



Hua Medicine 2025 Annual Results

March 2026

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2025: A Milestone Year for Hua Medicine



Commercialization

Established full capability of in-house commercialization, successfully built a professional and experienced marketing and sales team



R&D

Larger number of RWE and post-marketing studies were conducted to provide clinical evidence of long-term benefits

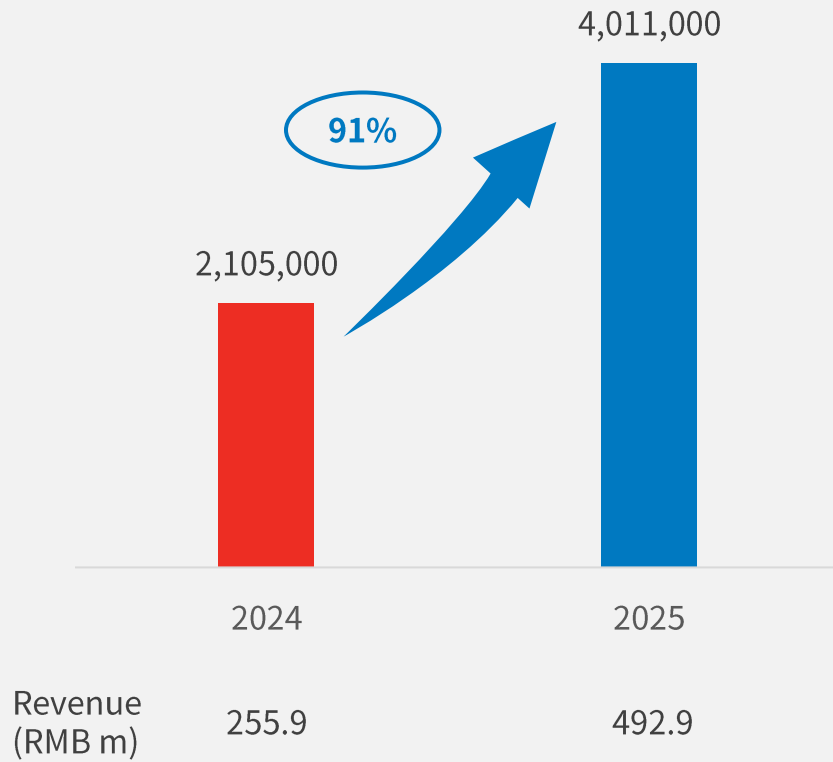


Global Expansion

Sped up the expansion of our global footprint by leveraging strategic market entries and advancing core projects

High Sales Growth of HuaTangNing Driven by In-House Sales Team

Sales of HuaTangNing (packs)



Key Drivers of High Sales Growth

- In 2025, we established **own sales team** with **130** product representatives and **over 50** staff actively engaged in marketing, medical affairs and commercial operation.

- Dorzagliatin has reached diabetes patients through **10 in-house sales regions** around the country.

- Dorzagliatin has been prescribed to **over 500,000 patients** through **3,000+ distribution channels** including hospitals, community clinic centers, pharmacies and online channels.

Commercial Potential is Strongly Secured



NRDL price maintained for 2026 and 2027

Dorzagliatin is recognized as a national innovation and an effective therapy for chronic disease by National Healthcare Security Administration (NHSA). The same NRDL price in 2024 and 2025 was offered by the NHSA for the calendar years 2026 and 2027.

5-year patent extension until April 2034

In February 2026, the China National Intellectual Property Administration granted a five year patent term extension for dorzagliatin, extending its core patent protection to April 2034 and adding five years of market exclusivity.

