Hua Medicine
2026 Interim Results

August 2026

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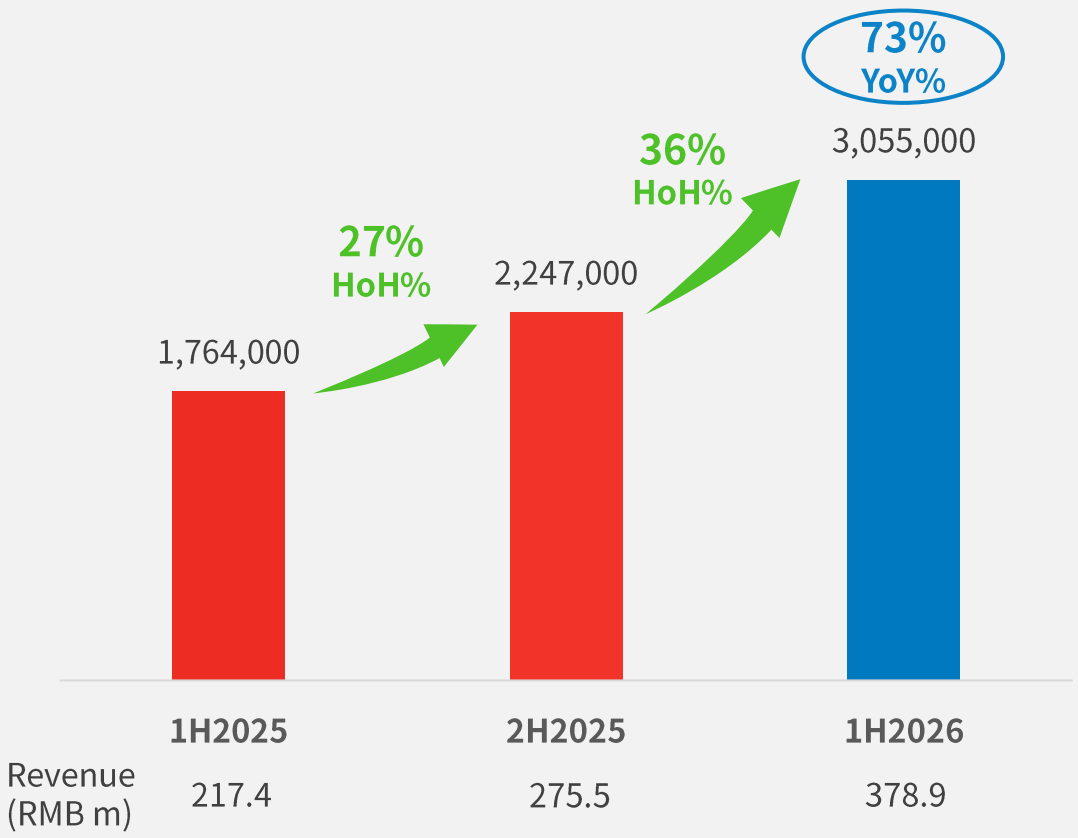
Strong Commercial Execution Led to Accelerated Growth

Sales of HuaTangNing® (Packs)



Key Commercial Highlights

- Expanded commercialization team to 262 personnel, strengthening commercial execution
- Expect continued growth momentum following sustained strong half-on-half (HoH) growth rate
- Top regions continued to deliver strong growth, reflecting substantial potential for further market penetration

Key Milestones Achieved in Our Asian Market Expansion

Chinese Mainland

- ✓NRDL price maintained for 2026 and 2027
- ✓5-year patent extension until April 2034

Hong Kong

- ✓Approved for marketing on Feb 27th
- ✓First prescription issued in August 2026

Macao

- ✓Approved for marketing on June 27th
- ✓Planned market launch in 2H2026

Advancing Our Global Expansion Strategy from China across Southeast Asia, Belt and Road Markets and Beyond

More Evidence on Safety and Efficacy in RWE and Post-Marketing Studies

Presented at 2026 ADA

A Large-scale and Multi-center Observational Study (HMM0601)

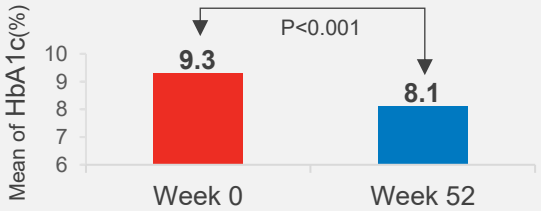
- Enrolled 2,024 patients with Type 2 diabetes across 80 clinical centers in China, with dorzagliatin treatment and follow-up lasting up to 52 weeks
- 30%+ patients had T2D duration ≥10 years (7.9 years mean durations)
- 18% taking dorzagliatin monotherapy and the remaining 82% taking one or more anti-diabetes medicine in combination including metformin, AGI, SGLT-2i, DPP-4i, GLP-1 RA and insulin.

