Akeso, Inc.
康方生物科技（開曼）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9926)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2021

The Board of Akeso, Inc. hereby announces the audited consolidated results of the Group for the year ended December 31, 2021. These annual results have been reviewed by the Company's Audit Committee and audited by the Company's auditor, Ernst & Young.

In this announcement, "we", "us" and "our" refer to the Company or where the context otherwise requires, the Group.

FINANCIAL HIGHLIGHTS

- Total sales from products and licensing fee recognised by the Company were RMB340.2 million for the year ended December 31, 2021, as compared to nil for the year ended December 31, 2020. The growth in sales was attributable to (i) product sales of RMB211.6 million generated from our newly approved Anniko® (Penpulimab, PD-1) starting in late August 2021, which brought benefits to around 17,000 patients across the country; and (ii) licensing income of RMB128.6 million in connection with our out-licensed product AK107 to Merck Sharp & Dohme Corp ("**Merck**").

- Other income and gains, net was RMB116.3 million for the year ended December 31, 2021 as compared to RMB123.5 million for the year ended December 31, 2020. The slight decrease was primarily attributable to decrease in bank interest income which was in line with the decreased fixed deposit to better enhance financial flexibility, partially offset by the increase in government grants.

- Research and development expenses increased by RMB354.4 million from RMB768.6 million for the year ended December 31, 2020 to RMB1,123.0 million for the year ended December 31, 2021. The increase was primarily attributable to (i) the clinical trial advancements of our drug candidates, including two NDAs and one BLA filed for Anniko®, one NDA filed for Cadonilimab (AK104, PD-1/CTLA-4), the initiation of multiple phase III trials for Cadonilimab, AK112 (PD-1/VEGF), AK101 (IL-12/IL-23) and AK102 (PCSK9), and the advancements of other clinical programs such as AK117 (CD47), AK119 (CD73), AK109 (VEGFR2), AK120 (IL4R), and AK111 (IL17); (ii) the advancements of our pre-clinical programs into clinical stage including AK127 (TIGIT) and AK115 (NGF); and (iii) the increased salaries and benefits as a result of the increase in our R&D staff, which was in line with the development mentioned above.

- Selling and marketing expenses were RMB179.1 million for the year ended December 31, 2021. It was mainly attributed to (i) the selling expenses related to the sales of Anniko® on which CTTQ-Akeso, a joint-venture established by us and CTTQ, in which each party holds 50% equity interest, entered into an Exclusive Sales Agreement with LYG Tianqing and CTTQ, under which LYG Tianqing will be fully responsible for the sales and marketing of Anniko® and CTTQ-Akeso will bear the related costs incurred; and (ii) the staff costs and marketing expenses related to the preparation for the coming launch of Cadonilimab.

- Loss for the year narrowed by RMB62.5 million to 1,258.1 million for the year ended December 31, 2021 from 1,320.6 million for the year ended December 31, 2020, primarily driven by (i) the growth in product sales and licensing income; (ii) the increase in the research and development expenses; (iii) the increase in the selling and marketing expenses; and (iv) the elimination of fair value changes in convertible redeemable preferred shares.

BUSINESS HIGHLIGHTS

During the Reporting Period, we made significant progress in our product pipeline and business operations:

Commercialisation and Marketing Applications

On August 5, 2021, our first oncology immunotherapy product, Anniko® (Penpulimab, AK105, PD-1) injection for the treatment of relapsed or refractory classic Hodgkin's lymphoma indications was granted marketing approval by the NMPA in China. Product sales of RMB211.6 million was recorded for the year ended December 31, 2021.

In July 2021, we submitted an NDA of Anniko® in combination with chemotherapy for first-line treatment of locally advanced or metastatic squamous non-small cell lung cancer ("**sq-NSCLC**") in China. In August, we submitted another NDA for third-line treatment of patients with metastatic nasopharyngeal carcinoma ("**NPC**") in China. In September, 2021, we also submitted a BLA for third-line treatment of patients with metastatic NPC to the FDA through the Real-Time Oncology Review ("**RTOR**") Programme.

In September 2021, we submitted another NDA in China for Cadonilimab (AK104, PD-1/CTLA-4) for the treatment of relapsed or metastatic cervical cancer.

Clinical programmes

We have over 30 innovative programmes covering the areas of oncology, immunology and metabolic diseases including six bispecific antibodies and 15 drug candidates in the clinical trial stage (including three out-licensed products).

