CARsgen Therapeutics Holdings Limited
科濟藥業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2171)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2025 AND PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND THE ADOPTION OF THE NINTH AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

The board (the "**Board**") of directors (the "**Directors**") of CARsgen Therapeutics Holdings Limited (the "**Company**", "**CARsgen Therapeutics**" or "**CARsgen**") is pleased to announce the audited consolidated results of the Company, its subsidiaries and consolidated affiliated entities (collectively, the "**Group**") for the year ended December 31, 2025 (the "**Reporting Period**"), together with the audited comparative figures for the year ended December 31, 2024.

FINANCIAL HIGHLIGHTS

1. REVENUE

The Group's revenue was around RMB125.7 million for the year ended December 31, 2025 mainly from zevorcabtagene autoleucel (an autologous BCMA CAR T-cell product), in which the primary revenue of zevorcabtagene autoleucel was calculated on the basis of ex-works price, rather than on the basis of end-of-market prices. Our revenue is recognized upon completion of ex-works delivery of products. Due to the inherent time cycle of CAR-T manufacturing, there is a discrepancy between the number of orders obtained from Huadong Medicine and number of ex-works deliveries.

2. GROSS PROFIT

The Group's gross profit was around RMB80 million for the year ended December 31, 2025. In the commercialization stage, we are demonstrating a strong cost competitive advantage, which is mainly due to self-manufacture for plasmids and vectors with stable output and high yield per batch.

3. NET LOSS

Our net loss was around RMB103 million for the year ended December 31, 2025, representing a decrease of around RMB695 million from around RMB798 million for the year ended December 31, 2024. The decrease was primarily due to (i) the change in net other losses and gains of RMB377 million from RMB260 million in losses for the year ended December 31, 2024 to RMB117 million in gains for the year ended December 31, 2025; (ii) the decrease in research and development expenses of RMB221 million from RMB466 million for the year ended December 31, 2024 to RMB245 million for the year ended December 31, 2025; (iii) the decrease in administrative expenses of RMB92 million from RMB160 million for the year ended December 31, 2024 to RMB68 million for the year ended December 31, 2025; and (iv) the recognition of gross profit of RMB80 million for the year ended December 31, 2025 as compared to RMB15 million for the year ended December 31, 2024.

Our adjusted net loss[(1)] was around RMB78 million for the year ended December 31, 2025, representing a decrease of around RMB711 million from RMB789 million for the year ended December 31, 2024. The decrease was primarily due to (i) higher other gains – net; (ii) lower research and development expenses; (iii) lower administrative expenses; and (iv) higher gross profit.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents were around RMB1,123 million as of December 31, 2025, representing a decrease of around RMB356 million from around RMB1,479 million as of December 31, 2024. The decrease was mainly due to research and development expenses, administrative expenses and investment of capital expenditure. Cash and cash equivalents at the end of 2026 are expected to be not less than RMB1,000 million. In light of operational factors such as the changes in operating cash flow, we expect to have adequate cash into the 2030.

(1) Adjusted net loss and adjusted net loss per share are non-IFRS Accounting Standards measures. They exclude the impact of the adjusted items. For details of non-IFRS Accounting Standards measures, please refer to "Non-IFRS Accounting Standards Measures" subsection.

BUSINESS HIGHLIGHTS

As of the date of this announcement, we have made significant progress in advancing our technology innovations, product pipeline and business operations.

Zevorcabtagene autoleucel (R&D code: CT053)

Zevorcabtagene autoleucel (zevor-cel) is an autologous fully human CAR T-cell product against B-cell maturation antigen (BCMA) approved by the National Medical Products Administration (NMPA) of China for the treatment of adult patients with relapsed or refractory multiple myeloma (R/R MM) who have progressed after at least 3 prior lines of therapy (including a proteasome inhibitor and an immunomodulatory agent). CARsgen entered into a collaboration agreement with Huadong Medicine (Hangzhou) Co., Ltd., a wholly-owned subsidiary of Huadong Medicine Co., Ltd. (000963.SZ) ("**Huadong Medicine**") for the commercialization of zevor-cel in Chinese mainland. In terms of commercialization, Huadong Medicine has established a dedicated, professional, and comprehensive commercial team to promote the use of zevor-cel and has been utilizing China's multi-layered insurance system to improve patient accessibility. In 2025, we have received a total of 218 confirmed orders from Huadong Medicine. We anticipate that the growth of sales revenue of zevor-cel will further accelerate with continuous marketing activities and broader insurance coverage. It has been included in China's Commercial Health Insurance Innovative Drug Catalogue (2025) (the "**Innovative Drug Catalogue**") for the treatment of R/R MM. The updated long-term follow-up results of Phase I clinical trial of zevor-cel have been published in *Blood Advances* in October 2025.

Satricabtagene autoleucel (R&D code: CT041)

Satricabtagene autoleucel (satri-cel) is an autologous humanized CAR T-cell product against Claudin18.2 (CLDN18.2). Satri-cel was granted Breakthrough Therapy Designation (BTD) in March 2025 and Priority Review in May 2025 by the CDE of NMPA of China. In June 2025, the CDE has accepted the NDA for satri-cel for the treatment of Claudin18.2-positive advanced gastric/gastroesophageal junction adenocarcinoma (G/GEJA) in patients who have failed at least two prior lines of therapy. It is expected to be approved and enter commercialization in the first half of 2026. The results of confirmatory Phase II trial (NCT04581473) in China have been published in *The Lancet* and orally presented at the 2025 American Society of Clinical Oncology (ASCO) Annual Meeting in June 2025. The results of the Phase Ib clinical trial in China (CT041-ST-05, NCT05911217) of satri-cel as the pancreatic cancer adjuvant therapy, were presented as a poster presentation at the European Society for Medical Oncology (ESMO) Congress 2025.

Allogeneic CAR T-cell Products

CARsgen has been advancing differentiated allogeneic CAR T-cell products utilizing the CARsgen's proprietary THANK-uCAR® and THANK-u Plus™ platform. THANK-u Plus™ platform, as an enhanced version of THANK-uCAR®, was developed to address the potential impact of NKG2A expression levels on therapeutic efficacy of the allogeneic CAR T-cells. Results for CT0596 (an allogeneic BCMA-targeted CAR T-cell product candidate utilizing THANK-u Plus™ platform) for the treatment of relapsed/refractory primary plasma cell leukemia (R/R pPCL) and CT1190B (an allogeneic CD19/CD20-targeted CAR T-cell product candidate utilizing THANK-u Plus™ platform) for the treatment of relapsed/refractory B-cell non-Hodgkin's lymphoma (R/R B-NHL) were released by the Company in October and November 2025. Updated clinical data for CT0596 IIT for the treatment of R/R MM have been presented at the 67th Annual Congress of the American Society of Hematology (ASH) in December 2025.

Multiple allogeneic CAR T-cell products are under development. CT0596 has had its IND applications accepted in China for R/R MM and pPCL, with IND clearance and Phase Ib trial initiation expected in 2026; CT1190B (KJ-C2219) is expected to obtain IND clearance and initiate Phase Ib clinical trials in China in 2026. Other allogeneic CAR-T products include KJ-C2320 against CD38 for acute myeloid leukemia (AML) (THANK-uCAR®); KJ-C2526 against NKG2DL for AML, other malignancies and senescence (THANK-u Plus™); CT1390B against CLL1 for AML (THANK-u Plus™); KJ-C2527 against Claudin18.2 for gastric cancer（GC） (THANK-u Plus™).

I. MANAGEMENT DISCUSSION AND ANALYSIS

1. OVERVIEW

CARsgen is a biopharmaceutical company focusing on developing innovative CAR T-cell therapies to address the unmet clinical needs including but not limited to hematologic malignancies, solid tumors and autoimmune diseases. CARsgen has established end-to-end capabilities for CAR T-cell research and development covering target discovery, preclinical research, product clinical development, and commercial-scale production. CARsgen has developed novel in-house technologies and a product pipeline with global rights to address challenges faced by existing CAR T-cell therapies. Efforts include improving safety profile, enhancing the efficacy in treating solid tumors, and reducing treatment costs, etc. CARsgen's mission is to be a global biopharmaceutical leader that provides innovative and differentiated cell therapies for patients worldwide and makes cancer and other diseases curable.

2. BUSINESS REVIEW

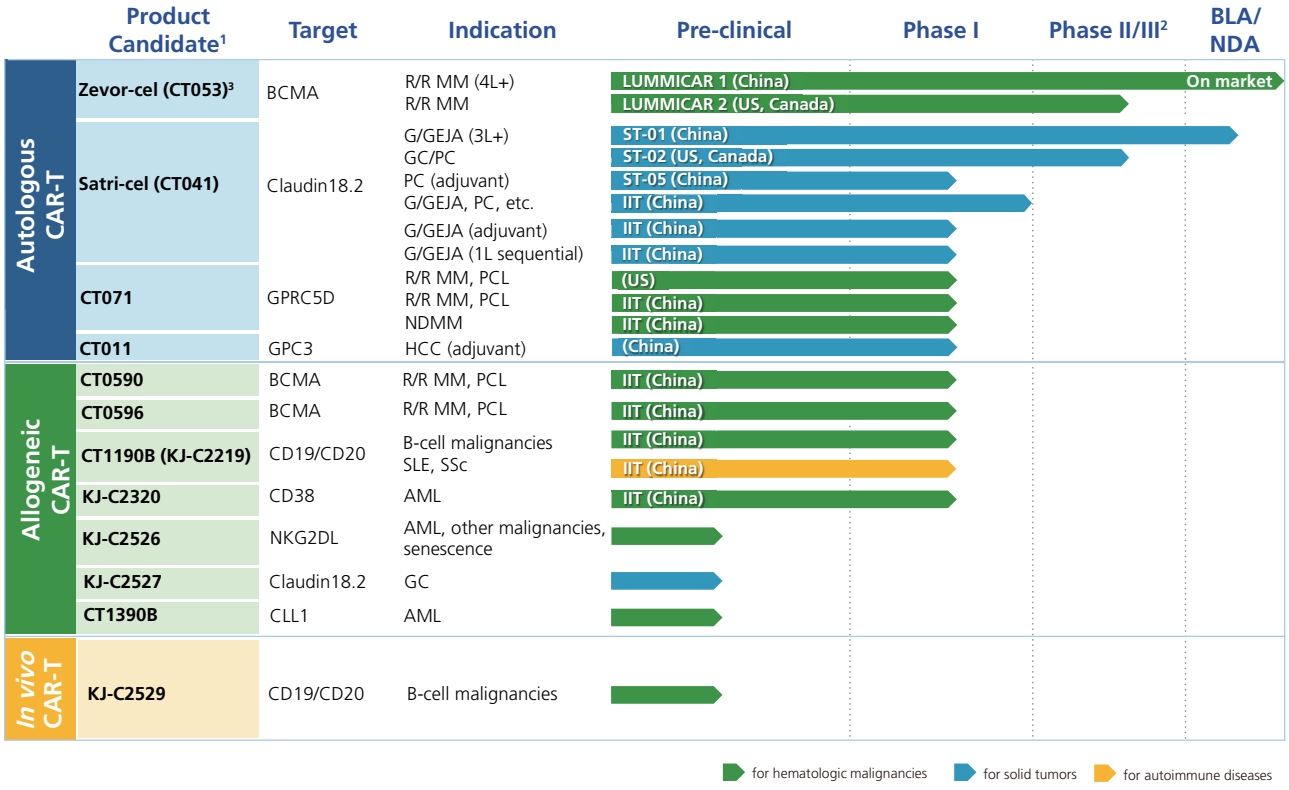
Our Products and Product Pipeline

Leveraging comprehensive capabilities and innovative technology platforms, CARsgen remains committed to pioneering in advancements in CAR T-cell therapies. The Company continuously optimizes the strategic priorities and business framework to dynamically adapt to the evolving global industry landscape and market demands. We focus on developing breakthrough CAR T-cell products that address critical unmet medical needs for patients. Through regular pipeline evaluations, we prioritize projects with differentiated clinical and commercial value. Looking ahead, we anticipate collaborating with more partners to build an open ecosystem, fostering value co-creation through forward-looking strategic partnerships and jointly exploring broader development opportunities.