Favorable Safety and Tolerability：

- No drug-related serious adverse events (SAEs) or episodes of severe hypoglycemia were reported over 52 weeks. The incidence rate of clinically meaningful hypoglycemia was below 1%, no new safety signals were identified compared with Phase Ⅲ clinical trials.

Superb Efficacy：

- Robust glycemic control was observed with dorzagliatin monotherapy and in combination with metformin, AGI, SGLT-2i, DPP-4i, GLP-1RA, and insulin.
- HbA1c decreased 1.11% in the group of patients with moderate-to-severe hyperglycemia (baseline HbA1c ≥8%).

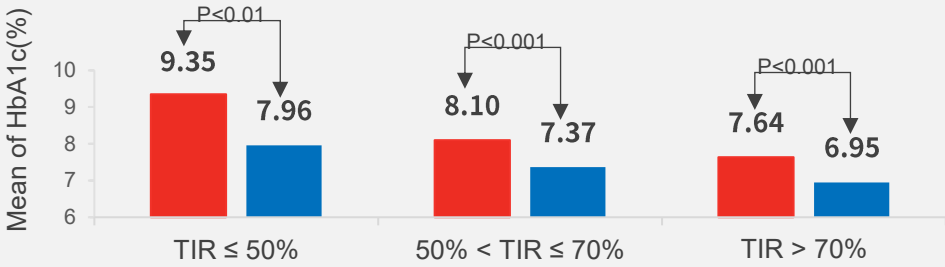


6-month Interim Results of Prospective Observational Study（HMM0701）

- Enrolled 255 T2D patients who had baseline CGM data
- Most patients had long disease duration (mean duration 9.7 years)
- The majority of patients were already receiving multi-drug regimens including insulin
- Considering TIR is closely associated with T2D complications, we grouped patients in this study by baseline TIR level: TIR ≤ 50%, 50% < TIR ≤ 70%, TIR > 70% for subgroup analysis.

Meaningful Efficacy in Glycemic Control：

- HbA1c declined across all subgroup with the greatest reduction observed in patients with severely compromised baseline TIR.



Substantial Improvements in TIR and β-Cell Function：

- Mean TIR improved substantially from 30.4% to 60.8% in patients with baseline TIR ≤50%, and from 61.2% to 70.6% in those with baseline TIR >50% to ≤70%, reaching the target maintained satisfactory TIR levels.
- β-cell function increased in all groups, with a marked elevation in HOMA-β seen in the subgroup with baseline TIR<50%.

Synergistic Combinations with Promising Multiple Metabolic Benefits

Three combination therapy studies in animal models, presented at 2026 ADA

Dorzagliatin + Orforglipron (Oral Small-Molecule GLP-1 Receptor Agonist)[1]

Potential oral therapy for T2D patients with obesity

Synergistic Glycemic Control with Dose Sparing Potential

Superior glucose lowering effects, efficacy of low-dose combinations was comparable to high-dose monotherapy.

Enhanced β-Cell Function

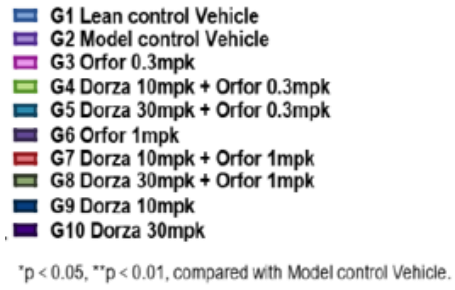
Orforglipron amplified dorzagliatin-mediated improvements in β-cell function and hepatic glucose metabolism.