We obtained 37 IND approvals, one of the most in Chinese biotech companies. Besides the four marketing applications we submitted, our total number of pivotal or Phase III trials increased to 15. And two of our pre-clinical programs, AK127 (TIGIT) and AK115 (NGF), advanced into clinical stage.

In the oncology therapeutic area, Cadonilimab started three Phase III trials for indications including first-line treatment of advanced gastric adenocarcinoma or gastroesophageal junction cancer (GC/GEJ), first-line treatment of recurrent or metastatic cervical cancer and locally advanced cervical cancer. AK112 (PD-1/VEGF) started two Phase III trials for indications including first-line treatment of PD-L1(+) NSCLC, and advanced NSCLC previously treated with EGFR-mutant Tyrosine Kinase Inhibitor (TKI) treatment.

In non-oncology therapeutic area, AK101 (IL12/23) entered into Phase III clinical study for the treatment of moderate-to-severe plaque psoriasis. AK102 (PCSK9) started Phase III clinical study for hypercholesterolemia, and pivotal study for heterozygous familial hypercholesterolemia ("**HeFH**").

During the Reporting Period, a total of 20 publications covering 5 drug candidates including Cadonilimab, AK112 (PD-1/VEGF), and AK117 (CD47) were accepted by top academic conferences including ASCO, CSCO, ESMO, SITC, and ASCO GI.

Talent Development

As of December 31, 2021, the Company had 1,865 staff, including 243 pre-clinical development scientists, 496 clinical scientists, 398 members of manufacturing team and 512 members of commercial team.

GMP-compliant Manufacturing

As of December 31, 2021, we have production capacity of 23,500 Liters in operation, with more capacity under construction and in planning.

Business Collaboration

During the Reporting Period, the Company commenced collaboration with Pfizer Pharmaceuticals, AstraZeneca Pharmaceuticals and Chipscreen Biosciences on AK104 and AK112 respectively. In December 2021, we collaborated with the researcher from MD Anderson Medical Institute in the United States to commence an investigator-initiated phase II clinical study of Cadonilimab for the treatment of neuroendocrine carcinoma of the cervix ("**NECC**"). Along with the increasing production capacity and planned construction of new manufacturing facility, we entered into collaboration agreement with industry leading suppliers including Cytiva, Siemens, Sartorius, Thermo Fisher, and Duoning Biotech to further optimize our raw material supply, critical equipment supply and maintenance, and supply chain management.

We are a biopharmaceutical company committed to in-house discovery, development and commercialization of first-in-class and best-in-class therapies. We are dedicated to addressing global unmet medical needs in oncology, immunology and other therapeutic areas.

Commercialization

Our first oncology immunotherapy drug Anniko® was approved in August 2021, and we achieved product sales of RMB211.6 million and benefited around 17,000 patients during the Reporting Period. The successful commercialization of the first drug marks a giant leap for us to become a leading biopharmaceutical company in China.

In July 2021, we submitted an NDA of Anniko® in combination with chemotherapy for first-line treatment of locally advanced or metastatic sq-NSCLC in China. In August, we submitted another NDA for third-line treatment of patients with metastatic NPC in China. In September, 2021, we also submitted BLA for third-line treatment of patients with metastatic NPC to the FDA through the RTOR programme.

In September 2021, we submitted another NDA in China for Cadonilimab for the treatment of relapsed or metastatic cervical cancer.

We have established a dedicated sales force with more than 500 people, and developed a broad and deep commercial footprint throughout China at the end of the Reporting Period. Our team has started to develop comprehensive marketing strategy, precisely target to the key opinion leaders ("**KOL**") & potential patients. We have established us as a leading bispecific antibody brand in China with strong KOL support and engagements. And our sales force has a thorough understanding of our products and is well prepared for a successful launch of Cadonilimab in 2022.