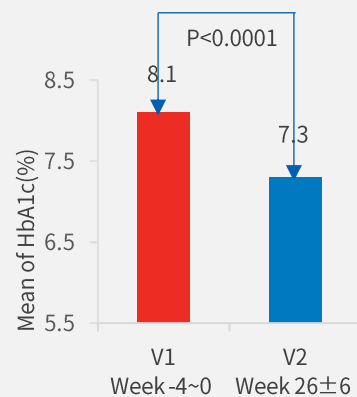
More Clinical Evidence in RWE and Post-Marketing Studies

HMM0701

Presented at 2025 ADA

- 380 T2D patients
- 86% taking two or more antidiabetic drugs
- 41% using insulin

HbA1c before and after treatment



6-Month interim analysis:

- HbA1c reduction from 8.1% to 7.3%
- Mean TIR increased to over 70%

HMM0601

To be presented at 2026 ADA

- 2,024 T2D patients
- 7.9 years mean durations (30%+ duration \geq 10 years)
- 80% taking one or more oral anti-diabetes medicine
- 20% using insulin
- Showed favorable safety profile, **no new adverse effects observed** and the incident rate remains as low as what was observed in phase III clinical trials (**All adverse event rates remained below 1.1%, with a 0.8% incidence of hypoglycemia, no drug-related SAE, nor severe hypoglycemia reported.**)
- Patient adherence was generally high, with a **mean adherence rate of approximately 95%**.
- Demonstrated good **efficacy and safety in the overall population** including elderly, obese, and hyperglycemic patient populations, **whether used as monotherapy or in combination** with metformin, SGLT2 inhibitors, insulin, and other medications.

MOA Study^[1]

Conducted in US

- Conducted in T2D patients with 17 years mean duration
- Treated with dorzagliatin twice daily for 6 weeks
- **Impaired direct pathway of hepatic UDP glucose flux** implying a defect in hepatic glucokinase activity (GKA) in type 2 diabetes (T2D).
- **Dorzagliatin increased direct glucose flux to hepatic glycogen** implying the improvement of restoration of hepatic Glucokinase (GK) function.

[1] Diabetes 2025;74(Supplement_1):855-P

Superior Efficacy of Dorzagliatin in Combination with GLP-1 RA

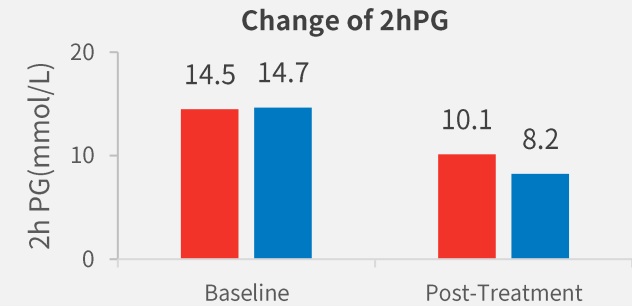
In a recently published clinical trial^[1] in China, researchers in China reported the superior benefits of our dorzagliatin in combination with semaglutide as compared to semaglutide alone in a 12-week study. **The combination group showed superior results across several key measures, including glycemic control, body-weight related indicators and β -cell function.**

Superior Glycemic Control

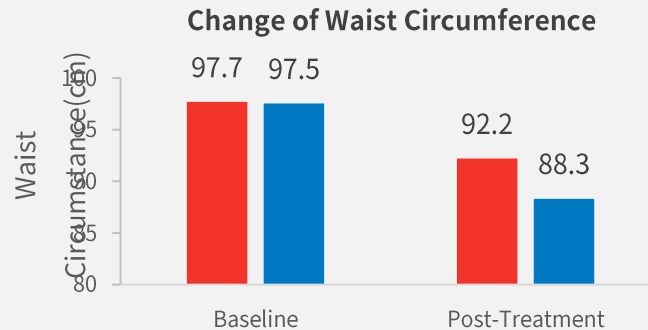
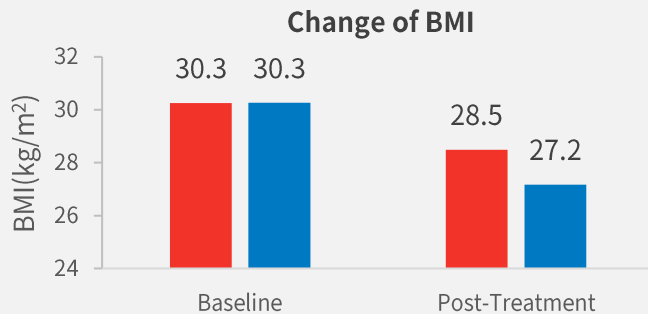
Group	n	Marked Response	Improved Response	No Response	Overall Response Rate(%)
Semaglutide Monotherapy	60	17(28.33)	30(50.00)	13(21.67)	78.33
Dorzagliatin Combination	60	35(58.33)	23(28.33)	2(3.33)	96.67*