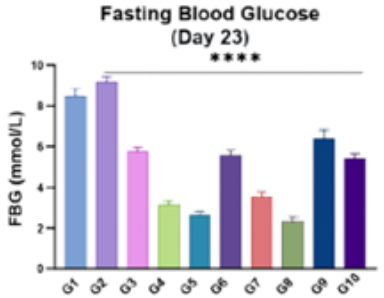
Preserved Weight and Lipid Benefits

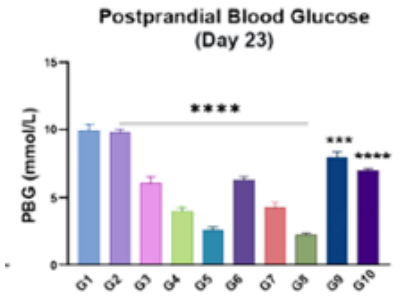
Fully retained orforglipron-induced weight reduction and lipid-lowering effects.

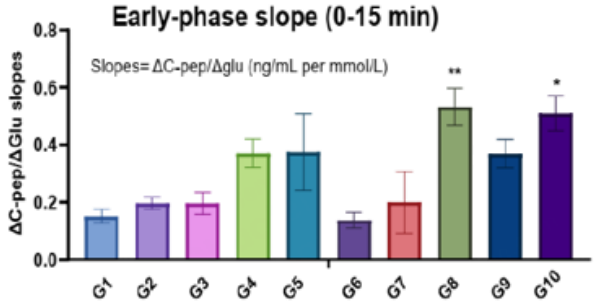
Favorable Safety and Tolerability

No new safety signals. Dose sparing markedly reduced common GLP-1RA-related GI side effects, improving adherence.









Dorzagliatin + Resmetirom (THR-β Agonist)[2]

Potential therapy for T2D patients with MASLD

- *Improved Systemic Metabolism*
- *Hepatoprotective Effects*
- *Optimize Glycemic Control*
- *Regulate Lipids*
- *Alleviate Hepatic Fibrosis*
- *Reduce Uric Acid*

Dorzagliatin + Chiglitazar (Pan-PPAR Agonist)[3]

Potential therapy for T2D patients with MASLD

- *Superior Glucose-lowering Effect*
- *Improves Glucose Tolerance*
- *Reduce Insulin Resistance*
- *Enhance Insulin Sensitivity*
- *Enhance β-cell Function*
- *Elevate HDL-C*

[1] Diabetes 2026;75(Supplement_1):1322-OR; [2] Diabetes 2026;75(Supplement_1):2479-P; [3] Diabetes 2026;75(Supplement_1):3049-LB

Indication Expansions Evidence and Progress Update

Early AD

~ 15.5%
prevalence in China (age>60) [1]

~ 22%
prevalence in US (age>65) [2]