Product Portfolio

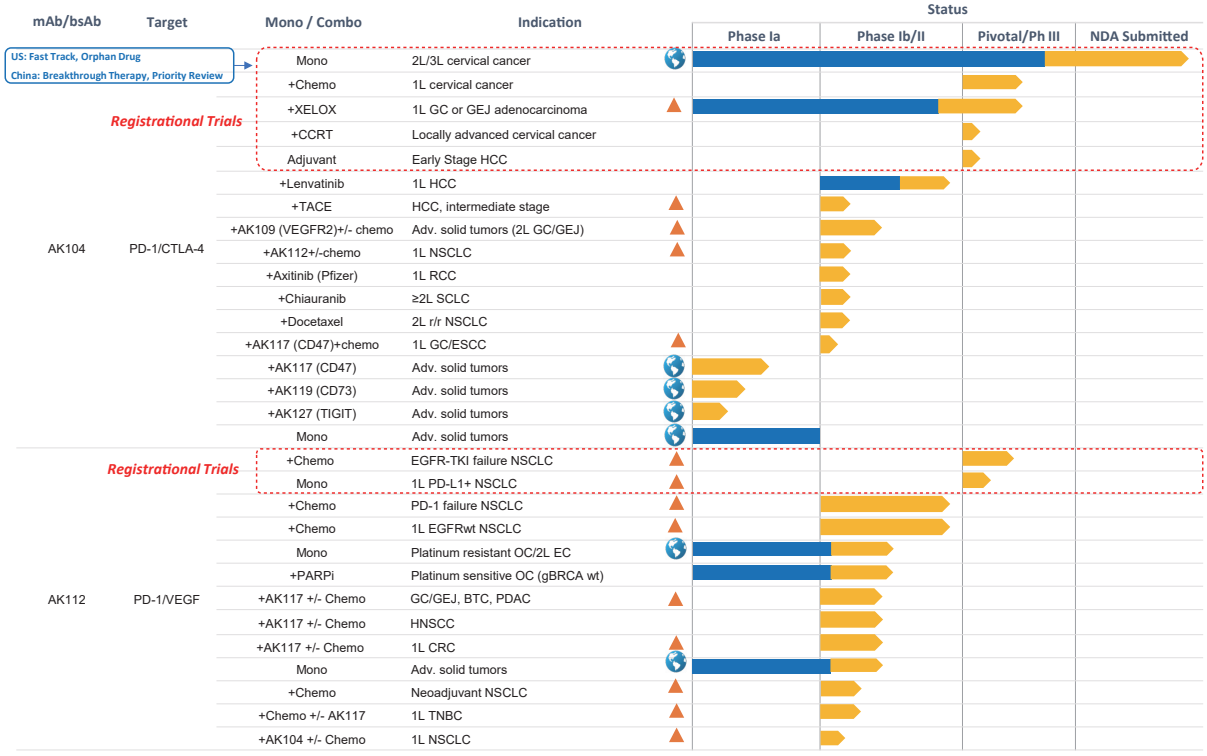
As of December 31, 2021, we have over 30 innovative programs covering the areas of oncology, immunology and metabolic diseases. These products include 6 bispecific antibodies and 15 of which are in the clinical trial stage (including three out-licensed products).

