consumption, the Company's aesthetic medicine segment continued to confront growth headwinds. Throughout the reporting period, it achieved a total operating revenue of RMB 361 million (excluding internal offsets), reflecting a YoY decline of 30.38%.

On March 25, 2026, the Company's exclusively distributed product, Recombinant Botulinum Toxin Type A for Injection (R&D code: YY001; trade name: Retoxin®), received marketing approval from the National Medical Products Administration (NMPA). This product is indicated for the temporary amelioration of moderate-to-severe glabellar lines in adults aged 65 and under, resulting from the activity of the corrugator supercilii and/or procerus muscles. This product is poised to initiate formal commercial sales in the near future.

During the reporting period, the Company's industrial microbiology segment continued to experience relatively rapid revenue growth, with a YoY increase of 21.82%. Given the proactive expansion into overseas markets and a consistent uptick in orders, this segment is anticipated to uphold its favorable developmental momentum.

(II) Important R&D progress of the Company during the reporting period

1. Major progress in innovation-driven R&D during the reporting period

Oncology

HDM2005, an antibody-drug conjugate (ADC) targeting ROR1, has maintained its leading position within the global first echelon of clinical development for ROR1 ADCs. Presently, three clinical studies are being conducted in China: a Phase I clinical study evaluating monotherapy for advanced hematologic malignancies, including mantle cell lymphoma (MCL), diffuse large B-cell lymphoma (DLBCL), and classical Hodgkin lymphoma (cHL). This study has completed Phase Ia monotherapy dose escalation and is currently performing dose expansion studies for MCL and cHL. Another Phase I study, assessing monotherapy for advanced solid tumors, has enrolled 17 patients and is conducting dose expansion at a dosage of 2.5 mg/kg. Additionally, a Phase Ib &II clinical

study investigating combination therapy for DLBCL patients is currently undergoing combination therapy dose escalation. In addition, the Company has submitted communication and meeting requests to the CDE, respectively, for combination therapy in MCL and cHL.

The clinical study for dose escalation of monotherapy involving HDM2020, an ADC targeting FGFR2b, has advanced to the fourth dose cohort. Furthermore, a Phase Ia study for lung squamous cell carcinoma has officially commenced, with subject screening currently in progress. In February 2026, HDM2020 was granted orphan drug designation (ODD) by the U.S. FDA for gastric cancer (including gastroesophageal junction cancer).

HDM2012, an ADC targeting MUC17, has reached the fourth dose cohort in its Phase I clinical study aimed at treating advanced solid tumors.

HDM2017, targeting CDH17, has progressed to the fourth dose cohort in its Phase Ia monotherapy trial in China, with concurrent dose expansion at a dosage of 3.2 mg/kg. The first Australian site was activated in February 2026, and subject screening is ongoing. In addition, in March 2026, HDM2017 received ODD from the U.S. FDA for three indications: biliary tract cancer, gastric cancer, and pancreatic cancer.

HDM2024, an EGFR/HER3-targeting bispecific ADC, received IND approvals in the United States and China in March 2026 for the treatment of advanced solid tumors. The first subject administration in a Phase I clinical study in China was completed in April 2026.

HDP-101 (HDM2027), a BCMA-targeting amanitin ADC, enrolled its first patient in China in March 2026 for the treatment of plasma-cell disorders, including multiple myeloma.

The small-molecule antineoplastic agent HPK-1 PROTAC (hematopoietic progenitor kinase 1 proteolysis-targeting chimera), HDM2006 tablets, is currently undergoing a Phase I clinical study in China for the treatment of advanced solid tumors, with enrollment for the third dose cohort underway.