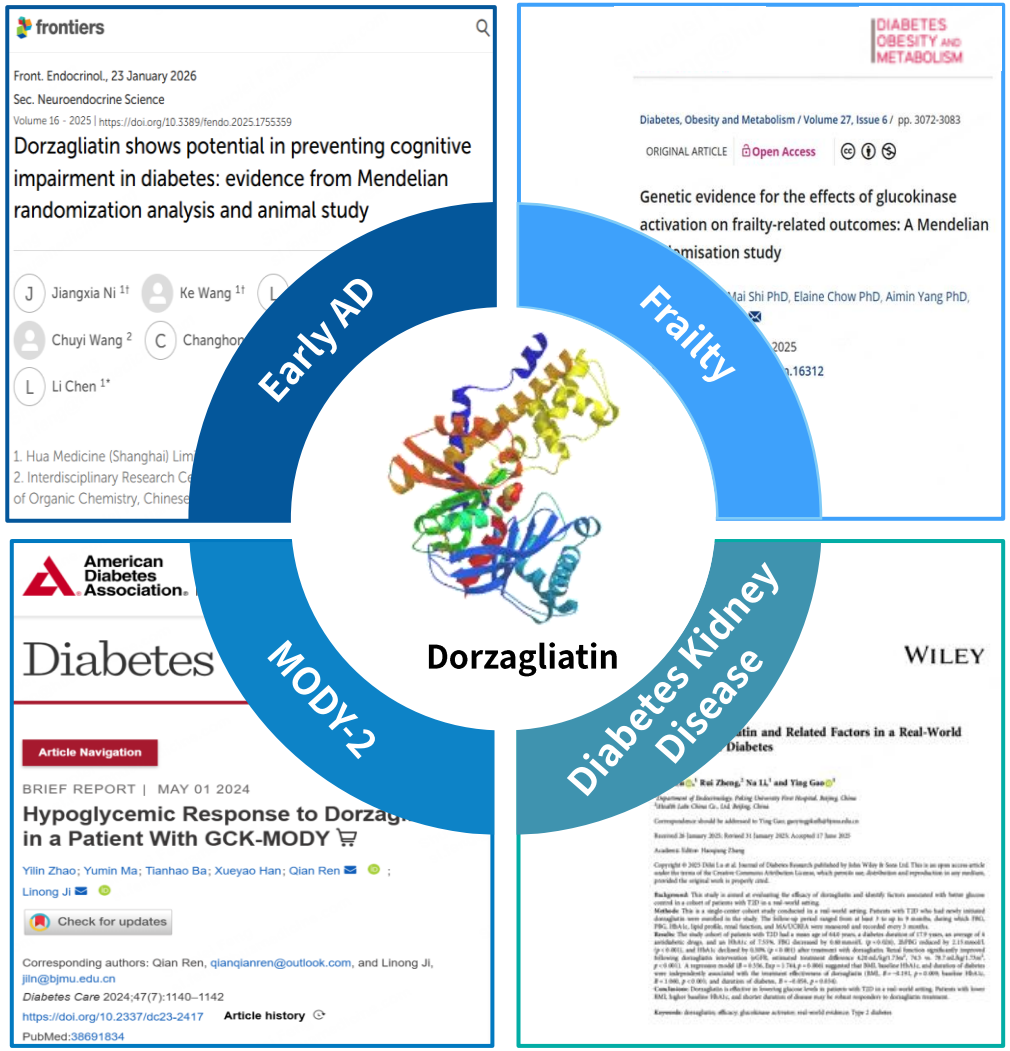
- **Expect to launch pre-IND communications with regulation in Q4 2026**

MODY-2

~ 1.7M
Patients in China

~ 2.4%
Prevalence in US youth diabetes (age<20) [3]

- **Plan to submit an IND in 2026**



Frailty

~11%/~47%
Aisa prevalence of frailty/pre-frailty (older adults) [4]

~17%/~50%
US prevalence of frailty/pre-frailty (older adults) [4]

- **Plan to submit an IND in 2026**

Diabetes Kidney Disease

~ 107.6M
Diabetes Kidney Disease globally[5]

~ 477.3K
annual DKD related death[5]

- **Expect to initiate relevant clinical trial in 2027**

[1] Lancet Public Health 2020 Dec;5(12):e661-e671. [2] JAMA Neurol Published Online: October 24, 2022;79;(12):1242-1249. [3] J Clin Endocrinol Metab. 2013 Jun 14;98(10):4055–4062
[4] Rónán O' Caoimh et al. Age and Ageing, Volume 50, Issue 1, January 2021, Pages 96–104 . [5] Frontiers in Endocrinol 2025. J. diabetes Research 2025

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 Ib MAD clinical trial is 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 is Ongoing and Topline Data is Expected to be published in 2H2026

- 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.
- **Five cohorts have been completed as planned, and the final cohort exploring maximum tolerated dose is in progress.**
- Upon completion, we will publish the topline results and pursue partnerships to develop the 2nd generation GKA for global markets.

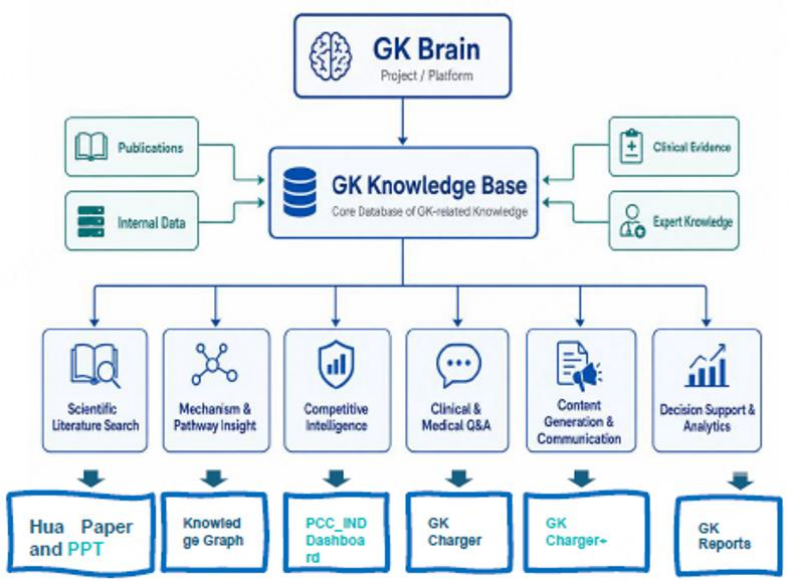
R&D Pipeline

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

Integrating AI To Empower Our Business

We continued to invest in the integration of AI, large language models (LLMs) and clinical big data, and has achieved concrete outcomes.