Marked Response: FPG < 7.2 mmol/L, 2hPG < 8.3 mmol/L, and HbA1c < 7.0%; Improved Response: FPG < 8.3 mmol/L, 2hPG < 10.0 mmol/L, and HbA1c < 7.5%, but not meeting significant effective
 No Response: Blood glucose indicators did not meet the above standards or showed no clear improvement before/after treatment.; Overall response rate = (marked response + improved response/ total cases) × 100%; *Compared to the semaglutide monotherapy group, total effective rate *P < 0.01

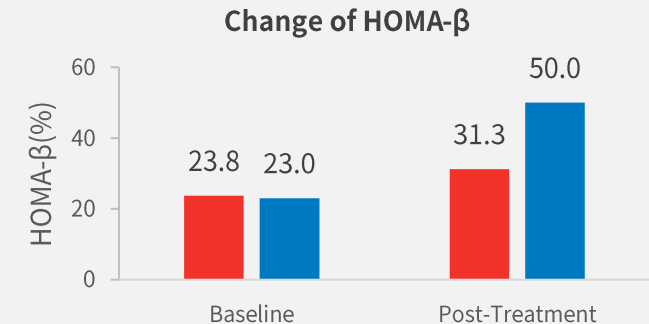
■ Semaglutide Monotherapy
 ■ Dorzagliatin Combination