DR30206 for injection, a proprietary PD-L1/VEGF/TGF-β tri-specific antibody fusion protein, developed by Doer Biologics, a controlled subsidiary of the Company, is nearing the completion of dose expansion studies in its Phase Ib trial for the first-line treatment of non-small cell lung cancer, demonstrating promising overall efficacy. The program is advancing its combination therapy study. Phase Ib/IIa clinical studies evaluating combination therapy with standard chemotherapy for advanced or metastatic gastrointestinal tumors, as well as Phase Ib monotherapy expansion studies for head and neck squamous cell carcinoma cohorts, are currently underway. In January 2026, the DR30206 was administered to the first subject in the monotherapy expansion cohort for platinum-resistant ovarian cancer during its Phase Ib trial. In March 2026, DR30206 received IND approval in China for its combination with standard chemotherapy in patients with locally advanced or

metastatic non-small cell lung cancer.

Endocrinology

HDM1002 (conveglipron), the oral small-molecule GLP-1 receptor agonist, has completed enrollment of all subjects for its Phase III clinical study in China for the weight management indication. The study is currently in the stage of treatment follow-up and data collection. The NDA application is expected to be submitted in 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.

HDM1005 (poterepatide) Injection, a GLP-1R/GIPR long-acting polypeptide dual-target agonist, enrolled all subjects in the Phase III clinical study for the weight management indication. Top-line results for the Phase II clinical study for diabetes were obtained in February 2026. The first subjects have been enrolled in both Phase III studies for diabetes. Two Phase III studies for the obstructive sleep apnea hypopnea syndrome (OSAS) indication are currently in preparation.

DR10624, a first-in-class therapeutic candidate targeting FGF21R/GCGR/GLP-1R and developed by Doer Biologics, a controlled subsidiary of the Company, is currently progressing with preparations for its Phase III clinical study aimed at treating severe hypertriglyceridemia. In January 2026, DR10624 was included in the Breakthrough Therapy Designation by the CDE for severe hypertriglyceridemia. The Phase II clinical study targeting patients with metabolic dysfunction-associated steatotic liver disease with high risk of liver fibrosis is currently being conducted concurrently. Top-line results are expected to be obtained in Q3 2026.

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.

The IND application for HDM1010 tablets (a fixed-dose oral combination formulation of HDM1002) intended for the treatment of type 2 diabetes mellitus has received approval from the U.S. FDA. Clinical study preparations are currently in full swing.

The NDA for the diabetes indication of Semaglutide Injection was submitted and accepted in March 2025 and successfully passed clinical inspection; the NDA for the weight management indication was accepted in April 2026.

The NDA for Insulin Degludec Injection was submitted and accepted in February 2025; the on-site inspection has been completed, and the application is currently under technical review.

The top-line results from the Phase III clinical study of Insulin Degludec and Insulin Aspart Injection have been obtained. It is expected to submit NDA in the Q2 of 2026.

Autoimmunity

The Marketing Authorization Application (MAA) and supplemental application for HDM3001 (QX001S), a ustekinumab biosimilar developed in collaboration with Qyuns Therapeutics for the treatment of Crohn's disease, are expected to receive approval in the Q2 of 2026.

The Phase III clinical studies for the innovative drug Oturkibart (R&D code: HDM3016/QX005N), which was developed by the Company in collaboration with Qyuns Therapeutics for the treatment of prurigo nodularis (PN) and atopic dermatitis (AD) have reached their primary endpoints. The NDAs for the PN and AD indications are expected to be submitted in the first and second halves of 2026, respectively.

The Chinese NDA applications for HDM3014 (Roflumilast Cream), developed in collaboration with Arcutis in the United States for two indications—plaque psoriasis in patients aged 6 and above, and atopic dermatitis in patients aged 6 and above—have successfully passed the clinical on-site inspection conducted by the National Medical Products Administration. In addition, the Chinese NDA application for Roflumilast Cream for atopic dermatitis indication in patients aged 2 to 5 was accepted in February 2026.

The Phase I/II clinical study evaluating Ruxolitinib Gel (HDM3010), a modified new drug developed by the Company, for the treatment of prurigo nodularis has yielded top-line results. The Company has received feedback from the Center for Drug Evaluation (CDE) and are currently making preparations for subsequent studies based on this feedback. In addition, a Phase III clinical study in vitiligo is currently ongoing.