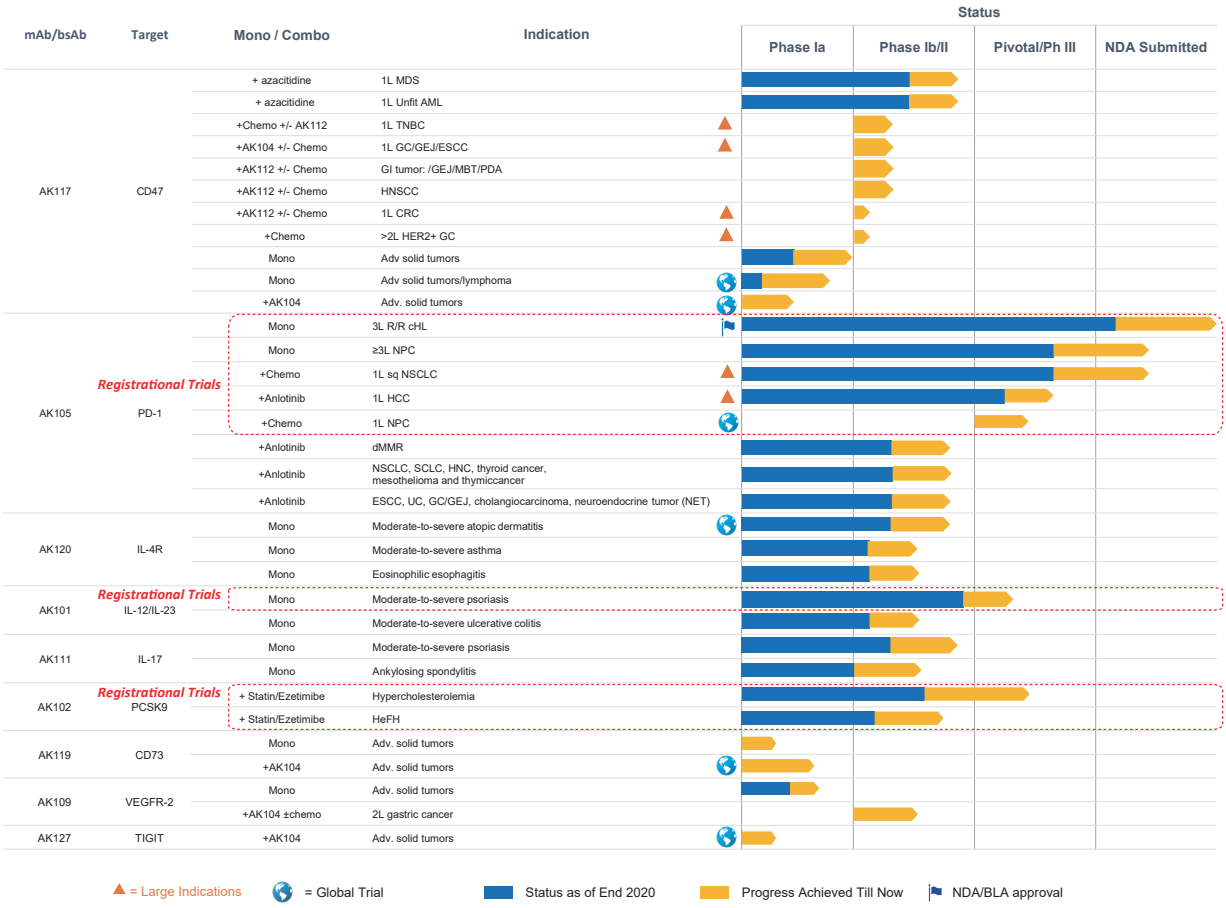
Oncology is one of our focused therapeutic areas. Our products in clinical trial includes Cadonilimab (AK104, PD-1/CTLA-4), Ivonescimab (AK112, PD-1/VEGF), Ligufalimub (AK117, CD47), Anniko® (Penpulimab, AK105, PD-1), Drebuxelimab (AK119, CD73), Pulocimab (AK109, VEGFR-2), AK127 (TIGIT), and AK115 (NGF). We believe that some of these drug candidates have the potential to be the first or best-in-class therapies, as well as either important components or backbone of combination therapies.

In the area of immunology, products in clinical trial include Manfidokimab (AK120, IL-4R), Ebdarokimab (AK101, IL-12/IL-23) and Gumokimab (AK111, IL-17).

In addition to oncology and immunology, we have several compounds targeting diseases in other therapeutic areas including Ebronucimab (AK102, PCSK9) in collaboration under a joint venture agreement with Dawnrays Pharmaceutical.

The following chart summarizes the development status of our internally-developed, clinical-stage drug candidates as of the date of this announcement:




Status
mAb/bsAb
Target
Mono / Combo
Indication
Phase Ia
Phase Ib/II
Pivotal/Ph III
NDA Submitted
AK117
CD47
+ azacitidine
1L MDS
+ azacitidine
1L Unfit AML
+Chemo +/- AK112
1L TNBC
+AK104 +/- Chemo
1L GC/GEJ/ESCC
+AK112 +/- Chemo
GI tumor: /GEJ/MBT/PDA
+AK112 +/- Chemo
HNSCC
+AK112 +/- Chemo
1L CRC
+Chemo
>2L HER2+ GC
Mono
Adv solid tumors
Mono
Adv solid tumors/lymphoma
+AK104
Adv. solid tumors
AK105
PD-1
Registrational Trials
Mono
3L R/R cHL
Mono
≥3L NPC
+Chemo
1L sq NSCLC
+Anlotinib
1L HCC
+Chemo
1L NPC
+Anlotinib
dMMR
+Anlotinib
NSCLC, SCLC, HNC, thyroid cancer, mesothelioma and thymiccancer
+Anlotinib
ESCC, UC, GC/GEJ, cholangiocarcinoma, neuroendocrine tumor (NET)
AK120
IL-4R
Mono
Moderate-to-severe atopic dermatitis
Mono
Moderate-to-severe asthma
Mono
Eosinophilic esophagitis
AK101
IL-12/IL-23
Registrational Trials
Mono
Moderate-to-severe psoriasis
Mono
Moderate-to-severe ulcerative colitis
AK111
IL-17
Mono
Moderate-to-severe psoriasis
Mono
Ankylosing spondylitis
AK102
PCSK9
Registrational Trials
+ Statin/Ezetimibe
Hypercholesterolemia
+ Statin/Ezetimibe
HeFH
AK119
CD73
Mono
Adv. solid tumors
+AK104
Adv. solid tumors
AK109
VEGFR-2
Mono
Adv. solid tumors
+AK104 ±chemo
2L gastric cancer
AK127
TIGIT
+AK104
Adv. solid tumors
= Large Indications
= Global Trial
Status as of End 2020
Progress Achieved Till Now
NDA/BLA approval