Greater Weight Reduction

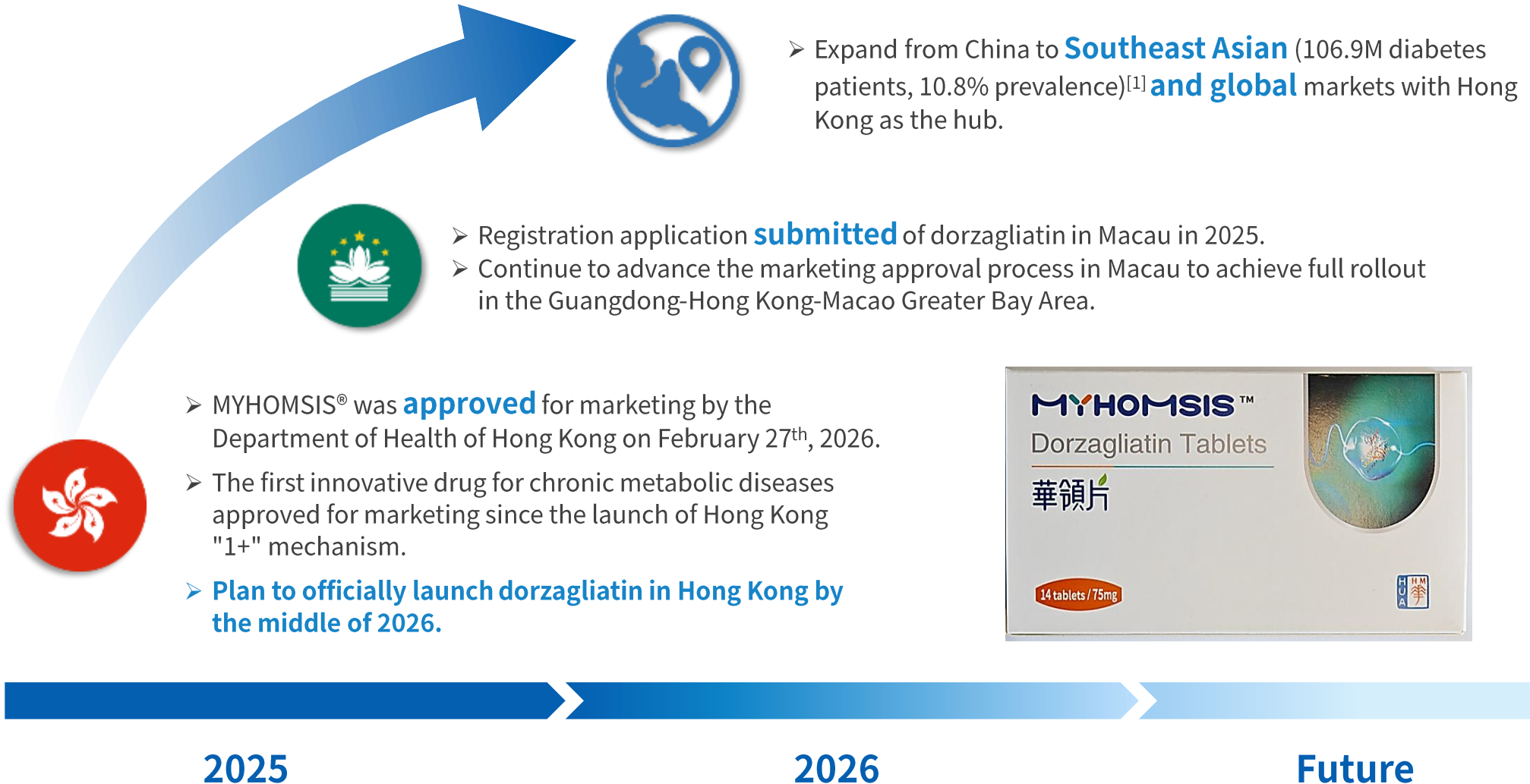


Greater β -cell Function Improvement



[1] Chinese Journal of Clinical Rational Drug Use, Vol.19 No.5 Feb 20,2026

MYHOMMSIS[®] to Lead the Expansion into Asian Markets



[1] IDF 2025 Report

Global 2nd Generation GKA Leads US Expansion


Dorzagliatin: Second Generation

Acceleration in technology to advance medicine



Advancing 2nd Generation GKA

 **New Molecular Entity:** with global patent life until 2042, and 100% owned by Hua Medicine

 **New Formulation For Oral Once-Daily Use:** designed as an extended-release formulation, increasing duration of the drug in intestinal organs to enhance GLP-1 secretion

 **Expand Indication in Diabetes:** including obesity, NASH, DKD, Frailty

Phase I clinical trials are underway

Phase Ia Trial Completed Successfully in U.S. in November 2024

- HM-002-1005 tablets are near-completely converted to dorzagliatin in human, and its pharmacokinetic characteristics support for once-daily oral administration
- The exposure level of HM-002-1005 tablets at 184.5mg (QD) is comparable to dorzagliatin tablets at 75mg (BID)

Phase Ib Trial Initiated in December 2025 and Topline Data Readout Expected in the Middle of 2026

- Use three strengths tablets (100, 150 and 200mg of dorzagliatin) as a once daily therapy
- Incorporated continuous glucose monitoring devices (CGM) in a 15-day trial to investigate the effectiveness of 2nd generation GKA in glucose homeostasis control and the mechanism of action for the new drug

Unlock Full Value of Dorzagliatin: First-in-Disease Indication Expansions



Expand into high-potential indications to address vast unmet medical needs

Diabetes Prevention

~ 1.12B / **5-10%**
prediabetes worldwide^[1] / annual diabetes conversion rate^[1]

Prediabetes is associated with the simultaneous presence of insulin resistance and β -cell dysfunction^[2].

Dorzagliatin can improve β -cell function and help patients achieve drug-free remission.

- Plan to file IND applications in China and APAC after SENSITIZE 3 study is complete

Frailty

~11%/~47% / **~17%/~50%**
Aisa prevalence of frailty/pre-frailty (age>50)^[3] / US prevalence of frailty/pre-frailty (age>50)^[3]

Frailty is an age-related geriatric syndrome, and it is the consequence of dysregulated multisystem homeostasis.

Genetic evidence supports the causal effects of GK activation on lowering the risk of frailty.