In 2025, NMPA has accepted NDA for satri-cel for the treatment of Claudin18.2-positive G/GEJA in patients who have failed at least two prior lines of therapy. To the best of our knowledge, satri-cel is the first and only CAR-T cell therapy for the treatment of solid tumors that has advanced to NDA stage worldwide. Moreover, with the collaboration with Huadong Medicine, the commercialization of zevor-cel in Chinese mainland has been progressing smoothly.

CARsgen has been active in advancing several allogeneic CAR T-cell products that offer differentiated clinical value. The Company is committed to advancing several allogeneic CAR T-cell products using the proprietary allogeneic CAR-T technology platform THANK-uCAR® allogeneic CAR-T technology and the enhanced version THANK-u Plus™ platform. Multiple products against different targets are currently under development: CT0596 is expected to obtain IND clearance and initiate Phase Ib clinical trials in 2026; CT1190B is expected to obtain IND clearance and initiate Phase Ib clinical trials in 2026; KJ-C2320 against CD38 for AML; KJ-C2526 against NKG2DL for AML, other malignancies and senescence; CT1390B against CLL1 for AML; KJ-C2527 against Claudin18.2 for GC.

The chart below summarizes the development status of our pipeline as of the date of this announcement.



R/R MM: relapsed/refractory multiple myeloma; G/GEJA: gastric/gastroesophageal junction adenocarcinoma; GC: gastric cancer; PC: pancreatic cancer; HCC: hepatocellular carcinoma; PCL: plasma cell leukemia; NDMM: newly diagnosed multiple myeloma; SLE: systemic lupus erythematosus; SSc: systemic sclerosis; AML: acute myeloid leukemia

Notes:

1. All product candidates are self-developed with global rights.

2. Phase II trials of some indications are pivotal studies.

3. Core Product. Commercial rights in Chinese mainland have been granted to Huadong Medicine (SZ: 000963).

Zevorcabtagene autoleucel (R&D code: CT053) – Fully Human BCMA CAR T

Zevorcabtagene autoleucel (zevor-cel) is a fully human, autologous BCMA CAR T-cell product for the treatment of R/R MM. It incorporates a CAR construct with a fully human BCMA-specific single-chain variable fragment (scFv) with low immunogenicity and increased stability that overcomes T-cell exhaustion by reducing the self-activation of CAR T cells in the absence of tumor-associated targets.

As informed by the NMPA on March 1, 2024, zevor-cel was approved on February 23, 2024 for the treatment of adult patients with R/R MM who have progressed after at least 3 prior lines of therapy (including a proteasome inhibitor and an immunomodulatory agent). It is our Company's first product commercialized in Chinese mainland. It has been included in China's Commercial Health Insurance Innovative Drug Catalogue (2025) ("**Innovative Drug Catalogue**") for the treatment of R/R MM. In January 2023, CARsgen and Huadong Medicine (Hangzhou) Co., Ltd. entered an agreement for the exclusive right to commercialization of zevor-cel in Chinese mainland. In addition to the RMB200 million upfront payment, CARsgen received a regulatory milestone payment of RMB75 million. CARsgen is eligible to receive regulatory and commercial milestone payments up to RMB1,025 million under the terms of the agreement. CARsgen continues to be responsible for the development, regulatory approval, and manufacturing of zevor-cel in Chinese mainland. In terms of commercialization, Huadong Medicine has established a dedicated, professional, and comprehensive commercial team to promote the use of zevor-cel and has been utilizing China's multi-layered insurance system to improve patient accessibility. During 2025, certification and regulatory filings for zevor-cel have been completed in more than 20 provinces or cities and we have received a total of 218 confirmed orders from Huadong Medicine.

Huadong Medicine has extensive commercialization experience and a large-scale sales network in Chinese mainland. Huadong Medicine's strategic goal of being a leader in the oncology therapeutic area created the opportunity for a strong partnership between the two companies. We believe that the partnership with Huadong Medicine will maximize commercial success of zevor-cel in Chinese mainland. Since reaching the agreement, teams from CARsgen and Huadong Medicine have been working together closely to implement commercialization strategy and ensure optimal product access.

The updated long-term follow-up results of Phase I clinical trial of zevor-cel have been presented as a poster at the 22nd IMS Annual Meeting in September 2025 and published in *Blood Advances* in October 2025. The poster and the article were titled "Long term Follow-up of Zevor-cel in Patients with Relapsed/Refractory Multiple Myeloma".

The updated data of Phase II clinical trial, involving 102 patients with a median follow-up of 20 months, were published in *Experimental Hematology & Oncology* in September 2025. The article was titled "Phase II study of zevorcabtagene autoleucel, a fully human BCMA-targeting CAR T cell therapy, in patients with relapsed/refractory multiple myeloma".

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that zevorcabtagene autoleucel will ultimately be successfully developed and marketed (outside Chinese mainland) by the Company. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

Satricabtagene autoleucel (R&D code: CT041) – Humanized Claudin18.2 CAR T

Satricabtagene autoleucel (satri-cel) is an autologous CAR T-cell product against protein Claudin18.2 and has potential to be first-in-class globally. Satri-cel targets the treatment of Claudin18.2-positive solid tumors with a primary focus on G/GEJA and PC. Claudin18.2 is expressed in a range of solid tumors, including G/GEJA, PC, colorectal, lung, and ovarian cancers. Leveraging our in-depth understanding in CAR T-cell therapy, as well as our integrated antibody platform, we were, to our knowledge, the first in the world to successfully identify, validate and report Claudin18.2 as a solid tumor-associated antigen and viable target for CAR T-cell therapy. To further address the challenges of CAR T-cell therapies in treating solid tumors, we developed an innovative, patent-protected preconditioning regimen which is to be administered prior to infusion of satri-cel. This regimen features the addition of low-dose nab-paclitaxel to the conventional lymphodepletion regimen comprising cyclophosphamide and fludarabine.

In China, satri-cel was granted BTD in March 2025 and Priority Review in May 2025 by the CDE. The CDE has accepted the NDA application for satri-cel for the treatment of Claudin18.2-positive advanced G/GEJA in patients who have failed at least two prior lines of therapy on June 25, 2025. The NDA submission is mainly based on the results of an open-label, multicenter, randomized controlled confirmatory Phase II clinical trial (CT041-ST-01, NCT04581473) conducted in China. It is expected to be approved and start commercialization in the first half of 2026. CARsgen's proprietary Claudin18.2 immunohistochemistry (IHC) assay kit has been officially included in the Priority Evaluation and Approval procedure by the NMPA. Characterized by high sensitivity and specificity, the assay kit serves as a critical companion diagnostic tool within CARsgen's Claudin18.2-targeted product portfolio.

The research results of the Phase Ib registrational clinical trial of satri-cel for PC adjuvant therapy in China (CT041-ST-05, NCT05911217) has been presented as a poster session at ESMO Congress in October 2025. The poster was titled "Adjuvant Therapy with Claudin18.2-specific CAR T Cells (Satri-cel) in High-Risk Pancreatic Cancer (CT041-ST-05)". The trial represents the world's first proof-of-concept (POC) study exploring CAR T-cell therapy for the adjuvant treatment of solid tumors. One patient who has completed 52-week follow-up post infusion is still under follow-up without disease recurrence.

The Company is actively expanding satri-cel application in early-line treatment and perioperative treatment of cancer: including an ongoing Phase I clinical trial for PC adjuvant therapy in China (CT041-ST-05, NCT05911217), an IIT for consolidation treatment following adjuvant therapy in patients with resected G/GEJA (CT041-CG4010, NCT06857786) and an IIT for sequential therapy following first-line treatment for G/GEJA (CT041-CG4011, NCT07179484).

The data of confirmatory Phase II clinical trial (CT041-ST-01, NCT04581473) have been presented in *The Lancet* and at the 2025 ASCO Annual Meeting in June 2025. The article in *The Lancet* was titled "Claudin-18 isoform 2-specific CAR T-cell therapy (satri-cel) versus treatment of physician's choice for previously treated advanced gastric or gastro-oesophageal junction cancer (CT041-ST-01): a randomised, open-label, phase 2 trial". The oral presentation at the 2025 ASCO Annual Meeting was titled "Claudin18.2-specific CAR T cells (Satri-cel) versus treatment of physician's choice (TPC) for previously treated advanced gastric or gastroesophageal junction cancer (G/GEJC): Primary results from a randomized, open-label, phase II trial (CT041-ST-01)". Among all 108 patients who received satri-cel infusion (88 patients in satri-cel arm and 20 patients in treatment of physicians' choice (TPC) arm (one of apatinib, paclitaxel, docetaxel, irinotecan or nivolumab), the median overall survival (mOS) reached 9.17 months, while the mOS of 28 patients in TPC arm who did not receive satri-cel treatment was only 3.98 months (HR 0.288; 95% CI: 0.169-0.492). Satri-cel demonstrated significant progression-free survival (PFS) improvement and a clinically meaningful OS benefit with a manageable safety profile in Claudin18.2 positive G/GEJA patients with failure to at least 2 prior lines of treatment, compared to standard therapy. It is worth noting that randomized controlled trials (RCTs) for autologous CAR-T products present differences and significant challenges in efficacy evaluation compared to single-arm trials. In single-arm trials, the baseline is the pre-lymphodepletion imaging, and the first tumor assessment compares post-CAR-T infusion results with pre-lymphodepletion imaging, allowing for a more intuitive demonstration of actual efficacy. In randomized controlled trials, both arms use pre-randomization imaging as the baseline. Due to the time interval between randomization and lymphodepletion, tumor burden worsens in more than half of the patients before CAR-T infusion. As a result, the first tumor assessment (comparing post-CAR-T infusion imaging with pre-randomization imaging) often leads to an underestimation of the true therapeutic effect. Since CAR-T cell manufacturing requires time, factors such as disease progression during the waiting period may prevent some patients from receiving CAR-T cell infusion but these patients are still included in the final efficacy analysis.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that satricabtagene autoleucel will ultimately be successfully developed and marketed by the Company. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

CT011 – Humanized GPC3 CAR T

CT011 is an autologous CAR T-cell product with proof-of-concept clinical data for the treatment of hepatocellular carcinoma (HCC). Our co-founder, CEO and Chief Scientific Officer, Dr. Zonghai LI led the world's first successful effort in identifying, validating, and reporting GPC3 as a tumor-associated target for the development of CAR T-cell therapies to treat HCC.