The Phase III clinical study of MC2-01 Cream, developed through a collaboration between the Company and MC2 Therapeutics for the treatment of plaque psoriasis, has enrolled more than 120 subjects in China to date.

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 2026.

Other segments

The NDA for Ranibizumab Injection was submitted and accepted in May 2025. Subsequently, the on-site inspection has been completed for the production. Ranibizumab Injection has successfully passed the clinical on-site inspection conducted by the National Medical Products Administration.

2. Registration milestones for key innovative products since 2026

Type	Item	Category	China Registration Class	Milestone Event
NDA	SAILEXIN®	Biosimilar	Class 3.3	Supplemental application for new strengths

acceptance	(Ustekinumab Injection)		therapeutic biological product	of Crohn's disease was accepted in January 2026
	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 Fomoterol Powder for Inhalation (IV), Capsule type	Modified new drug	Class 2.2 chemical drug	NDA accepted in April 2026
IND approved	DR10624	Innovative drug	Class 1 therapeutic biological product	The IND for metabolic dysfunction-associated steatotic 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 approved in China in February 2026
	DR30206	Innovative drug	Class 1 therapeutic biological product	The IND for combination with standard chemotherapy in 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 advanced malignant solid tumors was approved in China in March 2026
	HDM2024	Innovative drug	Class 1 therapeutic biological product	The IND for advanced malignant solid tumors was approved in the U.S. in March 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 Fomoterol 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	Oral	Efficacy and Safety of Roflumilast Cream 0.3% in Chinese Adult and

			(AAD)		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

(III) Activities such as research, communication, and interviews conducted during the reporting period

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 at https://irm.cninfo.com.cn/ and at www.cninfo.com.cn.

IV. Quarterly Financial Statements

(I) Financial statements

1. Consolidated balance sheet

Prepared by: Huadong Medicine Co., Ltd.

March 31, 2026

Unit: RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	3,734,865,777.19	4,978,052,188.84
Deposit reservation for balance		
Lendings to banks and other financial institutions		
Trading financial assets		
Derivative financial assets		
Notes receivable		6,213,394.05
Accounts receivable	11,076,591,135.34	8,985,587,945.31
Receivables financing	332,387,014.92	460,578,206.16
Prepayments	508,155,787.14	445,803,941.09
Premium receivable		
Reinsurance accounts receivable		
Reinsurance contract reserve receivable		
Other receivables	609,897,223.80	517,535,129.39
Incl.: Interest receivable		
Dividends receivable	223,608.84	223,608.84
Financial assets purchased for resale		
Inventory	5,327,579,147.01	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	75,464,880.54
Other current assets	139,274,907.01	222,343,329.23
Total current assets	21,804,215,872.95	21,227,344,934.47
Non-current assets:		
Loans and advances issued		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investment	1,629,415,091.83	1,509,122,017.22
Investment in other equity instruments	682,132,315.02	681,006,253.76
Other non-current financial assets		
Investment property	10,694,501.05	10,946,776.47
Fixed assets	4,389,958,201.12	4,470,264,264.88
Construction in progress	931,509,517.77	832,431,516.18
Productive biological assets		
Oil and gas assets		
Right-of-use assets	158,409,996.23	170,395,474.59
Intangible assets	3,922,211,412.97	3,849,691,624.59
Incl.: Data resources		
Development expenditure	1,943,582,627.60	1,757,196,902.53
Incl.: Data resources		
Goodwill	2,848,210,102.92	2,860,135,566.37
Long-term deferred expenses	18,776,159.14	19,541,767.43
Deferred income tax assets	385,084,524.44	385,084,524.45
Other non-current assets	1,183,842,241.90	1,264,874,697.98
Total non-current assets	18,103,826,691.99	17,810,691,386.45
Total assets	39,908,042,564.94	39,038,036,320.92
Current liabilities:		
Short-term borrowings	1,714,508,902.52	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	3,017,614,936.17	2,910,051,094.08
Accounts payable	4,591,952,103.81	5,059,850,765.02
Advance receipts	502,191.65	797,358.84
Contract liabilities	232,364,085.08	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	237,138,507.68	411,598,841.94
Taxes and dues payable	553,756,331.70	563,317,023.92
Other payables	2,567,376,516.56	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	82,978,800.49	108,871,732.55
Other current liabilities	34,942,891.80	10,443,641.94
Total current liabilities	13,033,135,267.46	13,090,663,656.22
Non-current liabilities:		
Provision for insurance contracts		
Long-term borrowings	251,619,962.82	252,034,854.55
Bonds payable		
Incl.: Preferred share		
Perpetual bonds		
Lease liabilities	111,057,382.92	88,813,504.20
Long-term payables		
Long-term employee compensation payable		
Estimated liabilities	19,922,759.61	20,617,015.41
Deferred revenue	187,359,036.43	190,942,291.61
Deferred income tax liabilities	217,236,393.17	223,959,318.75
Other non-current liabilities		
Total non-current liabilities	787,195,534.95	776,366,984.52
Total liabilities	13,820,330,802.41	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	2,416,510,921.20	2,416,358,618.64
Less: Treasury share		
Other comprehensive income	-74,836,933.54	5,770,687.07
Special reserves		
Surplus reserves	1,616,443,486.39	1,616,443,486.39
General risk reserves		
Retained earnings	20,021,219,710.05	19,019,030,352.89
Total owners' equity attributable to the parent company	25,733,074,032.10	24,811,339,992.99
Minority interests	354,637,730.43	359,665,687.19