GK Brain



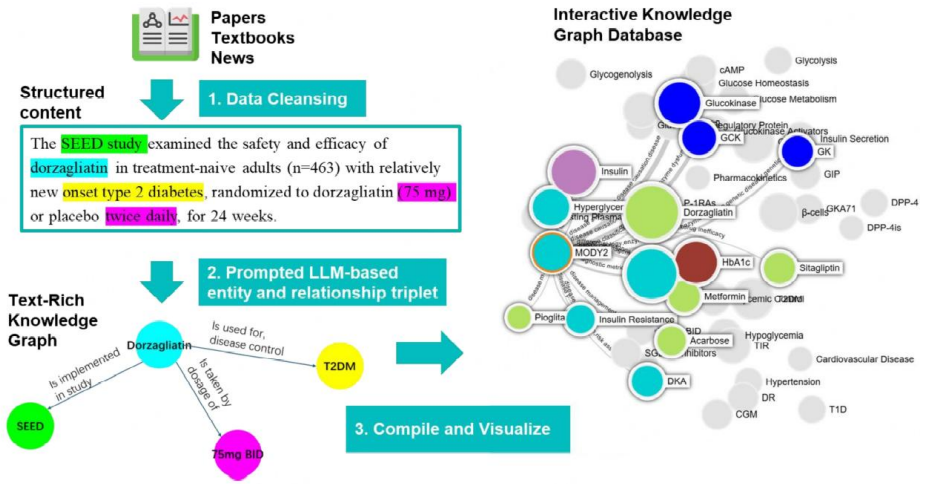
R&D

Medical Marketing

Physicians Patients

- GK Brain was launched in 2023 and is now located at computer launch page in Hua Medicine employee
- Hand-held Device based application launched in July

Artificial Intelligence for Humanity Advance (AIHUA)



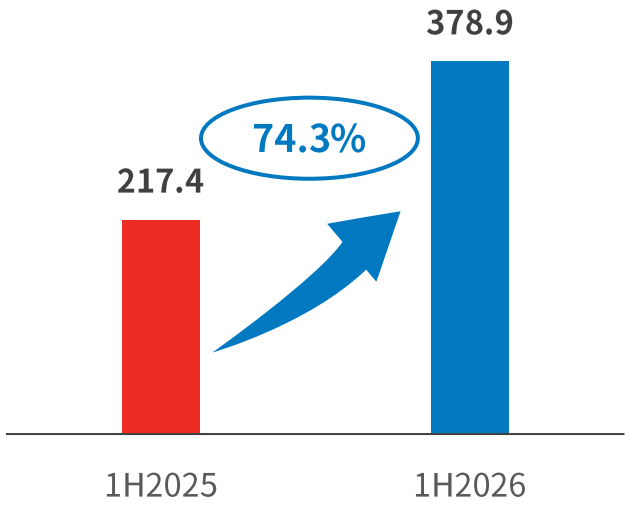
- AIHUA project initiated in 2018 with 1st generation APP for dorzagliatin clinical design and T2D personalized care design application

Financial Section

Sustainable Revenue Growth and Continued Improved Cost Efficiency

Revenue (RMB Millions)