In July 2023, an article titled "Combined local therapy and CAR-GPC3 T-cell therapy in advanced hepatocellular carcinoma: a proof-of-concept treatment strategy" was published in *Cancer Communication*. Two advanced HCC patients who received local therapy followed by sequential infusions of CAR-GPC3 T-cells achieved more than 10-year disease-free survival.

In January 2024, CT011 received IND clearance from the NMPA for patients with GPC3-positive stage IIIa hepatocellular carcinoma at risk of recurrence after surgical resection.

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CT071 – GPRC5D CAR T

CT071 is an autologous CAR T-cell therapy product targeting GPRC5D developed utilizing CARsgen's proprietary CARcelerate® platform for the treatment of R/R MM and R/R pPCL. It incorporates a fully-human single-chain variable fragment (scFv) developed by CARsgen.

CARsgen's proprietary CARcelerate® platform can shorten CT071's manufacturing time to approximately 30 hours and therefore, resulting CAR-T cells are younger and possibly more potent compared to conventional manufacturing. The improved manufacturing efficiency aims to expedite availability of the product to patients, enhances the supply capacity, and reduces manufacturing costs.

The results for the treatment of R/R MM in an investigator-initiated trial (NCT05838131) have been published in *The Lancet Haematology* in October 2025. The article was titled "GPRC5D-targeted CAR T-cell therapy (CT071) in patients with relapsed or refractory multiple myeloma: a first-in-human, single-centre, single-arm, phase 1 trial". All 5 patients previously treated with an anti-BCMA CAR T (n=1) or anti-BCMA/CD19 CAR T (n=4) responded; 2 achieved PR, 1 achieved VGPR and 2 achieved sCR.

The results for the treatment of newly diagnosed multiple myeloma (NDMM) in an investigator-initiated trial (NCT06407947), were presented in a poster session at the 30th European Hematology Association (EHA) Congress in June 2025. The poster was titled "A phase I study of GPRC5D targeting CAR T-cell therapy CT071 for high-risk newly diagnosed multiple myeloma". The ORR was 100%, including sCR rate of 70% (7/10).

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that CT071 will ultimately be successfully developed and marketed by the Company. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

Allogeneic CAR T-cell Product

In addition to autologous products, CARsgen has also been advancing differentiated allogeneic CAR T-cell products utilizing the proprietary THANK-uCAR® platform. CARsgen has recently developed the THANK-u Plus™ platform as an enhanced version of THANK-uCAR® allogeneic CAR-T technology to address the potential impact of NKG2A expression levels on therapeutic efficacy.

CT0590 is a BCMA-targeting allogeneic CAR T-cell product candidate deploying our THANK-uCAR® technology. An IIT has been initiated in China to evaluate the safety and efficacy of CT0590 for the treatment of R/R MM. The results of the IIT proof-of-concept study results of CT0590 were presented as a poster at the 66th ASH Annual Congress in December 2024, which was titled "A First-in-Human Study of CT0590, a Triple Knock-out, Allogeneic CAR T-Cell Therapy Targeting BCMA and NKG2A, in Subjects with Relapsed/Refractory Multiple Myeloma". The 2 subjects with sCR include 1 R/R MM subject (still ongoing) with a DOR longer than 23 months as of data cut-off date and 1 pPCL subject with a DOR of 20 months. In the 2 subjects with sCR, CAR copies peaked at > 280,000 copies/μg genomic DNA (gDNA).

CT0596 is a BCMA-targeting allogeneic CAR T-cell product candidate deploying our THANK-u Plus™ technology. IITs have been initiated in China to evaluate the safety and efficacy of CT0596 for the treatment of R/R MM and PCL. Two IND applications for R/R MM and pPCL separately were submitted to the NMPA in December 2025 and have been accepted. Phase Ib registration trials in China are planned to be initiated in 2026. Preliminary results of the IIT have been presented at the 67th ASH in December 2025. As of August 31, 2025, the trial had enrolled 8 patients with R/R MM in the dose-escalation phase who received CT0596 infusion. Six patients achieved a PR or better: 3 achieved CR/sCR (all in the full-dose lymphodepletion group), 1 achieved VGPR, and 2 achieved PR. CAR-T cell expansion was observed in all patients. Patient 01 maintained ongoing sCR and MRD-negativity as of Month 8. Previously, CARsgen announced preliminary clinical data for CT0596 in R/R pPCL. As of October 17, 2025, two heavily pretreated pPCL patients with high disease burden and rapid progression both achieved sCR after receiving CT0596 treatment.

CT1190B (KJ-C2219) is an allogeneic CAR T-cell product candidate targeting CD19/CD20 deploying our THANK-u Plus™ technology, for hematologic malignancies and autoimmune diseases. IITs for R/R B-NHL have been initiated. A separate IIT for systemic lupus erythematosus (SLE) and systemic sclerosis (SSc) has been initiated. It is expected to obtain IND approval from the NMPA for B-cell malignancies. Phase Ib registration study is planned to be initiated in 2026 in China.

At the recommended lymphodepletion regimen of Fludarabine 30mg/m² for 3 consecutive days plus Cyclophosphamide 1000mg/m² for 2 consecutive days, a total of 8 patients were enrolled, including 2 mantle cell lymphoma (MCL) patients (administered a cell dose of 6×10^8) and 6 diffuse large B-cell lymphoma (DLBCL) patients with cell doses as follows: 3×10^8 (1 patient), 4.5×10^8 (1 patient), and 6×10^8 (4 patients); of these 8 enrolled patients, 6 were evaluable for efficacy, achieving an ORR of 83.3% comprising 4 patients with CR (2 MCL, 2 DLBCL) and 1 patient with partial response (PR: DLBCL).

At the recommended lymphodepletion regimen of Fludarabine 30mg/m² for 3 consecutive days plus Cyclophosphamide 1000mg/m² for 2 consecutive days, and focusing on the 6×10^8 cell dose subgroup, 6 patients were enrolled, among whom 4 were evaluable for efficacy with 3 achieving a treatment response (all CR) while the remaining 2 DLBCL patients had not yet reached the prespecified efficacy assessment timepoint, and a total of 6 patients completed the full lymphodepletion regimen and received the recommended cell dose, with the median maximum concentration (Cmax) of the CAR-T cells reaching approximately 10^5 copies/μg gDNA.

KJ-C2320 is an allogeneic CAR T-cell product candidate targeting CD38, deploying our THANK-uCAR® technology for the treatment of AML. An IIT for AML has been initiated at the end of 2024. KJ-C2320 has administered the first dose to a patient in an investigator-initiated trial.

KJ-C2526 is an allogeneic CAR T-cell product candidate against NKG2DL deploying our THANK-u Plus™ technology, for AML, other malignancies and senescence.

CT1390B is an allogeneic CAR T-cell product candidate against CLL1 deploying our THANK-u Plus™ technology, for AML.

KJ-C2527 is an allogeneic CAR T-cell product candidate against Claudin18.2 deploying our THANK-u Plus™ technology for the treatment of GC.

On February 25, 2025, certain subsidiaries of the Company have entered into the agreements (the "**Agreements**") with an investment fund (the "**Investor**") managed by Zhuhai Hengqin SB Xinchuang Equity Investment Management Enterprise (Limited Partnership) ("**Zhuhai SB Xinchuang**"), pursuant to which, among others, the Investor has agreed to subscribe to additional registered capital of UCARsgen Biotech Limited ("**UCARsgen**") at a cash consideration of RMB80,000,000, representing 8% stake of the enlarged registered capital of UCARsgen (the "**Capital Increase**"). Upon the completion of the Capital Increase, the Company's share in UCARsgen will be diluted from 100% to 92%.

UCARsgen is a China-based new drug discovery biotechnology company focused on allogeneic CAR T-cell therapies for the treatment of hematologic malignancies. Under the Agreements, UCARsgen has secured the exclusive rights in Chinese mainland for the research, development, manufacture, and commercialization of the following allogeneic CAR T-cell products from the Company: the BCMA-targeted allogeneic CAR-T cell therapy for the treatment of multiple myeloma and plasma cell leukemia and the CD19/CD20 dual-targeted allogeneic CAR T-cell therapy for the treatment of B-cell malignancies (excluding indications for the treatment of autoimmune diseases).

In vivo CAR T-cell Product

Apart from CAR T-cell products manufactured via in vitro gene editing, the Company is also developing *in vivo* CAR T-cell products. CARsgen's proprietary lentiviral-based CARvivo™ platform demonstrates excellent T cell transduction and targeting specificity. KJ-C2529 is an *in vivo* CAR T-cell product candidate against CD19/CD20 deploying our CARvivo™ platform for the treatment of B-cell lymphoma. An IIT is expected to be initiated in 2026 for the treatment of R/R B-NHL.

Continuous Discovery and Technology Development

Despite the approval of some CAR T-cell products for the last-line treatment of hematologic malignancies, significant challenges remain, such as limited efficacies against solid tumors, undesirable safety concerns, and high manufacturing and treatment costs. We strive to explore and develop innovative technology platforms to address these challenges to generate better cell therapy products for cancer patients globally.

We have established an integrated research and development platform covering the full CAR T development cycle including target discovery, vector design, manufacturing, quality assurance, and quality control. Our integrated cell therapy platform is composed of target discovery, immune cell function evaluation platform, plasmid and lentiviral vector preparation platforms, cell therapy process development platform, analytical platforms with molecular, flow cytometry, biochemical, physical-chemical, and cell-based analytical capabilities, biological samples tests platform, clinical-scale and commercial-scale CAR T manufacturing platform, and platform for clinical studies.

We continue to dedicate ourselves to advancing innovative technologies to address remaining challenges in the CAR-T industry:

(1) **Better patient access with allogeneic CAR-T**:

To reduce the cost and increase accessibility of CAR T-cell therapies, we continue to develop our market-differentiating allogeneic THANK-uCAR® technology. THANK-uCAR® is our proprietary technology to generate allogeneic CAR T cells with improved expansion and persistence by modifying donor-derived T cells. To minimize graft versus host disease (GvHD) and host versus graft response (HvGR) from allogeneic T cells, we disrupt the genomic loci encoding TRAC and beta-2 microglobulin (B2M) to eliminate surface expression of the TCR or the human leukocyte antigen class I (HLA-I), an approach that has been validated by previous research. However, natural killer (NK) cells attack T cells without HLA-I expression, which then limits the expansion and persistence of the allogeneic CAR T cells. To protect the allogeneic CAR T cells from the patient's NK cells' attacks, we arm these TRAC-/B2M-T cells with a CAR that recognizes NKG2A to hinder the NKG2A-positive NK cell rejection of the CAR T cells and therefore allow the THANK-uCAR T cells to resist the attack by NK cells. Our *in vitro* and *in vivo* studies demonstrated that armoring the TRAC-/B2M-T cells with the anti-NKG2A CAR resulted in improved expansion in the presence of NK cells. Based on the clinical data, it is found that baseline NKG2A expression levels on NK cells may be related to treatment outcomes. To leverage this finding, we developed THANK-u Plus™ platform.