Total owners' equity	26,087,711,762.53	25,171,005,680.18
Total liabilities and owners' equity	39,908,042,564.94	39,038,036,320.92

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

2. Consolidated income statement

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Total operating revenue	11,183,450,824.27	10,735,787,899.82
Incl.: Operating revenue	11,183,450,824.27	10,735,787,899.82
Interest income		
Premiums earned		
Handling charges and commissions revenue		
II. Total operating costs	9,992,872,896.34	9,620,007,130.43
Incl.: Operating costs	7,387,443,870.04	7,206,598,136.26
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	67,774,008.09	57,265,200.91
Selling expenses	1,820,619,488.78	1,470,753,504.47
Management expenses	371,395,501.48	355,395,350.66
R&D expenses	350,365,327.14	515,376,918.47
Financial expenses	-4,725,299.19	14,618,019.66
Incl.: Interest expense	19,176,576.84	25,924,507.30
Interest income	20,155,981.89	27,812,843.06
Plus: Other incomes	31,230,304.02	73,641,636.88
Investment income (loss expressed with "-")	-22,310,345.97	-42,624,149.61
Incl.: Investment income in associates and joint ventures	-7,510,017.34	-28,249,462.69
Income from derecognition of financial assets measured on the basis of amortized costs		
Exchange earnings (loss expressed with "-")		
Net income of exposure hedge (loss expressed with "-")		
Income from changes in fair value (loss expressed with "-")		
Credit impairment loss (loss		

expressed with "-")		
Asset impairment loss (loss expressed with "-")		
Proceeds from disposal of assets (loss expressed with "-")	534,949.84	-14,540,990.32
III. Operating profit (loss expressed with "-")	1,200,032,835.82	1,132,257,266.34
Plus: Non-operating revenue	1,256,954.75	769,095.39
Less: Non-operating expenses	9,095,444.64	28,075,417.91
IV. Total profit (total loss expressed with "-")	1,192,194,345.93	1,104,950,943.82
Less: Income tax expense	195,032,945.55	190,966,760.40
V. Net profit (net loss expressed with "-")	997,161,400.38	913,984,183.42
(I) Classification by continuity of operation		
1. Net profits from continuing operations (net loss expressed with "-")	997,161,400.38	913,984,183.42
2. Net profit from discontinued operations (net loss expressed with "-")		
(II) Classification by ownership		
1. Net profit attributable to the owners of the parent company	1,002,189,357.16	914,708,484.70
2. Minority interest income	-5,027,956.78	-724,301.28
VI. Other comprehensive income (net of tax)	-80,607,620.61	82,044,972.47
Other comprehensive income attributable to the owner of the parent company (net of tax)	-80,607,620.61	82,044,972.47
(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	-80,607,620.61	82,044,972.47
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	-80,607,620.61	82,044,972.47
7. Others		