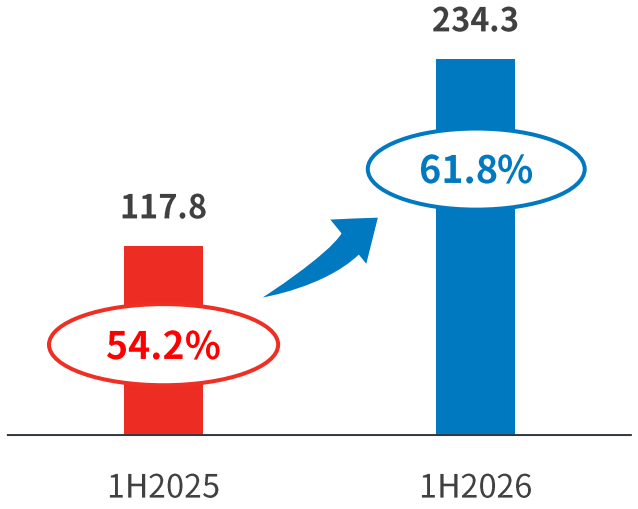
- *Sales revenue increased by 74% YoY*



With expansion of our commercialization team and hospital coverage, revenue rose 74% year-on-year to RMB378.9 million, reflecting the successful implementation of our in-house commercialization strategy.

Gross Profit (RMB Millions) and Gross Margin

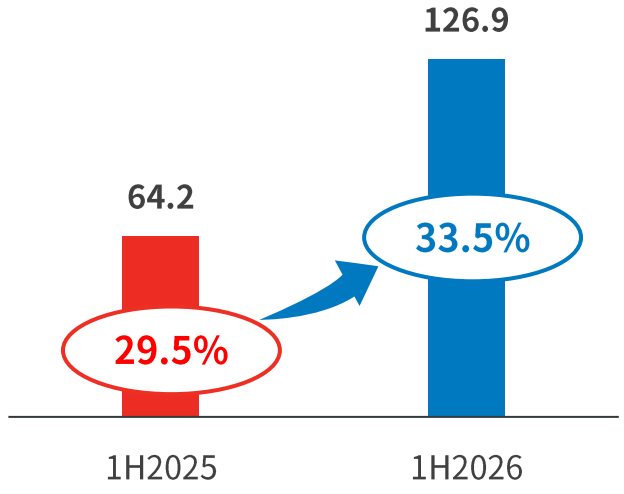
- *Gross margin continued increased to 61.8%*



As manufacturing scale expanded and cost efficiencies improved, gross profit increased by 99% to RMB234.3 million, with gross margin rising 7.6 percentage points to 61.8% compared with the same period in 2025.

Selling Expenses (RMB Millions) and % of Revenue

- *Sales expense ratio moved into a stable range*

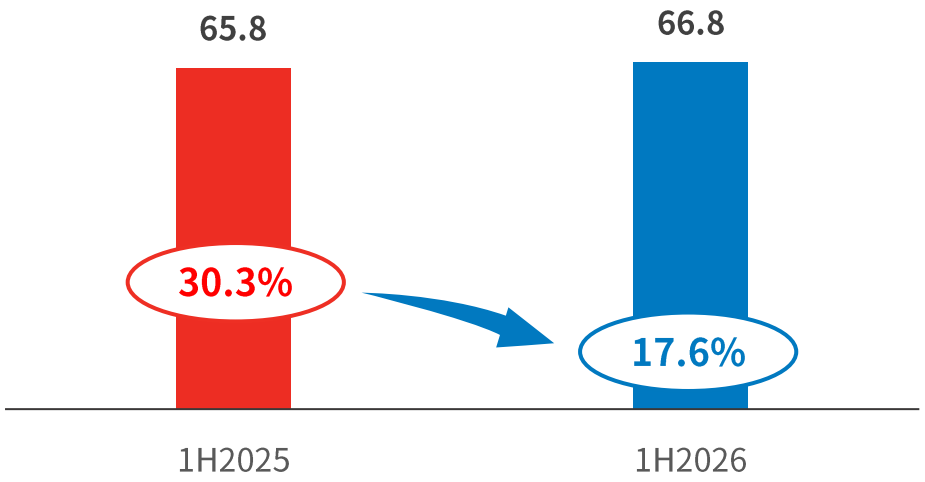


As the commercialization team has been fully established, the ratio of selling expense to revenue increased by four percentage points from 29.5% in the first half of 2025 to 33.5% in the reporting period, normalizing to a sustainable range.