- Short term plans have been implemented targeting frailty

Early AD

~ 15.5% / **~ 22%**
prevalence in China (age>60)^[4] / prevalence in US (age>65)^[5]

MCI is common in T2D patients with 45% incidence rate^[6]. Impaired glucose homeostasis and diabetes conditions results in a reduction of glucose transporter expression and insulin receptor expression in the brain, that can be prevented by low dose dorzagliatin.

- Plan to initiate clinical studies in the future

MODY-2

~ 1.7M / **~ 2.4%**
patients in China / Prevalence in US youth diabetes (age<20)^[7]

MODY-2 patients have a genetic defect of glucokinase gene (GCK). Dorzagliatin is effective in reducing blood glucose levels to normal levels in MODY-2 patients who previously failed to manage their blood glucose when treated with metformin, TZD, DPP-IV inhibitors, and SGLT-2 inhibitors.

- Expected to submit an IND in 2026

[1] 2025 IDF Report
[2] Lancet. Author manuscript; available in PMC: 2014 Jan 14.










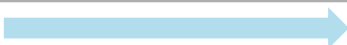




















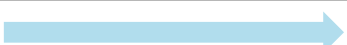

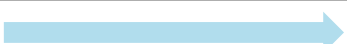

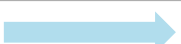
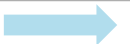
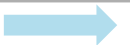
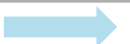
[3] Rónán O' Caoimh et al. Age and Ageing, Volume 50, Issue 1, January 2021, Pages 96-104

[4] Lancet Public Health 2020 Dec;5(12):e661-e671.
[5] JAMA Neurol Published Online: October 24, 2022;79;(12):1242-1249.
[6] You, Y., Liu, Z., Chen, Y. et al.. Acta Diabetol 58, 671-685 (2021).

[7] J Clin Endocrinol Metab. 2013 Jun 14;98(10):4055-4062.

R&D Pipeline



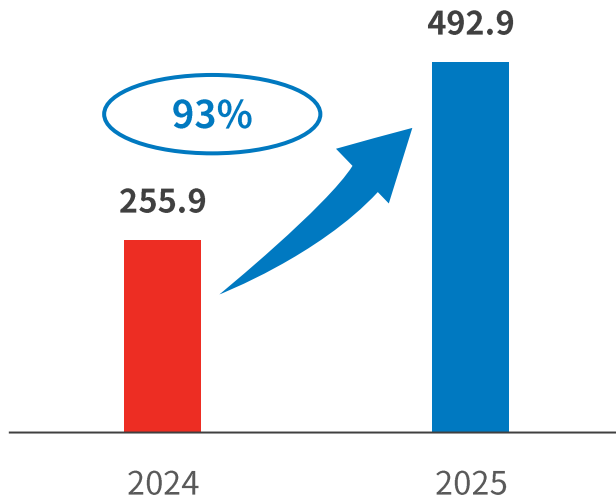
Product and Pipeline	Indication		Discovery (Pre-clinical – Phase II)	Development (Phase III)	Commercialization
Dorzagliatin	T2D – Drug naïve	 			
	T2D – Metformin Tolerated	 			
	RWE study for Diabetes Remission				
	MODY-2	 			
	Diabetes Prevention IGT2NGT	 			
	Frailty	 			
	Early AD				
	CFRD				
Dorzagliatin and Metformin FDC	T2D				
2 nd Generation GKA	Metabolic Disease	 			
Dorzagliatin add on to GLP-1 RAs	T2D and Obesity				
Dozagliatin + small molecule GLP-1	T2D and Obesity				
Dorzagliatin + Empaglifozin	DKD				
Dorzagliatin + Sitagliptin	T2D				
Dorzagliatin add on to Insulin	Insulin sparing in T2D				
mGLUR5 NAM	PD-L1D				
	Drug Addiction				
GK NAM	Metabolic Disease				

Financial Section

Revenue and Gross Margin Growth with Optimized Selling Efficiency

Revenue (RMB Millions)