CARsgen has developed the THANK-u Plus™ platform as an enhanced version of its proprietary THANK-uCAR® allogeneic CAR-T technology to address the potential impact of NKG2A expression levels on therapeutic efficacy by adding an NK inhibitory signaling element (NKi binder). THANK-u Plus™ demonstrates sustained expansion regardless of varying NKG2A expression levels on NK cells and exhibits significantly improved expansion compared to THANK-uCAR®. Preclinical studies show that THANK-u Plus™ delivers superior antitumor efficacy in the presence of NK cells compared to THANK-uCAR®. Allogeneic BCMA or dual-targeting CD19/CD20 CAR-T cells developed using this platform exhibit robust antitumor activity in the presence of NK cells, indicating that THANK-u Plus™ has broad potential for developing diverse allogeneic CAR-T therapies. We are developing allogeneic CAR T-cell products using THANK-u Plus™ platform, which we believe could increase CAR T cell expansion, persistence and efficacy.

(2) **Enhance efficacy in solid tumors**:

- To enhance efficacy against solid tumors, we developed CycloCAR® which features the co-expression of cytokine IL-7 and chemokine CCL21 in CAR T cells to potentially improve clinical efficacy and reduce the requirement of lymphodepletion conditioning. Preclinical results showed that IL-7 enhanced the proliferation and survival of CAR T cells and inhibited the apoptosis of CAR T cells, and CCL21 could drive infiltration of T cells and dendritic cells into tumor sites. The preclinical CycloCAR T cells improved the therapeutic effects against solid tumors in mice compared to conventional CAR T cells. Moreover, even without preconditioning chemotherapy, the CycloCAR T cells could potently suppress the tumor growth with a significantly better efficacy than CAR T cells co-expressing IL-7 and CCL19 (7×19 CAR T, a previously reported design by other researchers). Our studies demonstrated that, independent of lymphodepletion chemotherapy, CycloCAR T cells exerted potent antitumor effects which were facilitated by infiltration of T cells and dendritic cells into tumor tissues, CycloCAR T cells exhibited increased survival, and potential anti-angiogenesis effect. We are using CycloCAR® to develop CAR T-cell therapies against several targets including Claudin18.2, GPC3, and mesothelin. We continue to explore potential combination approaches to boost the therapeutic effects of single agents and identify new targets and approaches to tackle new indications.

- The Company continues investigating combinatorial approaches to enhance clinical outcomes of CAR-T therapies. For example, our collaboration with Moderna to explore satricabtagene autoleucel in combination with Claudin18.2 encoding mRNA vaccines to help boost T cell activation, proliferation and persistence.

(3) **Target availability**:

- In development of cancer therapies, the expression of tumor-associated antigens in normal tissues poses a significant challenge, as this expression pattern leads to on-target off-tumor toxicities. To resolve the challenge with target availability, we continue to explore innovative technologies to enhance drug target availability and therefore turn undruggable antigens into promising targets. We developed LADAR™ technology (local action driven by artificial receptor), in which an artificial receptor is triggered by a LADAR ligand to induce the transcription of the gene(s) of interest (e.g., the tumor antigen-targeted CAR, plus any cytokines or other therapeutic mediators). Through the LADAR™ artificial receptor, the antitumor CAR transcription is only triggered when the LADAR binds to a LADAR ligand, making it possible to precisely control when and where immune cells act against cancer cells.

- The LADAR-CAR signaling circuits require both antigens for LADAR™ and CAR recognition to kill target cells, thus reducing on-target off-tumor effects when these two antigens are not simultaneously expressed in the same normal tissues. In our in vitro studies, the LADAR™ system induced strong therapeutic gene expression in response to antigen engagement and, importantly, negligible leakage expression in resting cells. LADAR-CAR T cells executed killing function only if both antigens were present.

- We are also working on other applications of LADAR™ system, such as LADAR-cytokine circuits. We believe that the establishment of LADAR™ system is the key step to developing CAR T cells with powerful and precise killing of cancer.

- To develop effective CAR T-cell products for more cancer types and further enhance the antitumor effect, we have been expanding our research to more promising oncology targets for cell therapies. In addition, leveraging our proprietary antibody platforms, we have successfully developed humanized or fully human antibodies against these targets, such as B7-H3, etc. These antibodies, together with our CAR T-cell technology platforms, will help further enhance the product pipeline.

(4) ***In vivo* CAR-T CARvivo™**:

The CAR-T cell therapy has demonstrated impressive efficacy in treating hematological malignancies. However, its extensive use was restricted by the expensive manufacturing cost and the requirement preconditioning chemotherapy prior to administration. To overcome these challenges, we developed a novel platform, referred to as CARvivo™, for *in vivo* CAR-T cell generation utilizing an engineered redirected lentiviral vector. This platform rationally designed fusogen and binder moieties for immune cell specific targeting. To circumvent lentivirus's extensive tropism, the virus envelope glycoprotein was mutated without disrupting its fusogenic potential. For ensuring retargeting specificity, the vector was modified with high-affinity binder molecules, enabling it to target specific cells. In preclinical studies, the redirected modified lentiviral vector showed superior targeting specificity and high T cells transduction efficiency both *in vitro* and *in vivo*. And following intravenous administration, it can efficiently generate functional CAR-T cells and eliminate B-cell lymphoma xenograft tumor cells in human PBMC reconstituted mice. These data demonstrate the potential of our CARvivo™ platform to generate functional CAR-T cells *in vivo*, laying a foundation for expanding its application to other types of cancers.

These technologies are currently being developed in-house with global rights and can be used alone or in combination to upgrade our existing products or generate future products.

Empowered by these technologies, we strive to further enrich our pipeline and advance these pipeline products to clinical and commercial stage.

As of December 31, 2025, we had more than 300 patents of which 152 patents had been issued globally including China, the United States, Europe, and Japan, with an increase of 24 issued patents and 27 patent applications compared with that of January 1, 2025. Our R&D activities are expected to continue to generate substantial intellectual property in our areas of expertise.

Manufacturing

We have established in-house GMP-compliant manufacturing capabilities to support vertically integrated CAR T manufacturing, including plasmids, lentiviral vectors, and CAR T-cell production. The vertically integrated production contributes to increased efficiency and enhanced control, resulting in improved drug product consistency and aiming for faster turnaround times for patients. The integrated manufacturing is also expected to help significantly reduce costs and improve margins for more advantageous commercialization. We have also developed a robust process platform for allogeneic CAR-T products to support the IND filing and upcoming clinical manufacturing.

With the commercial manufacturing facility in Jinshan, Shanghai ("**Jinshan Manufacturing Facility**"), which has a designed capacity to support autologous CAR T-cell therapy for up to 2,000 patients annually, we can produce the lentiviral vectors and CAR T cells in-house to support clinical trials and CAR T-cell commercialization in China. By scaling up lentiviral vector production, we can significantly reduce CAR-T manufacturing costs. Through establishing vertically integrated production capabilities, we anticipate substantially enhancing manufacture sustainability, lowering costs, and shortening the time from vein to vein.

The Company is actively preparing for capacity expansion, enhancing the manufacturing capabilities for CAR T-cell therapies that meet international standards to support the commercialization of multiple products and strengthen its global competitiveness. On February 12, 2026 (after trading hours), the Company, through its indirectly wholly-owned subsidiary CARsgen Diagnostics Co., Ltd., has entered into the strategic cooperation agreements with Shanghai Jingong Enterprise Development Co., Ltd., which is a key platform enterprise in the Bay Area High-Tech Zone of Jinshan District, Shanghai (上海市金山區灣區高新區). With a total investment amount not exceeding RMB370 million, the Company will establish an advanced commercial manufacturing base for CAR T-cell products in Jinshan District, Shanghai ("**Jinshan Manufacturing Base**"). No significant upfront capital expenditure are required from the Company, effectively preserving valuable cash flow for core research and development as well as market expansion. In addition, the repurchase mechanism ensures the Company can fully acquire asset control after long-term operation, maintaining production stability and enhancing the flexibility in of asset layout. Overall, this collaboration demonstrates the Company's prudent financial planning and deep layout in the CAR T-cell therapy industry ecosystem. This also indicate that the project is highly in line with national and local policies on the biopharmaceutical industry and has received high attention and strong support from the government. This strategic partnership will further consolidate the Company's leading position in the global CAR T-cell therapy industry while creating long-term value for shareholders.

Industry Overview

As a novel treatment modality, CAR T-cell therapy offers breakthrough efficacy and curative potential for cancer patients. The global CAR T-cell therapy market has been experiencing strong growth since approval of the first CAR T-cell therapy product in 2017. The global CAR T-cell therapy market is expected to further grow driven by increasing global cancer incidence, approval of CAR T-cell therapies in more indications, improvements in manufacturing technology and capacities, availability of CAR T-cell products in more markets. As of the date of this announcement, there are seven CAR T-cell products approved by U.S. FDA and eight CAR T-cell products approved by NMPA in China. However, there are still significant unmet medical needs for the cancer patients worldwide, calling for better and more innovative CAR T-cell products, particularly for the treatment of solid tumors. With our pipeline products, e.g. zevorcabtagene autoleucel and satricabtagene autoleucel, and innovative technology platforms, e.g. CycloCAR®, THANK-uCAR®, THANK-u Plus™, LADAR™ and CARvivo™, we are committed to developing the innovative therapies to fulfil these unmet medical needs.

Future and Outlook

With CARsgen's mission of "making cancer curable", we devote ourselves to develop innovative products for the treatment of cancer patients worldwide. Building on the milestones we have achieved, the Company will continue to focus on the commercialization of zevorcabtagene autoleucel and satricabtagene autoleucel, and plan to expand these products into earlier-line treatment settings. The Company will be committed to accelerating the market availability of the allogeneic CAR T-cell therapies, unlocking the full potential of our innovative platform to address unmet medical needs for patients worldwide. The Company will continue to develop novel technologies and advance the R&D pipeline of other products in clinical and preclinical stages. Leveraging our profound expertise and continuous iteration of innovative CAR-T technologies in the CAR-T field, the Company strive to further optimize the efficacy, safety and accessibility of CAR T-cell therapies for the benefit of a broader patient population. The Company plans to continuously expand its manufacturing capacity in China to provide solid support for the clinical trials and future commercialization of both autologous and allogeneic products. We will continue to establish additional external partnerships with leading research institutes and pharmaceutical companies on technology and product licensing as a means to maximize the application of our technology platform and the value of our product, bringing more innovative cell therapy products to cancer patients worldwide and ultimately creating more value for our investors and the society.

3. FINANCIAL REVIEW

Overview

We had one product, zevorcabtagene autoleucel, approved on February 23, 2024 for commercial sale and have generated revenue from product sales. We have not been profitable and have incurred operating losses in every year since inception, with operating losses of RMB104 million and RMB808 million for the years ended December 31, 2025 and 2024, respectively. Substantially all of our operating losses resulted from research and development expenses, administrative expenses and net off the foreign exchange gains for the year ended December 31, 2025.