R&D and Admin Expenses Under Control

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

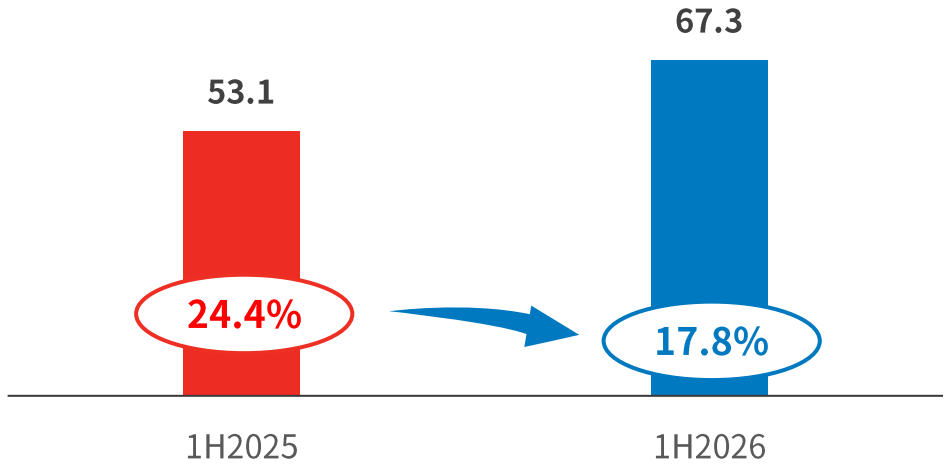
- *R&D expenses remained stable*



R&D expenses increased by RMB1.0 million, the change is attributable to the advancement of the 2nd generation GKA project and the post-marketing observational study, along with completion of major validation projects related to capacity expansion.

Administrative Expenses (RMB Millions) and % of Revenue

- *Administrative expenses ratio declines 6.6 pct*

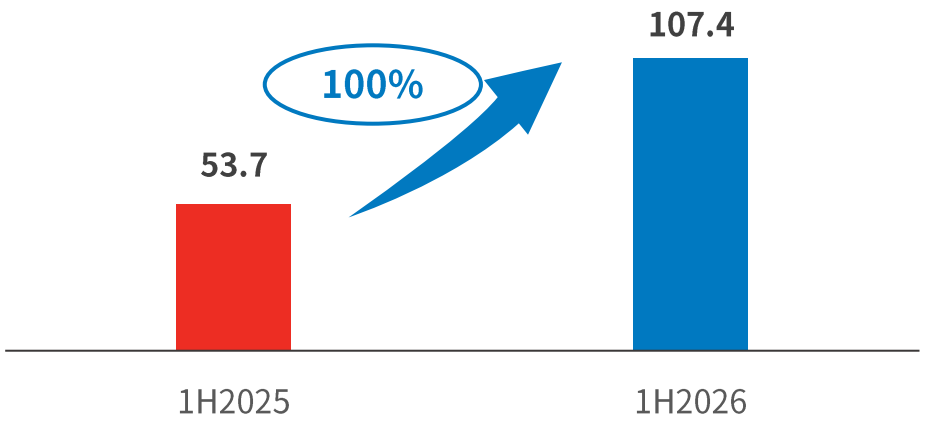


Administrative expenses increased to RMB67.3 million, was primarily attributable to an increase of RMB10.1 million in labor resources and the increase of share-based payment under the accelerated amortization method. The ratio of administrative expenses to revenue continued to drop.

Increasing Profitability

Commercialization Efforts Achieved Profits* (RMB Millions)

➢ *Commercialization efforts achieved profit doubled*

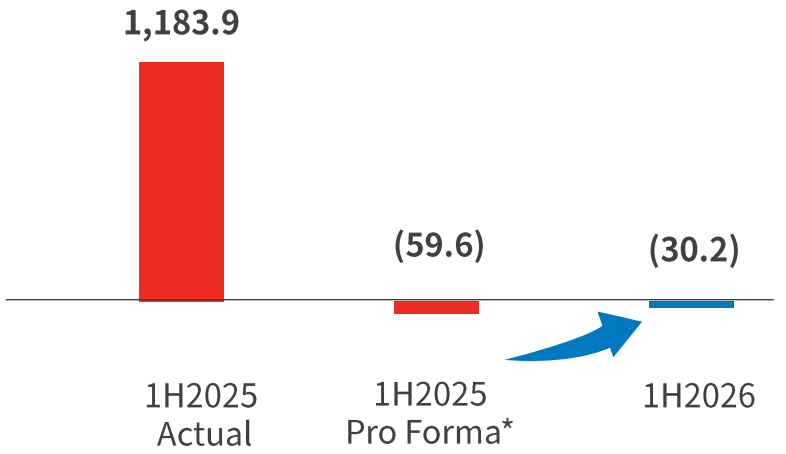


*(Note: *Defined by gross profit less selling expenses)*

Driven by enhanced operational efficiency, our commercialization efforts achieved profit of approximately RMB107.4 million, doubled from RMB53.7 million in the same period of 2025.