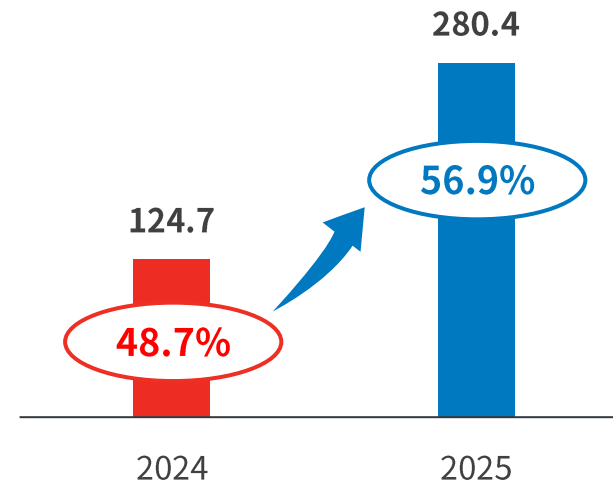
➤ Sales revenue increased by 93%



Revenue growth of 93% was driven by the smooth and successful transition of commercialization rights from Bayer to Hua Medicine.

Gross Profit (RMB Millions) and Gross Margin

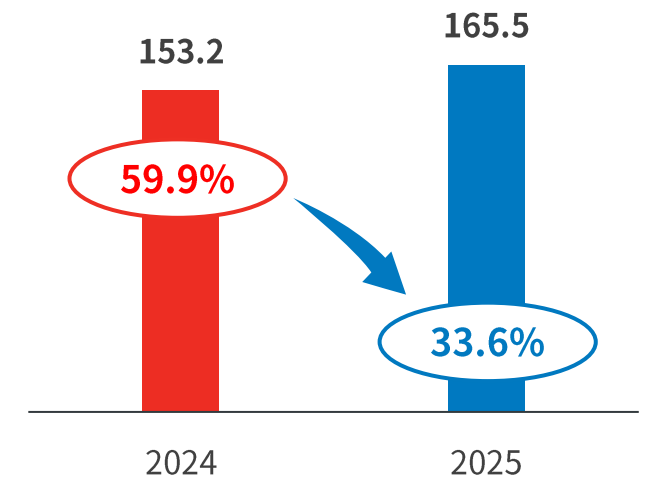
➤ Gross margin increased by 8.2 pct



With growing commercialization scale, increases in manufacturing efficiency and production volume led to a corresponding reduction in unit production costs.

Selling Expenses (RMB Millions) and % of Revenue

➤ Sales expense ratio declined 26.3 pct

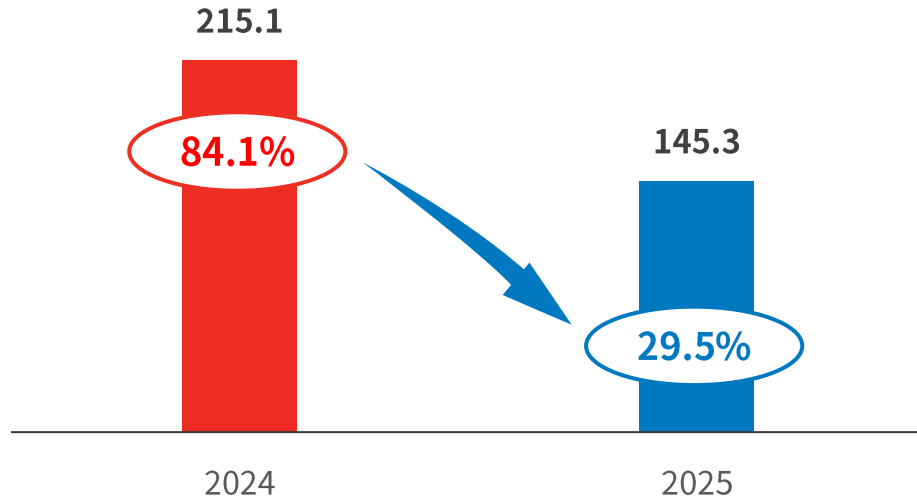


Building our own professional sales team has boosted execution efficiency, converting efforts directly into revenue and profit growth.