Other comprehensive income attributable to minority shareholders (net of tax)		
VII. Total comprehensive income	916,553,779.77	996,029,155.89
Total comprehensive income attributable to the owner of the parent company	921,581,736.55	996,753,457.17
Total comprehensive income attributable to minority shareholders	-5,027,956.78	-724,301.28
VIII. Earnings per share:		
(I) Basic earnings per share	0.5715	0.5224
(II) Diluted earnings per share	0.5715	0.5213

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

3. Consolidated cash flow statement

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Cash flows from operating activities:		
Cash received from selling goods and providing services	10,376,323,259.38	9,882,552,619.72
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	2,570,131.00	2,055,460.55
Receipt of other cash relating to operating activities	124,934,981.83	230,013,343.26
Subtotal of cash inflows from operating activities	10,503,828,372.21	10,114,621,423.53
Cash paid for purchase of goods and receipt of labor services	7,960,726,465.36	7,695,820,108.31
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	1,542,554,152.98	1,441,219,423.87
Various taxes and fees paid	709,327,509.54	671,816,951.08
Payment of other cash relating to operating activities	1,143,556,006.96	1,138,493,634.15
Subtotal of cash outflows from operating activities	11,356,164,134.84	10,947,350,117.41
Net cash flow from operating activities	-852,335,762.63	-832,728,693.88
II. Cash flows from investing activities:		
Cash received from investment recovery		
Cash received from obtaining investment income		43,350,000.00
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	74,063.51	9,751,907.00
Net cash received from disposal of subsidiaries and other business units		
Receipt of other cash relating to investing activities		
Subtotal of cash inflows from investing activities	74,063.51	53,101,907.00
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	261,855,876.92	637,322,382.41
Cash paid for investment	129,618,537.85	61,618,925.00
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	391,474,414.77	698,941,307.41
Net cash flows from investing activities	-391,400,351.26	-645,839,400.41
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	1,131,688,831.32	1,289,998,848.00
Receipt of other cash relating to financing activities	800,000.00	146,000,000.00
Subtotal of cash inflows from financing activities	1,132,488,831.32	1,435,998,848.00
Cash paid for debt repayment	1,047,678,831.32	1,279,708,605.45

Cash paid to distribute dividends, profits or pay interest	37,291,974.45	17,579,298.66
Incl.: Dividends and profits paid by subsidiaries to minority shareholders		
Payment of other cash relating to financing activities	12,306,031.36	225,549,581.73
Subtotal of cash outflows from financing activities	1,097,276,837.13	1,522,837,485.84
Net cash flow from financing activities	35,211,994.19	-86,838,637.84
IV. Effect of exchange rate changes on cash and cash equivalents	-4,179,294.34	-3,115,685.50
V. Net increase in cash and cash equivalents	-1,212,703,414.04	-1,568,522,417.63
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 equivalents	3,523,218,249.86	3,421,628,769.05

(II) Situation of relevant items of financial statements at the beginning of the current year after the initial implementation of adjustment of the New Accounting Standards in 2026

□Applicable ☑Not applicable

(III) Audit report

Has the First Quarterly Financial Report been audited?

□Yes ☑No

The Company’s First Quarterly Financial Report has not been audited.

Board of Directors of Huadong Medicine Co., Ltd.

April 24, 2026