Loss for the years

Our net loss was RMB103 million for the year ended December 31, 2025, representing a decrease of RMB695 million from RMB798 million for the year ended December 31, 2024. The decrease was primarily due to (i) the increase of net other losses and gains of RMB377 million from RMB260 million in losses for the year ended December 31, 2024 to RMB117 million in gains for the year ended December 31, 2025; (ii) the decrease in research and development expenses of RMB221 million from RMB466 million for the year ended December 31, 2024 to RMB245 million for the year ended December 31, 2025; (iii) the decrease in administrative expenses of RMB92 million from RMB160 million for the year ended December 31, 2024 to RMB68 million for the year ended December 31, 2025; and (iv) the increase in gross profit of RMB65 million from RMB15 million for the year ended December 31, 2024 to RMB80 million for the year ended December 31, 2025.

Non-IFRS Accounting Standards Measures

To supplement the Group's consolidated net loss and net loss per share which are presented in accordance with the IFRS Accounting Standards, the Company has provided adjusted net loss and adjusted net loss per share as additional financial measures, which are not required by, or presented in accordance with, the IFRS Accounting Standards.

Adjusted net loss for the periods and adjusted net loss per share for the periods represent the net loss and net loss per share respectively excluding the effect of a non-cash item, namely the share-based compensation. The terms adjusted net loss and adjusted net loss per share are not defined under the IFRS Accounting Standards.

The table below sets forth a reconciliation of the loss to adjusted loss during the years indicated:

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
	(Audited)	(Audited)
Loss for the years	**(102,907)**	(798,132)
Add:		
Share-based compensation	**25,284**	9,089
Adjusted net loss	**(77,623)**	(789,043)

	Year ended December 31,	
	2025	2024
	RMB	*RMB*
	(Audited)	(Audited)
Loss per share for the years	**(0.18)**	(1.44)
Add:		
Share-based compensation per share	**0.05**	0.02
Adjusted net loss per share	**(0.13)**	(1.42)

The Company believes that the adjusted non-IFRS Accounting Standards measures are useful for understanding and assessing the underlying business performance and operating trends, and that the Company's management and investors may benefit from referring to these adjusted financial measures in assessing the Group's financial performance by eliminating the impact of certain unusual, non-recurring, non-cash and/or non-operating items that the Group does not consider indicative of the performance of the Group's core business. These non-IFRS Accounting Standards measures, as the management of the Group believes, is widely accepted and adopted in the industry in which the Group is operating. However, the presentation of these non-IFRS Accounting Standards measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with the IFRS Accounting Standards. Shareholders and potential investors should not view the adjusted results on a stand-alone basis or as a substitute for results under IFRS Accounting Standards, and these non-IFRS Accounting Standards measures may not be comparable to similarly-titled measures represented by other companies.

Research and Development Expenses

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
	(Audited)	(Audited)
Employee benefit expenses	**125,519**	208,780
Testing and clinical expenses	**46,560**	158,281
Depreciation of property, plant and equipment	**21,686**	33,449
Research and development consumables	**24,521**	28,014
Utilities	**14,021**	16,739
Depreciation of right-of-use assets	**3,357**	2,667
Amortization of intangible assets	**2,057**	6,001
Travelling and transportation expenses	**1,476**	2,839
Office expenses	**2,237**	4,725
Short term lease and low value lease expenses	**1,975**	2,444
Professional service fees	**1,811**	2,064
Other expenses	**137**	183
Total	**245,357**	466,186

Research and development expenses decreased to RMB245 million for the year ended December 31, 2025, representing a decrease of RMB221 million from RMB466 million for the year ended December 31, 2024, primarily due to lower testing and clinical expenses, lower employee benefit expenses and lower depreciation expenses.

Administrative Expenses

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
	(Audited)	(Audited)
Employee benefit expenses	**40,402**	70,378
Professional service fees	**9,218**	27,304
Office expenses	**3,185**	6,874
Depreciation of property, plant and equipment	**1,278**	26,587
Depreciation of right-of-use assets	**377**	5,998
Auditors' remuneration	**4,378**	4,084
– audit service	**3,780**	3,780
– non-audit service	**598**	304
Short term lease and low value lease expenses	**963**	4,303
Travelling and transportation expenses	**783**	4,174
Utilities	**772**	1,061
Amortization of intangible assets	**741**	1,109
Other expenses	**6,329**	7,652
Total	**68,426**	159,524

Administrative expenses decreased to RMB68 million for the year ended December 31, 2025, representing a decrease of RMB92 million from RMB160 million for the year ended December 31, 2024, primarily due to lower employee benefit expenses, lower professional service, lower depreciation expenses and lower depreciation of right-of-use assets.

Details of employee benefit expenses and share-based compensation included in the above administrative expenses and research and development expenses are as below:

Employee benefit expenses

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
	(Audited)	(Audited)
Wages and salaries	**119,472**	230,937
Pension costs	**14,449**	16,200
Share-based compensation	**24,161**	9,013
Other employee benefits	**7,839**	23,008
Total	**165,921**	279,158
Amount included in research and development expenses	**125,519**	208,780
Amount included in administrative expenses	**40,402**	70,378

The decrease of employee benefit expenses is mainly due to the decrease in the number of employees.

Share-based payments

Expenses for the share-based compensation have been charged to the consolidated statements of comprehensive loss as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
	(Audited)	(Audited)
Research and development expenses	**18,111**	4,680
Administrative expenses	**6,050**	4,332
Cost of sales	**1,123**	77
Total	**25,284**	9,089

The increase of share-based compensation expenses is mainly due to the increases in total headcount and total number of RSUs and options granted to employees under share schemes of the Company in 2025 compared to those in 2024.

4. LIQUIDITY AND CAPITAL RESOURCES

Management monitors and maintains a level of cash and bank balances deemed adequate to finance our operations and mitigate the effects of fluctuations. In addition, management monitors our borrowings and, from time to time, evaluates operations to renew our borrowings upon expiry based on our actual business requirements. We rely on equity financing and debt financing as our major sources of liquidity.

The following table sets forth our cash flows for the periods indicated:

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
	(Audited)	(Audited)
Net cash used in operating activities	**(236,900)**	(409,690)
Net cash (used in)/generated from investing activities	**(2,884)**	12,522
Net cash (used in)/generated from financing activities	**(111,724)**	18,457
Net decrease in cash and cash equivalents	**(351,508)**	(378,711)
Cash and cash equivalents at beginning of the year	**1,479,058**	1,849,752
Effect of foreign exchange rate changes, net	**(4,136)**	8,017
Cash and cash equivalents at end of the year	**1,123,414**	1,479,058

Net Cash Used in Operating Activities

During the Reporting Period, we incurred negative cash flows from operations, and substantially all of our operating cash outflows resulted from our research and development expenses and administrative expenses.

Our operating activities used RMB237 million and RMB410 million for the year ended December 31, 2025 and 2024, respectively.

We had one product, zevorcabtagene autoleucel, approved on February 23, 2024 for commercial sale and have generated income in 2024 and 2025. We believe our pipeline products have promising global market potential in the future. We intend to continue investing in our research and development efforts and aim to obtain marketing approvals for our product candidates as soon as feasible. As we launch and commercialize our product candidates, we expect to generate operating income and improve our net operating cash outflow position.

Net Cash (Used in)/Generated from Investing Activities

Our cash used in investing activities mainly reflects our cash used for our purchase of term deposits with original maturity between three and twelve months, property, plant and equipment and our cash generated from investing activities mainly reflects our net cash receipts from term deposits with original maturity between three and twelve months.

For the year ended December 31, 2025, our net cash used in investing activities was RMB2.9 million, which was primarily attributable to purchase of property, plant and equipment. For the year ended December 31, 2024, our net cash generated from investing activities was RMB12.5 million, which was primarily attributable to the redemption of investment of term deposit and partially offset by purchase of property, plant and equipment.

Net Cash (Used in)/Generated from Financing Activities

For the year ended December 31, 2025, our net cash used in financing activities was RMB112 million, primarily attributable to the net effects of (i) the capital injection in joint venture of RMB80 million from Zhuhai Hengqin SB Xinchuang Equity Investment Management Enterprise (Limited Partnership); (ii) the exercise price received under share schemes of the Company of RMB29 million; (iii) net repayment of bank borrowings of RMB89 million; (iv) payments for ordinary share repurchase of RMB115 million; and (v) payment of lease expenses of RMB16 million. For the year ended December 31, 2024, our net cash generated from financing activities was RMB18.5 million, primarily attributable to net proceeds from bank borrowings of RMB84 million, payments for ordinary share repurchase of RMB50 million, and payment of lease expenses of RMB17 million.

Cash and Cash Equivalents

	As at December 31, 2025 ***RMB'000*** **(Audited)**	As at December 31, 2024 *RMB'000* (Audited)
Cash at banks and cash held in brokerage account		
– USD	**37,341**	120,778
– RMB	**1,032,696**	1,358,145
– HKD	**53,377**	135
Total	**1,123,414**	1,479,058

The Group's total cash and cash equivalents as at December 31, 2025 were RMB1,123 million, representing a decrease of RMB356 million compared to RMB1,479 million as at December 31, 2024. The decrease was primarily attributable to the payments of research and development expenses, and administrative expenses.

Borrowing and Gearing Ratio

The Group's total borrowings, including interest-bearing borrowings, as at December 31, 2025 were nil, representing a decrease of RMB89 million compared to RMB89 million as at December 31, 2024.

As at December 31, 2025 and December 31, 2024, the Group's bank borrowings are nil and RMB89 million, respectively.

The fair values of the borrowings approximate their carrying amounts as the discounting impact is not significant.

As at December 31, 2025, the Group had no outstanding secured borrowings maturing within one to three years and the interest rate is nil (2024: 3.2000%). The gearing ratio (calculated by dividing the sum of borrowings and lease liabilities by total equity) of the Group as at December 31, 2025 and 2024 were 7.85% and 15.75%, respectively.

Lease Liabilities

The Group leases offices and dormitory. Lease on offices and dormitory were measured at net present value of the lease payments to be paid during the lease terms.

Lease liabilities were discounted at incremental borrowings rates of the Group entities.

Our lease liabilities decreased to RMB61 million as at December 31, 2025 from RMB77 million as at December 31, 2024.

5. OTHER FINANCIAL INFORMATION

Significant Investments

As at December 31, 2025, we did not hold any significant investments (including any investment in an investee company) with a value of 5% or more of the Group's total assets.

Material Acquisitions and Disposals

During the year ended December 31, 2025, we did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures.

Foreign Exchange Risk

The Group has entities operating in the United States of America and in the People's Republic of China and there are certain cash and cash equivalents, other receivables, accruals and other payables denominated in a currency that is not the functional currency of the relevant group entities. As at December 31, 2025, the Group had no foreign exchange hedging instruments. However, our management constantly monitors the economic situation and our Group's foreign exchange exposure and will consider appropriate hedging measures in the future should the need arise.