Net Profit (RMB Millions)

➢ *Net loss on an adjusted basis is narrowed*

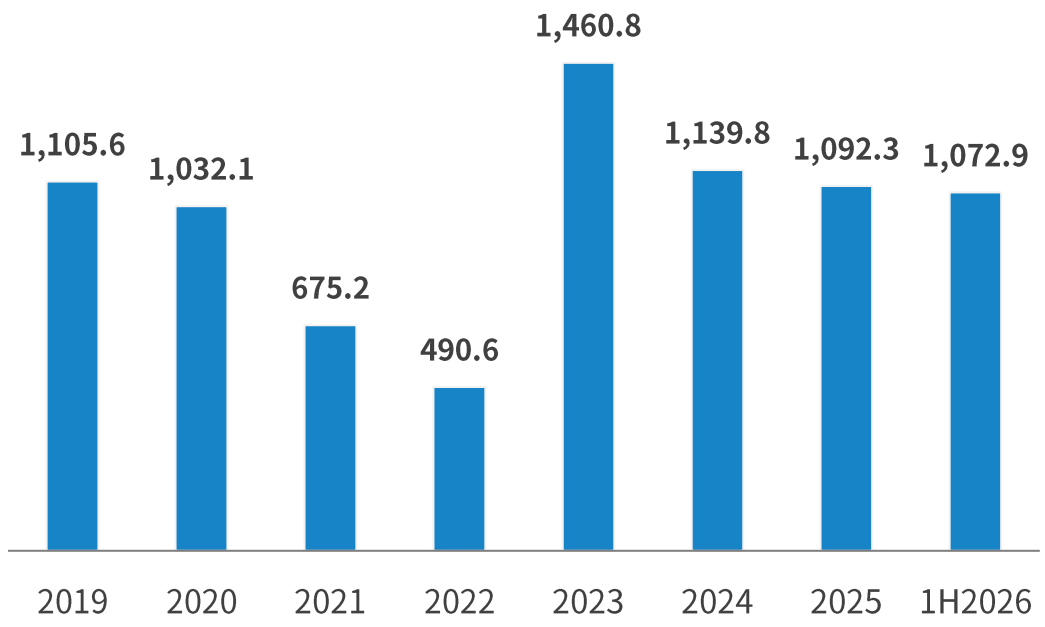


*(Note: *Pro Forma for the elimination of approximately RMB 1.2 billion unamortized liabilities upon termination of the Bayer agreement on January 1, 2025)*

Excluding the effect of the one-off release of contract liabilities to other income of approximately RMB1,243.5 million in 2025 following the termination of the Bayer contract, the Group's loss for 1H2026 narrowed by approximately RMB29.4. The narrowing of the Group's loss on an adjusted basis is mainly attributable to the increase in revenue and improved gross profit margin.

Strong Cash Position

Cash Balance (RMB Millions)



- Cash balance remained robust. Bank balances and cash position was approximately RMB1,072.9 million as of June 30,2025, representing a decrease of only RMB 19.3 million from the end of 2025.
- Building on the strong commercial momentum of HuaTangNing® (华堂宁®) in mainland China, the business is now generating robust cash flows that allow us to step up investment across the business and lay the foundation for accelerated growth.
- 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.

Value Drivers and Key Milestones in the Near Future

Accelerating Commercial Momentum with Expanding Market Reach

- Employee incentive-linked revenue targets set at RMB 900M for 2026
- Planned market launch in Macao in 2H2026
- Expected NDA for dorzagliatin and metformin FDC in 2027

Anticipated Clinical Progress with High-Value Data Milestones

- Data readout of Phase Ib MAD of 2nd Gen GKA in 2H2026
- Expected IND for MODY-2 in 2H2026
- Expected IND for Frailty in 2H2026
- More publications of ongoing real-world studies

Strategic Partnerships to Drive Pipeline Depth and Diversification

- Will pursue partnerships to develop the 2nd generation GKA for global markets
- Potential pipeline expansion through in-licensing in 2H2026

Hua Medicine

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