Oncology

- ***Cadonilimab (PD-1/CTLA-4 bi-specific antibody, AK104):***

  1. Significant Clinical Progress:

  — In January 2021, AK104 in combination with AK119 for treatment of advanced solid tumor completed dosing of first patient in Phase I clinical study.

  — In February 2021, AK104 obtained Orphan Drug designation from FDA of the United States for treating relapsed or metastatic cervical cancer.

  — In April 2021, AK104 obtained NMPA approval to initiate global Phase III clinical study for first-line treatment of advanced cervical cancer.

  — In July 2021, AK104 in combination with AK117 for treatment of advanced solid tumor completed patient enrollment of the first cohort in Phase I clinical study.

  — In July 2021, AK104 in combination with AK109 obtained NMPA approval to initiate Phase Ib/II clinical study for second line treatment of GC/GEJ.

  — In August 2021, AK104 initiated Phase III clinical study for first-line treatment of advanced GC/GEJ.

  — In August 2021, AK104 in combination with AK109 obtained NMPA approval to initiate Phase Ib/II clinical study for treatment of advanced solid tumors.

  — In August 2021, AK104 for relapsed or metastatic cervical cancer obtained approval from the CDE to submit NDA and was granted priority review designation.

  — In August 2021, we initiated collaboration with Pfizer Pharmaceuticals conducting Phase II clinical study of AK104 plus Axitinib for first-line treatment of advanced or metastatic clear cell renal cell carcinoma ("**ccRCC**").

  — In September 2021, NDA for AK104 for treatment of relapsed or metastatic cervical cancer accepted by NMPA.

  — In October 2021, AK104 in combination with AK127 for treatment of advanced or metastatic solid tumor completed dosing of first patient in Phase I clinical study in Australia.

  — In December 2021, an investigator-initiated Phase II clinical study of AK104 for treatment of NECC launched in the United States.

2. *Data Readouts:*

— In January 2021, results of clinical study of AK104 in combination with chemotherapy for first-line treatment of GC/GEJ was published at ASCO GI 2021.

— In June 2021, Phase II clinical study of AK104 in combination with Lenvatinib for first-line treatment of unresectable hepatocellular carcinoma (HCC) was published at ASCO 2021.

— In June 2021, Phase I clinical study of AK104 in combination with AK119 for treatment of advanced or metastatic solid tumor was published at ASCO 2021.

— In September 2021, Phase Ib/II clinical study of AK104 in combination with Anlotinib for treatment of advanced NSCLC which patients were PD-L1 positive or previously treated with PD-1/L1 with or without chemotherapy was published at ASCO 2021.

— In November 2021, Phase II clinical study of AK104 for treatment of NPC which patients previously treated with second-line or late-line chemotherapy treatment was published at SITC 2021.

— In November 2021, mechanism of Cadonilimab, an anti-PD-1/CTLA-4 bi-specific antibody (AK104) with Fc effector null backbone was published at SITC 2021.

RECENT DEVELOPMENT AFTER THE REPORTING PERIOD

1. Clinical Progress:

— In January 2022, AK104 combined with concurrent chemoradiotherapy (CCRT) obtained NMPA approval to initiate a Phase III clinical study for treatment of locally advanced cervical cancer.

— In January 2022, AK104 combined with AK112 combined with or without chemotherapy obtained NMPA approval to initiate a Phase Ib/II clinical study for treatment of advanced NSCLC.

— In March 2022, AK104 in combination with Docetaxel obtained NMPA approval to initiate a Phase II clinical study for treatment of advanced NSCLC.