As at December 31, 2025 and 2024, if the USD strengthened/weakened by 5% against the RMB with all other variables held constant, our net loss for the years ended December 31, 2025 and 2024 would have increased/decreased by approximately RMB120 million and RMB124 million, respectively.

Capital Expenditure

For the year ended December 31, 2025, the Group's total capital expenditure amounted to approximately RMB6 million, which was mostly used in purchase of property, plant and equipment, and software.

Charge on Assets

As at December 31, 2025 and December 31, 2024, the Group did not have any charge on assets.

Asset Impairment

As at December 31, 2025, the Group did not have any asset impairment.

Contingent Liability

As at December 31, 2025, the Group did not have any material contingent liabilities.

Employees and Remuneration Policies

During the Reporting Period, we have scaled down our team from about 468 employees as at December 31, 2024 to 362 employees as at December 31, 2025. As at December 31, 2025, 65.2% of our employees are female.

In compliance with the applicable labor laws, we enter into standard confidentiality and employment agreements with our key management and research staff. The contracts with our key personnel typically include a standard non-compete agreement that prohibits the employee from competing with us, directly or indirectly, during his or her employment and for up to two years after the termination of his or her employment. The agreements also typically include undertakings regarding assignment of inventions and discoveries made during the course of his or her employment.

During the Reporting Period, we did not experience any strikes, labor disputes or industrial action which had a material effect on our business. We believe we have not experienced any significant difficulty in recruiting staff for our operations. We have established a labor union that represents employees with respect to the promulgation of bylaws and internal protocols in China.

Our employees' remuneration consists of salaries, bonuses, share-based incentive plans, social insurance contributions and other welfare payments. In accordance with applicable laws, we have made contributions to social insurance funds (including pension plan, unemployment insurance, work-related injury insurance, medical insurance and maternity insurance, as applicable) and housing funds for our employees. During the Reporting Period, we had complied with all statutory social insurance fund obligations applicable to us under PRC & US laws in all material aspects, and housing fund obligations applicable to us under PRC laws.

To remain competitive in the labor market, we provide various incentives and benefits to our employees. We invest in continuing education and training programs, including internal and external training, for our management staff and other employees to upgrade their skills and knowledge. We also provide competitive salaries, project and stock incentive plans to our employees, especially key employees.

Future Investment Plans and Expected Funding

The Group will continue to expand its markets in the PRC and globally in order to tap its internal potential and maximize shareholders' interest. The Group will continue to grow through self-development, mergers and acquisitions, and other means. We will employ a combination of financing channels to finance capital expenditures, including but not limited to internal funds, capital markets and bank loans. Currently, the bank credit lines available to the Group are adequate.

II. ANNUAL RESULTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended December 31, 2025

	Notes	**2025** ***RMB'000***	2024 *RMB'000*
Revenue	*3*	**125,662**	39,425
Cost of sales		**(45,714)**	(24,678)
Gross profit		**79,948**	14,747
Selling and distribution expenses		**(1,408)**	(875)
Administrative expenses		**(68,426)**	(159,524)
Research and development expenses		**(245,357)**	(466,186)
Other income	*3*	**13,540**	63,934
Other losses – net	*4*	**117,491**	(260,287)
Operating loss		**(104,212)**	(808,191)
Finance income		**8,202**	16,118
Finance costs		**(6,897)**	(5,713)
Finance income – net	*5*	**1,305**	10,405
Loss before income tax		**(102,907)**	(797,786)
Income tax expense	*7*	**–**	(346)
Loss for the year		**(102,907)**	(798,132)
Attributable to			
Owners of the parent		**(97,861)**	(798,132)
Non-controlling interests		**(5,046)**	–
		(102,907)	(798,132)

	Notes	**2025** ***RMB'000***	2024 *RMB'000*
Other comprehensive (loss)/income for the year:			
Items that may be reclassified to profit or loss			
Exchange differences on translation of subsidiaries		**159,108**	(95,906)
Items that will not be reclassified to profit or loss			
Exchange differences on translation of the Company		**(263,009)**	188,722
Other comprehensive (loss)/income for the year, net of tax		**(103,901)**	92,816
Total comprehensive loss for the year and attributable to ordinary equity holders of the parent		**(206,808)**	(705,316)
Attributable to:			
Owners of the parent		**(201,762)**	(705,316)
Non-controlling interests		**(5,046)**	–
		(206,808)	(705,316)
Loss per share attributable to ordinary equity holders of the parent			
Basic and diluted loss per share (in RMB)	*9*	**(0.18)**	(1.44)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2025

	Notes	2025 RMB'000	2024 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		**84,424**	106,749
Right-of-use assets		**13,421**	17,200
Intangible assets		**1,147**	2,943
Other non-current assets and prepayments		**15,057**	15,867
Total non-current assets		**114,049**	142,759
CURRENT ASSETS			
Trade receivables	*10*	**15,552**	8,768
Inventories		**7,138**	6,926
Other receivables		**16,043**	19,344
Other current assets and prepayments		**15,940**	16,179
Cash and cash equivalents		**1,123,414**	1,479,058
Total current assets		**1,178,087**	1,530,275
CURRENT LIABILITIES			
Accruals and other payables	*11*	**138,470**	181,623
Interest-bearing bank borrowings		**–**	20,287
Lease liabilities		**12,842**	13,441
Deferred income		**11,889**	11,033
Contract liabilities		**42,256**	27,623
Total current liabilities		**205,457**	254,007
NET CURRENT ASSETS		**972,630**	1,276,268
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,086,679**	1,419,027

	Notes	2025 RMB'000	2024 RMB'000
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings		**–**	68,850
Lease liabilities		**48,336**	63,844
Deferred income		**6,665**	7,342
Other financial liability		**74,092**	–
Contract liabilities		**178,249**	222,284
Total non-current liabilities		**307,342**	362,320
Net assets		**779,337**	1,056,707
EQUITY			
Equity attributable to owners of the parent			
Share capital		**1**	1
Reserves		**783,317**	1,056,706
		783,318	1,056,707
Non-controlling interests		**(3,981)**	–
Total equity		**779,337**	1,056,707

NOTES TO FINANCIAL STATEMENTS

1. CORPORATE AND GROUP INFORMATION

CARsgen Therapeutics Holdings Limited (hereinafter the "**Company**") was incorporated under the law of the Cayman Islands as a limited liability company on February 9, 2018. The address of the Company's registered office is P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1 – 1205 Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (hereinafter collectively referred to as the "**Group**") are a global clinical-stage biopharmaceutical company discovering, researching and developing cell therapies in the People's Republic of China (the "**PRC**") and the United States of America (the "**US**").

The consolidated financial statements are presented in thousands of Renminbi ("**RMB**"), unless otherwise stated, and were approved and authorised for issue by the board of directors of the Company on March 6, 2026.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

These financial statements have been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting Standards, International Accounting Standards ("**IASs**") and Interpretations) as issued by the International Accounting Standards Board (the "**IASB**") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention. These financial statements are presented in RMB and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

The Group has adopted amendments to IAS 21 Lack of Exchangeability for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

In addition, the IASB has issued amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 *Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding IFRS Accounting Standards. These examples reflect existing requirements in the corresponding IFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions. The Group has assessed and concluded that the amendments did not have any impact on the Group's financial statements.

3. REVENUE AND OTHER INCOME

An analysis of revenue is as follows:

	2025	2024
	RMB'000	*RMB'000*
Revenue from contracts with customers		
Sale of pharmaceutical products	**119,227**	37,123
Provision of cryopreservation services	**6,435**	2,302
Total	**125,662**	39,425

An analysis of other income is as follows:

	2025	2024
	RMB'000	*RMB'000*
Government grants (i)	**6,937**	38,134
Interest income on term deposits with original maturity between three and twelve months	**6,603**	25,800
Total	**13,540**	63,934

(i) The government grants mainly represent subsidies received from the government to support certain research and development projects that are related to both expenses and assets. Government grants were released to profit or loss either over the periods that the expenses for which it is intended to compensate, or over the expected useful life of the relevant asset, when all attaching conditions and requirements are complied with.

4. OTHER GAINS/(LOSSES) – NET

	2025	2024
	RMB'000	*RMB'000*
Foreign exchange gains/(losses) – net	**121,499**	(82,244)
Losses on disposal of property, plant and equipment	**(4,418)**	(450)
Impairment losses	**–**	(189,079)
Tenant remedies	**–**	9,518
Others	**410**	1,968
Total	**117,491**	(260,287)

5. FINANCE INCOME – NET

	2025 *RMB'000*	2024 *RMB'000*
Finance income		
Interest income	**8,202**	16,118
Finance costs		
Interest expense on financial liabilities	**(3,704)**	–
Interest expense on lease liabilities	**(2,816)**	(3,124)
Interest expense on bank borrowings	**(377)**	(2,589)
Total finance costs	**(6,897)**	(5,713)
Total finance income – net	**1,305**	10,405

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging:

	2025 *RMB'000*	2024 *RMB'000*
Employee benefit expenses	**165,921**	279,158
Testing and clinical expenses	**46,560**	158,281
Depreciation of property, plant and equipment	**22,964**	60,551
Research and development consumables	**24,521**	29,264
Professional service expenses	**11,029**	29,368
Depreciation of right-of-use assets	**3,734**	11,894
Impairment of property, plant and equipment	**–**	162,263
Impairment of right-of-use assets	**–**	26,491
Impairment of intangible assets	**–**	325
Utilities	**14,793**	19,546
Office expenses	**5,422**	8,603
Travelling and transportation expenses	**2,259**	7,013
Amortisation of intangible assets	**2,798**	7,110
Short-term lease and low-value lease expenses	**2,938**	6,747
Auditors' remuneration	**4,378**	4,084
– Audit service	**3,780**	3,780
– Non-audit service	**598**	304
Cost of inventories sold	**45,714**	24,678
Marketing service fees	**1,408**	875
Other expenses	**6,466**	4,091
Total	**360,905**	840,342
Cost of sales	**45,714**	24,678
Selling and distribution expenses	**1,408**	875
Administrative expenses	**68,426**	159,524
Research and development expenses	**245,357**	466,186
Losses of impairment	**–**	189,079
Total	**360,905**	840,342

7. INCOME TAX EXPENSE

	2025	2024
	RMB'000	*RMB'000*
Current income tax		
– Ireland Capital Gains Tax	**–**	346
Total	**–**	346

Current income tax

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operated.

(a) Cayman Islands income tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

(b) Hong Kong profits tax

No provision for Hong Kong profits tax has been provided for at the rate of 16.5% (2024: 16.5%) as the Company has no estimated assessable profits in Hong Kong.

(c) Chinese mainland corporate income tax

Subsidiaries in the Chinese mainland are subject to income tax at a rate of 25%(2024: 25%) pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the "**CIT Law**"), except for CARsgen Therapeutics (Shanghai) which obtained its High and New Technology Enterprise qualification in year 2023 and hence is entitled to a preferential tax rate of 15% (2024: 15%) for a three-year period commencing from 2023.

No provision for the Chinese mainland corporate income tax was made for, as there were no assessable profits arising in Chinese mainland.