R&D and Admin Expenses Under Control

R&D Expenses (RMB Millions) and % of Revenue

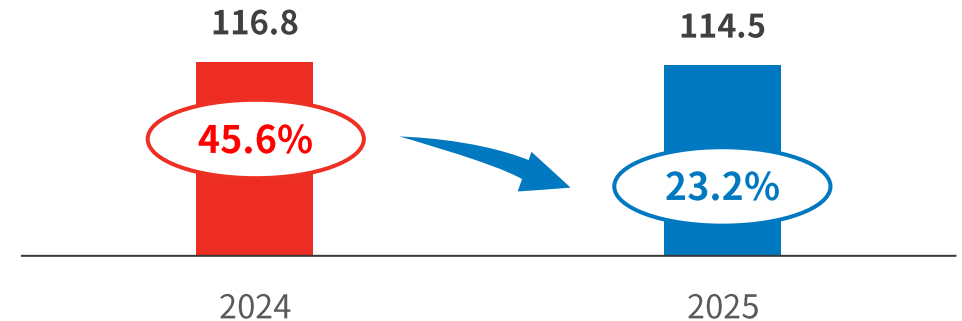
➤ R&D expense ratio declines 54.6 pct



Decrease attributable to the advancement of multi-center post-marketing observational study and 2nd generation GKA related clinical study, along with completion of major validation projects related to capacity expansion.

Administrative Expenses (RMB Millions) and % of Revenue

➤ Administrative expense ratio declines 22.4 pct

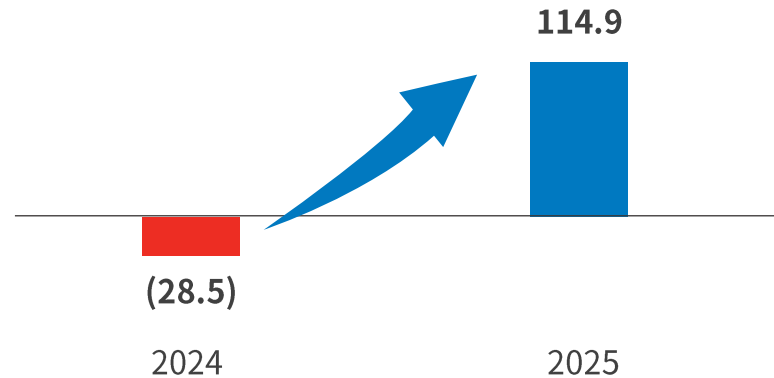


Administrative expenses remained stable, as a percentage of revenue continued to drop.

Increasing Profitability

Commercialization Efforts Achieved Profits* (RMB Millions)

➤ *Already commercially profitable*

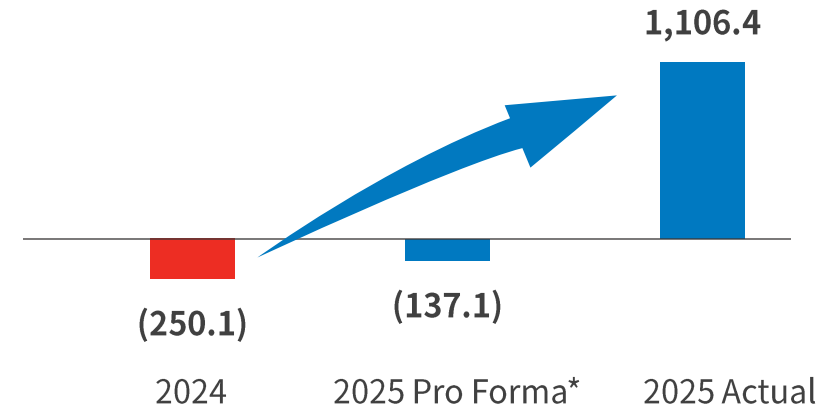


(Note: *Defined by gross profit less selling expenses)

With our accelerating sales in mainland China powered by our own in-house commercialization team and increased manufacturing efficiencies, our commercialization efforts for dorzagliatin are rapidly moving Hua Medicine towards profitability.