— In March 2022, initiated clinical study of AK104 in combination with Chiauranib for treatment of extensive-stage small cell lung cancer (ES-SCLC) which patients previously treated with PD-(L)1 inhibitor.

2. Data Readout:

— In January 2022, results of Phase Ib/II clinical study of AK104 combined with chemotherapy as first-line therapy for advanced GC/GEJ was published at ASCO GI 2022.

— In March 2022, results of Phase II clinical study of AK104 for treatment of recurrent or metastatic cervical cancer was orally reported at SGO.

- ***Ivonescimab (PD-1/VEGF bi-specific antibody, AK112):***

1. Significant Clinical Progress:

— In May 2021, AK112 for first-line treatment of advanced NSCLC completed enrollment of first patient.

— In May 2021, AK112 for treatment of recurrent or metastatic gynecological tumor completed enrollment of first patient.

— In May 2021, AK112 in combination with chemotherapy initiated clinical study for treatment of advanced NSCLC (previously treated with first-line treatment of PD-1/L1 inhibitor or EGFR-TKI treatment).

— In May 2021, AK112 in combination with polymerase inhibitors ("**PARPi**") initiated clinical study for treatment of wild-type breast cancer gene ("**BRCA**") platinum-sensitive recurrent ovarian cancer.

— In May 2021, AK112 in combination with chemotherapy obtained NMPA approval to initiate a Phase III clinical study for treatment of extensive-stage small cell lung cancer (SCLC).

— In October 2021, AK112 in combination with chemotherapy obtained NMPA approval to initiate a Phase II clinical study for treatment of advanced triple-negative breast cancer (TNBC).

— In October 2021, AK112 in combination with AK117 obtained NMPA approval to initiate a Phase Ib/II clinical study for treatment of advanced malignant tumor.

— In November 2021, AK112 in combination with or without chemotherapy obtained NMPA approval to initiate a Phase II clinical study for neoadjuvant/adjuvant treatment of resectable NSCLC.

2. *Data Readouts:*

— In May 2021, latest updates on Phase I clinical study of efficacy and safety of AK112 for treatment of advanced solid tumor was published at ASCO 2021.

— In September 2021, results of Phase II clinical study of AK112 for first-line treatment of NSCLC was published at CSCO 2021.

— In September 2021, latest updates on Phase Ib/II clinical study of AK112 in combination with polymerase inhibitors (PARPi) Olaparib for treatment of platinum-sensitive wild-type breast cancer gene (BRCA) recurrent ovarian cancer was published at CSCO 2021.

— In November 2021, results of Phase I clinical study of efficacy and safety of AK112 for treatment of recurrent platinum resistant epithelial ovarian cancer was published at SITC 2021.

— In November 2021, latest updates on Phase Ib/II clinical study of AK112 in combination with polymerase inhibitors (PARPi) Olaparib for treatment of platinum-sensitive wild-type breast cancer gene (BRCA) recurrent ovarian cancer was published at SITC 2021.

RECENT DEVELOPMENT AFTER THE REPORTING PERIOD

Clinical Progress:

— In January 2022, Phase III clinical study of AK112 in combination with chemotherapy for treatment of nsq-NSCLC which patient previously treated with EGFR-TKI treatment completed dosing of fist patient.

- ***Penpulimab (PD-1 monoclonal antibody, AK105, Anniko®):***

1. *Commercialization Status*

— In August 2021, Anniko® obtained market entry approval by NMPA. As of December 31, 2021, the product sales were RMB211.6 million.

2. *Significant Clinical Progress:*

— In February 2021, interim analysis of the Phase III clinical study of Anniko® in combination with chemotherapy for first-line treatment of metastatic sq-NSCLC has reached primary end points.

— In March 2021, Anniko® obtained Breakthrough Therapy designation from FDA for third-line treatment of metastatic NPC.

— In May 2021, Anniko® is selected under the new policy of Real-Time Oncology Review (RTOR) of the FDA and BLA submitted in the United States for treatment of third-line NPC.

— In July 2021, NDA for Anniko® for first-line treatment of sq-NSCLC was accepted by NMPA.

— In August 2021, Anniko® obtained market entry approval for treatment of relapsed/refractory classic Hodgkin Lymphoma (R/R cHL) which patients previously treated with second-line treatment of chemotherapy.

— In August 2021, NDA for Anniko® for third-line treatment of metastatic NPC was accepted by NMPA.