(d) British Virgin Islands income tax

Under the current laws of the British Virgin Islands (the "**BVI**"), the subsidiary incorporated in BVI is not subject to tax on income or capital gains. In addition, upon payments of dividends by the Group's BVI subsidiaries, no BVI withholding tax is imposed.

(e) Ireland corporation income tax and Ireland capital gains tax

The subsidiary in Ireland is subject to income tax at rates of 12.5% (2024: 12.5%) on the estimated assessable profit and 33% (2024: 33%) on the capital gains. Provision for Ireland capital gains tax has been provided as the subsidiary has realised capital gains for the years ended December 31, 2025 and 2024.

8. DIVIDEND

No dividend was declared or paid by the Company during the year ended December 31, 2025 (2024: Nil).

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amount is based on the loss attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in outstanding (excluding shares reserved for share incentive scheme) during the reporting period.

No adjustment has been made to the basic loss per share amount presented for the reporting period in respect of a dilution as the impact of put option granted to an investor of a subsidiary and outstanding potential ordinary shares had an anti-dilutive effect on the basic loss per share amount presented.

The calculation of the basic and diluted loss is based on:

	2025	2024
Loss attributable to ordinary equity holders of the parent *(RMB'000)*	**(97,861)**	(798,132)
Weighted average number of ordinary shares in issue during the year, used in the basic and diluted loss per share calculation *('000)*	**552,061**	552,875
Basic and diluted loss per share (RMB)	**(0.18)**	(1.44)

10. TRADE RECEIVABLES

An ageing analysis of the trade receivables as at the end of the years, based on the invoice date and net of loss allowance, is as follows:

	2025	2024
	RMB'000	*RMB'000*
Within 1 year	**15,552**	8,768

As at December 31, 2025, the Group's trade receivables were concentrated in a single pharmaceutical company, and the trade receivables generated from the sale of pharmaceutical products and the provision of cryopreservation services are expected to be recovered in a timely manner in view of the customer's past repayment record and stable business relationship with the Group. Therefore, management believes that the risk of expected credit loss is minimal.

11. ACCRUALS AND OTHER PAYABLES

	2025	2024
	RMB'000	*RMB'000*
Accrued expenses (i)	**103,302**	121,830
Staff salaries and welfare payables	**24,948**	44,189
Other taxes payable	**2,121**	4,812
Payables for acquisition of property, plant and equipment	**979**	1,095
Payables for research and development consumables	**2,115**	539
Others	**5,005**	9,158
Total	**138,470**	181,623

(i) Accrued expenses were mainly expenses incurred for the research and development activities.

12. EVENTS AFTER THE REPORTING PERIOD

On February 12, 2026, the Company through its indirectly wholly-owned subsidiary CARsgen Diagnostics Co., Ltd. entered into the strategic cooperation agreements with Shanghai Jingong Enterprise Development Co., Ltd., which is a key platform enterprise in the Bay Area High-Tech Zone of Jinshan District, Shanghai (上海市金山區灣區高新區). With a total investment amount not exceeding RMB370 million, the Company will establish an advanced commercial manufacturing base for CAR T-cell products in Jinshan District, Shanghai. This transaction requires no significant upfront capital expenditure from the Company, effectively preserving valuable cash flow for core research and development as well as market expansion. In addition, the repurchase mechanism ensures the Company can fully acquire asset control after long-term operation, maintaining production stability and enhancing the flexibility in of asset layout. For details, please refer to the Company's announcement dated February 13, 2026.

III. CORPORATE GOVERNANCE RELATED INFORMATION

Purchase, Sale or Redemption of the Company's Listed Securities

During the Reporting Period, the Company repurchased a total of 8,273,000 Shares (the "**Shares Repurchased**") on the Stock Exchange at the aggregate consideration of approximately HK$128,514,031.22 before expenses. The repurchase was effected to benefit the Company and create value to its Shareholders.

Particulars of the Shares Repurchased are as follows:

Month of Repurchase	No. of Shares Repurchased	Price Paid per Share		Aggregate Consideration *(Note)*
		Highest *(HK$)*	Lowest *(HK$)*	*(HK$)*
October	455,000	17.15	16.47	7,667,944.92
November	3,730,500	17.85	14.35	58,986,331.30
December	4,087,500	17.16	14.16	61,859,755.00
Total	**8,273,000**			**128,514,031.22**

Note: Any discrepancies between the aggregate consideration shown in the table above and the daily consideration disclosed by the Company are due to rounding adjustments.

As at December 31, 2025, there were 7,818,000 treasury Shares (as defined under the Listing Rules) held by the Company, and there were 455,000 Shares repurchased but pending cancellation. Subject to compliance with the Listing Rules, the Company may consider cancelling the treasury Shares.

Save as disclosed above, during the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed the Company's listed securities (including sale of treasury Shares (as defined under the Listing Rules)).

Model Code for Securities Transactions

The Company has adopted the Insider Dealing Policy (the "**Policy**"), with terms no less exacting than the Model Code as its own securities dealing policy to regulate all dealings by Directors and employees who, because of his/her office or employment, is likely to possess inside information in relation to the Group or the Company's securities.

Specific enquiries have been made to all Directors and the Directors have confirmed that they have complied with the Policy throughout the Reporting Period.

No incident of non-compliance of the Policy by the employees was noted by the Company for the Reporting Period.

Compliance with the Corporate Governance Code

The Company recognizes the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the shareholders as a whole. The Company has adopted corporate governance practices based on the principles and code provisions as set out in Part 2 of the Corporate Governance Code as its own code of corporate governance practices.

The Board is of the view that during the Reporting Period, the Company has complied with all the applicable code provisions as set out in the Corporate Governance Code, except for code provision C.2.1 described in the paragraph headed "C. Directors' Responsibilities, Delegation and Board Proceedings – C.2 Chairman and Chief Executive". The Board will continue to review and monitor the code of corporate governance practices of the Company with an aim to maintaining a high standard of corporate governance.

Pursuant to code provision C.2.1 of the Corporate Governance Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the roles of chairman and chief executive should be separate and should not be performed by the same individual. We do not have separate Chairman of the Board and Chief Executive Officer ("**CEO**") and Dr. Zonghai LI, the Chairman of our Board and CEO, currently performs these two roles. Our Board believes that, in view of his experience, personal profile and his roles in our Company as mentioned above, Dr. Zonghai LI is the Director best suited to identify strategic opportunities and focus of the Board due to his extensive understanding of our business as our CEO. Our Board also believes that the combined role of Chairman of the Board and CEO can promote the effective execution of strategic initiatives and facilitate the flow of information between management and the Board. Our Board will continue to review and consider splitting the roles of Chairman of the Board and the CEO at a time when it is appropriate by taking into account the circumstances of our Group as a whole.

Significant Event After the Reporting Period

On February 12, 2026 (after trading hours), the Company through its indirectly wholly-owned subsidiary CARsgen Diagnostics Co., Ltd. entered into the strategic cooperation agreements with Shanghai Jingong Enterprise Development Co., Ltd., which is a key platform enterprise in the Bay Area High-Tech Zone of Jinshan District, Shanghai (上海市金山區灣區高新區). With a total investment amount not exceeding RMB370 million, the Company will establish an advanced commercial manufacturing base for CAR T-cell products in Jinshan District, Shanghai. This transaction requires no significant upfront capital expenditure from the Company, effectively preserving valuable cash flow for core research and development as well as market expansion. In addition, the repurchase mechanism ensures the Company can fully acquire asset control after long-term operation, maintaining production stability and enhancing the flexibility in of asset layout. For details, please refer to the Company's announcement dated February 13, 2026.

Save as disclosed above, the Group has no other significant events occurred after the Reporting Period which require additional disclosures or adjustments as at date of this announcement.

Legal Proceedings

As of December 31, 2025, as far as the Company is aware, the Company and its subsidiaries were not involved in any material litigation or arbitration and no material litigation or claim of material importance was pending or threatened against or by the Company.

Use of Proceeds from the Global Offering

The Company's Shares were listed on the Stock Exchange on June 18, 2021 with a total of 94,747,000 offer shares issued and the net proceeds raised from the Global Offering were approximately HK$3,008 million. The net proceeds from the Listing (adjusted on a pro rata basis based on the actual net proceeds) have been and will be utilized in accordance with the purposes set out in the Prospectus. There was no change in the intended use of net proceeds as previously disclosed in the Prospectus as follows:

- approximately HK$902.4 million (US$115.7 million) (or approximately 30% of the net proceeds) to fund further development of our Core Product BCMA CAR-T (CT053);
- approximately HK$932.5 million (US$119.6 million) (or approximately 31% of the net proceeds) to fund ongoing and planned research and development of our other pipeline product candidates;
- approximately HK$601.6 million (US$77.2 million) (or approximately 20% of the net proceeds) for developing full-scale manufacturing and commercialization capabilities;
- approximately HK$300.8 million (US$38.6 million) (or approximately 10% of the net proceeds) for continued upgrading of CAR-T technologies and early-stage research and development activities; and
- approximately HK$270.7 million (US$34.7 million) (or approximately 9% of the net proceeds) will be used for our working capital and other general corporate purposes.

The net proceeds from the Global Offering have been utilized in accordance with the purposes set out in the Prospectus. The table below sets out the applications of the net proceeds and actual usage up to December 31, 2025:

Use of proceeds	**Planned allocation of Net Proceeds** *(HKD million)*	**Planned allocation of Net Proceeds** *(RMB million)*	**Utilized amount (as at December 31, 2024)** *(RMB million)*	**Utilized for the year ended December 31, 2025** *(RMB million)*	**Utilized amount (as at December 31, 2025)** *(RMB million)*	**Remaining amount (as at December 31, 2025)** *(RMB million)*
Further development of our Core Product, BCMA CAR-T (CT053)	902.4	851.7	851.7	0.0	851.7	0.0
Ongoing and planned research and development of our other pipeline product candidates	932.5	835.9	696.2	115.5	811.7	24.2
Developing full-scale manufacturing and commercialization capabilities	601.6	539.3	370.6	80.8	451.4	87.9
Upgrading of CAR-T technologies and early-stage research and development activities	300.8	269.6	174.6	77.0	251.6	18.0
Working capital and other general corporate purposes	270.7	255.5	255.5	0.0	255.5	0.0
Total	**3,008.0**	**2,752.0**	**2,348.6**	**273.3**	**2,621.9**	**130.1**

The unutilized amount of net proceeds is expected to be fully utilized for the intended use by 2026, which is later than originally planned, due to cost savings achieved via improved operational efficiency and moving outsourced services internally.

The working capital and other general corporate purposes mainly include:

1) RMB96.6 million for staff's salary and social benefit in general and administration departments, i.e administration, finance, legal, IT, purchase, internal audit, investor relationship;

2) RMB48.9 million for company rental fee and its property management fee, i.e office, dormitory, shuttle bus;

3) RMB47.5 million for office expense and office supply;

4) RMB23.2 million for travel expense;

5) RMB10.9 million for legal and lawyer consulting fee;

6) RMB10.5 million for IT spending, i.e. software, laptop, server, network, firewall, ERP;

7) RMB10.4 million for audit fee;

8) RMB6.2 million for headhunt and recruitment fee; and

9) RMB1.3 million for market research fee.