Net Profit (RMB Millions)

➤ *Actual net loss narrowed , reported full-year profit*

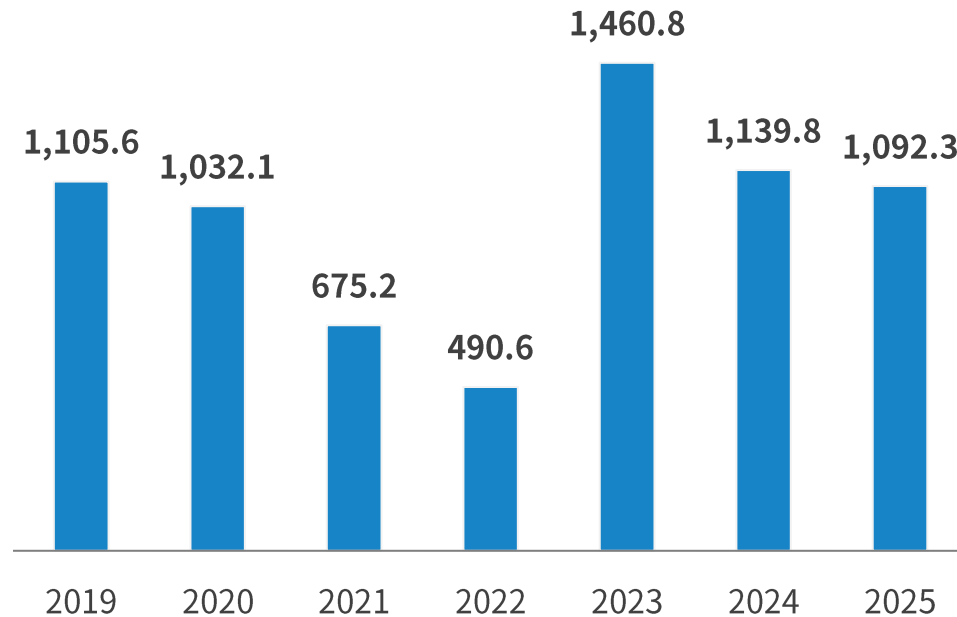


(Note: *Pro Forma for the elimination of approximately RMB 1.2 billion unamortized liabilities upon termination of the Bayer agreement on January 1, 2025)

Driven by significantly improved sales figures, actual net losses narrowed substantially. The strong financial performance was further supported by the one-time release of RMB1.2 billion in previously deferred income associated with Bayer Agreement. The Company’ s first reported full-year profit of RMB1.11 billion is a key milestone in Hua’ s turn towards sustainable profitability.

Strong Cash Position

Cash Balance (RMB Millions)



- Cash balance remained robust. We ended fiscal year 2025 with a cash position of approximately RMB1.09 billion.
- Our primary use of cash is to fund our commercialization efforts, manufacturing expenses, research and development expenses, regulatory and other clinical trial costs, and related supporting administration.
- Robust cash flow supports our expansion across multiple fronts.

Value Drivers and Key Milestones in the Near Future



Accelerating Commercial Momentum with Expanding Market Reach

- Incentive-linked revenue targets set at RMB 900M (2026), RMB 1.35B (2027), and RMB 1.8B (2028).
- Geographic expansion into broader Asian markets, anchored by the 2026 launch in HK and anticipated approval in Macau.
- NMPA IND filed for Dorzagliatin and Metformin FDC with NDA submission targeted for 2027.

Robust Clinical Pipeline with High-Value Data Milestones

- US data readout for 2nd Generation GKA Phase Ib MAD trial expected in mid-2026.
- Publication of post-marketing clinical data to further validate real-world safety and efficacy
- IND filing for MODY-2 in China.
- Strategic investment in Frailty and Mild Cognitive Impairment (Early Alzheimer's Disease).

Strategic Partnerships to Drive Pipeline Depth and Diversification

- Global strategic collaborations through high-value out-licensing and in-licensing opportunities.



Hua Medicine
华领医药