The above RMB amounts were converted using the December 31, 2025 exchange rate of HK$1 to RMB0.8964.

Audit Committee

As at the date of this announcement, the Audit Committee has three members comprising Ms. Xiangke ZHAO (chairperson), Mr. Huaqing GUO and Dr. Wen ZHOU, with terms of reference in compliance with the Listing Rules.

The Audit Committee has reviewed and agreed with the accounting principles and practices adopted by the Group and has discussed matters in relation to internal controls and financial reporting with the management, including the review of the audited consolidated financial statements of the Group for the year ended December 31, 2025. The Audit Committee considers that the financial results for the year ended December 31, 2025 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

FINAL DIVIDEND

The Board has resolved not to recommend the payment of a final dividend for the year ended December 31, 2025 (2024: Nil).

ANNUAL GENERAL MEETING

The annual general meeting is scheduled to be held on Friday, May 22, 2026 (the "**AGM**"). A notice convening the AGM will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.carsgen.com) in due course.

CLOSURE OF REGISTER OF MEMBERS AND RECORD DATE

The register of members of the Company will be closed from Tuesday, May 19, 2026 to Friday, May 22, 2026, both days inclusive, in order to determine the identity of Shareholders who are entitled to attend and vote at the AGM to be held on Friday, May 22, 2026. The record date for determining the entitlement of the Shareholders to attend and vote at the AGM will be Friday, May 22, 2026. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Monday, May 18, 2026.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Board also proposed to (i) make certain amendments to the current Articles of Association, for the purpose of (a) reflecting and aligning with the Core Shareholder Protection Standards set out in Appendix A1 of the Listing Rules which require, among others, the holding of general meetings which shareholders can attend virtually with the use of technology and cast votes by electronic means; (b) making other house-keeping amendments to clarify, update and/or modify certain provisions in accordance with, or to better align with the applicable laws (collectively, the "**Proposed Articles Amendments**"); and (ii) adopt the Ninth Amended and Restated Memorandum and Articles of Association incorporating and consolidating all the Proposed Articles Amendments.

The Proposed Articles Amendments and the adoption of the Ninth Amended and Restated Memorandum and Articles of Association are subject to the approval of the Shareholders by way of a special resolution at the AGM or any adjourned meeting.

A circular of the Company containing, inter alia, further details on the aforesaid subject matters, together with a notice of the AGM, will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.carsgen.com).

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.carsgen.com).

The annual report of the Company for the year ended December 31, 2025 containing all the information required by the Listing Rules will be published on the websites of the Stock Exchange and the Company in due course.

APPRECIATION

The Board would like to express its sincere gratitude to the shareholders, management team, employees, business partners and customers of the Group for their support and contribution to the Group.

DEFINITIONS

"affiliate"	any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
"Articles of Association"	articles of association of the Company
"Audit Committee"	the audit committee of the Company
"Board of Directors", "Board" or "our Board"	our board of Directors
"BVI"	the British Virgin Islands
"CARsgen Therapeutics (Shanghai)"	CARsgen Therapeutics Co., Ltd (科濟生物醫藥(上海)有限公司), a company incorporated in the PRC with limited liability on October 30, 2014, and one of the consolidated affiliated entities
"China" or "PRC"	the People's Republic of China, which for the purpose of the Prospectus and for geographical reference only, excludes Hong Kong, Macao and Taiwan
"Company", "our Company", "the Company", "CARsgen Therapeutics" or "CARsgen"	CARsgen Therapeutics Holdings Limited (科濟藥業控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on February 9, 2018
"Core Product"	has the meaning ascribed to it in Chapter 18A of the Listing Rules and in this context, refers to CT053
"Corporate Governance Code"	the Corporate Governance Code and Corporate Governance Report set out in Appendix C1 to the Listing Rules
"Director(s)"	the director(s) of the Company
"Global Offering"	the initial public offering of the Shares on the terms and subject to the conditions as described in the Prospectus

"Group", "our Group", "we", "us" or "our"	our Company, its subsidiaries and consolidated affiliated entities from time to time or, where the context so requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries and consolidated affiliated entities, such subsidiaries and consolidated affiliated entities as if they were subsidiaries and consolidated affiliated entities of our Company at the relevant time
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the People's Republic of China
"Huadong Medicine"	Huadong Medicine Co., Ltd. (Stock Code: 000963.SZ), a leading largescale comprehensive pharmaceutical listed company based in Hangzhou, China
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
"NMPA"	National Medical Products Administration (國家藥品監督管理局), the successor of the China Food and Drug Administration (國家食品藥品監督管理總局), or the CFDA, the State Food and Drug Administration (國家食品藥品監督管理局), or the SFDA and the State Drug Administration (國家藥品監督管理局), or the SDA
"Prospectus"	the prospectus issued by the Company on June 7, 2021 in connection with the Global Offering
"RMB" or "Renminbi"	Renminbi, the lawful currency of China
"Shareholder(s)"	holder(s) of shares of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"United States" or "U.S." or "US"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US$" or "U.S. dollars" or "USD"	United States dollars, the lawful currency of the United States

GLOSSARY

"antigen"	the substance that is capable of stimulating an immune response, specifically activating lymphocytes, which are the body's infection-fighting white blood cells
"ASCO"	American Society of Clinical Oncology
"ASH"	American Society of Hematology
"BCMA"	B-cell maturation antigen, a protein that is highly expressed in multiple myeloma with limited expression on normal tissues other than plasma cells
"B2M"	Beta-2 microglobulin
"CAR(s)"	chimeric antigen receptor(s)
"CAR-T" or "CAR T"	chimeric antigen receptor T cell
"CD19"	a cell surface protein expressed on the surface of almost all normal B lineage cells and B cell leukemia and lymphoma
"CD20"	cell-surface molecule expressed on the surface of normal B lymphocyte and B-cell malignancies
"CD38"	also named cyclic ADP ribose hydrolase, a glycoprotein expressed on the surface of many immune cells (white blood cells), including T/B lymphocytes and natural killer cells. And it also functions in cell adhesion, signal transduction and calcium signaling
"chemotherapy"	a category of cancer treatment that uses one or more anti-cancer chemotherapeutic agents as part of its standardized regimen
"confirmatory trial" or "pivotal trial"	the trial or study intended to demonstrate the required clinical efficacy and safety evidence before submission for drug marketing approval
"CR"	complete response
"CycloCAR®"	a next-generation CAR-T technology under development by the Company, which features co-expression of cytokines IL-7 and chemokine CCL21 in the CAR T-cells to potentially improve clinical efficacy and reduced requirement for lymphodepletion conditioning

"cytokine"	a broad and loose category of small proteins that are important in cell signaling. Their release affects the growth of all blood cells and other cells that help the body's immune and inflammation responses
"DOR"	duration of response
"EHA"	European Hematology Association
"FDA" or "U.S. FDA" or "US FDA"	United States Food and Drug Administration
"GMP"	Good Manufacturing Practice
"GPC3"	Glypican-3, an oncofetal antigen expressed in a variety of tumors including certain liver and lung cancers
"G/GEJA"	gastric/gastroesophageal junction cancer, a type of cancer
"GvHD"	graft versus host disease
"HCC"	hepatocellular carcinoma, a type of cancer arising from hepatocytes in predominantly cirrhotic liver patients
"HLA"	human leukocyte antigen
"HvGR"	host versus graft response
"IIT" or "investigator-initiated trial"	clinical trial sponsored and conducted by independent investigators
"IND"	investigational new drug or investigational new drug application, also known as clinical trial application in China
"LADAR™"	Local Action Driven by Artificial Receptor technology, with similar mechanism of synNotch system, in which the intracellular transcription of the gene of interest is controlled by a chimeric regulatory antigen receptor
"mAb" or "monoclonal antibody"	antibodies that are made by identical immune cells which are all clones belonging to a unique parent cell
"mesothelin"	cell-surface protein whose expression is mostly restricted to mesothelial cell layers lining the pleura, pericardium and peritoneum
"MM" or "R/R MM"	multiple myeloma, a type of cancer that forms in the plasma blood cells; cancer that relapses or does not respond to treatment is called relapsed and/or refractory multiple myeloma

"NDA"	new drug application
"NK cell"	natural killer cell, the human body's first line of defense due to their innate ability to rapidly seek and destroy abnormal cells
"NKG2A"	also named KLRC1, killer cell lectin-like receptor subfamily C, member 1
"Phase I"	a study in which a drug is introduced into healthy human subjects or patients with the target disease or condition and tested for safety, dosage, tolerance, absorption, metabolism, distribution, excretion, and if possible, to gain an early indication of its effectiveness
"Phase Ib"	a phase of clinical trials that primarily assesses safety, tolerability and pharmacokinetics/pharmacodynamics at multiple ascending dose levels prior to commencement of a Phase II or Phase III clinical trial
"Phase II"	a study in which a drug is administered to a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the drug for specific targeted disease, and to determine dosage tolerance and optimal dosage
"PR"	partial response
"regenerative medicine" or "advanced therapy" or "RMAT"	a special status granted by the FDA to regenerative medicine therapies, including cell therapies, intended to treat a serious or life-threatening disease or condition, and preliminary clinical evidence indicates that the drug has the potential to address unmet medical needs for such disease or condition
"sCR"	stringent complete response
"solid tumor"	an abnormal mass of tissue that usually does not contain cysts or liquid areas
"TCR"	T cell receptor
"THANK-uCAR®"	the Company's proprietary technology to generate CAR T cells with improved expansion and persistence from T cells that are sourced from third-party donors
"VGPR"	very good partial response

CAUTIONARY LANGUAGE REGARDING FORWARD-LOOKING STATEMENTS

All statements in this announcement that are not historical facts or that do not relate to present facts or current conditions are forward-looking statements. Such forward-looking statements express the Company's current views, projections, beliefs and expectations with respect to future events as of the date of this announcement. Such forward-looking statements are based on a number of assumptions and factors beyond the Company's control. As a result, they are subject to significant risks and uncertainties, and actual events or results may differ materially from these forward-looking statements and the forward-looking events discussed in this announcement might not occur. Such risks and uncertainties include, but are not limited to, those detailed under the heading "Principal Risks and Uncertainties" in our most recent annual report and interim report and other announcements and reports made available on our corporate website, https://www. carsgen.com. No representation or warranty is given as to the achievement or reasonableness of, and no reliance should be placed on, any projections, targets, estimates or forecasts contained in this announcement.

By Order of the Board
CARsgen Therapeutics Holdings Limited
Dr. Zonghai LI
Chairman

Hong Kong, March 6, 2026

As at the date of this announcement, the board of directors of the Company comprises Dr. Zonghai LI, Dr. Huamao WANG and Dr. Hua JIANG as executive Directors; Mr. Huaqing GUO and Mr. Ronggang XIE as non-executive Directors; Dr. Guangmei YAN, Ms. Xiangke ZHAO and Dr. Wen ZHOU as the independent non-executive Directors.

In the case of inconsistency, the English text of this announcement shall prevail over the Chinese text.