3. *Data Readouts:*

— In January 2021, latest updates on Phase I clinical study of Anniko® in combination with Anlotinib for first-line treatment of advanced HCC was published at ASCO GI 2021.

— In May 2021, clinical study of efficacy and safety of Anniko® in combination with Anlotinib for first-line treatment of non-squamous non-small cell lung cancer (nsq-NSCLC) was published at ASCO 2021.

— In May 2021, Phase II clinical study of Anniko® for treatment of R/R cHL was published at ASCO 2021.

— In May 2021, clinical study of Anniko® in combination with Anlotinib for treatment of SCLC which patients previously treated with platinum-based chemotherapy was published at ASCO 2021.

— In August 2021, Anniko® a Fc receptor and complement mediated effector are completely removed by mutations of Fc region, it also has a slower antigen binding offrate compared with the PD-1 antibodies was orally reported at ESMO 2021.

— In August 2021, latest updates on Phase II clinical study of Anniko® for treatment of metastatic NPC which patients previously treated with second-line or multi-line treatment of chemotherapy was published at ESMO 2021.

- ***Ligufalimab (CD47 monoclonal antibody, AK117):***

  1. Significant Clinical Progress:

  — In May 2021, AK117 obtained NMPA approval to initiate a Phase I/II clinical study for treatment of Myelodysplastic syndromes (MDS).

  — In July 2021, AK117 combined with AK104 for treatment of advanced solid tumor completed patient enrollment of first cohort in Phase I clinical study.

  — In July 2021, AK117 completed Phase I clinical study for dose escalation. And AK117 in combination with azacytidine obtained NMPA approval to initiate a Phase Ib/II clinical study for treatment of acute myeloid leukemia (AML).

  — In October 2021, AK112 in combination with AK117 obtained NMPA approval to initiate a Phase Ib/II clinical study for treatment of malignant tumor.

  2. Data Readouts:

  — In May 2021, latest updates on Phase I clinical study of AK117 for advanced or metastatic solid tumor was published at ASCO 2021.

  — In October 2021, mechanism of action of AK117, a CD47 blocking antibody with robust macrophage activation without red blood cell hemagglutination was published at SITC 2021.

RECENT DEVELOPMENT AFTER THE REPORTING PERIOD

Clinical Progress:

— In January 2022, AK117 in combination with AK112 with or without chemotherapy obtained NMPA approval to initiate a Phase Ib/II clinical study for treatment of advanced malignant tumor.

— In January 2022, AK117 in combination with AK112 with chemotherapy obtained NMPA approval to initiate a Phase II clinical study for first-line treatment of unresectable locally advanced or metastatic TNBC.

- ***Drebuxelimab (CD73 monoclonal antibody, AK119):***

  1. Significant Clinical Progress:

  — In January 2021, clinical study of AK119 in combination with AK104 for advanced solid tumor completed dosing of first patient.

  2. Data Readouts:

  — In June 2021, latest updates on Phase I clinical study of AK119 in combination with AK104 for advanced metastatic solid tumor was presented at ASCO 2021.

  — In October 2021, AK119, a CD73 targeting antibody with dual mechanism of action was published at SITC 2021.

- ***Pulocimab (VEGFR-2 monoclonal antibody, AK109):***

  Significant Clinical Progress:

  — In July 2021, AK109 in combination with AK104 with or without chemotherapy obtained NMPA approval to initiate a Phase Ib/II clinical study for treatment of GC/GEJ.

  — In August 2021, AK109 in combination with AK104 obtained NMPA approval to initiate a Phase Ib/II clinical study for treatment of advanced solid tumor.

- ***TIGIT monoclonal antibody, AK127:***

  Significant Clinical Progress:

  — In October 2021, clinical study of AK127 in combination with AK104 for treatment of solid tumor completed dosing of first patient.

- ***NGF monoclonal antibody, AK115:***

  AK115 is a humanized IgG1 subtype monoclonal antibody targeting NGF independently developed by the Company. It has good structural stability and can bind to the NGF in human body with high affinity, blocking its interaction with receptors, thereby blocking the signals sent by the nociceptors responsible for the perception of pain, to achieve the purpose of pain relief. At the same time, AK115 introduces amino acid point mutations in the Fc region that eliminate the binding of Fc receptors and complement C1q, which will help AK115 achieve a better safety profile.

RECENT DEVELOPMENT AFTER THE REPORTING PERIOD:

— In February 2022, AK115 obtained NMPA approval to initiate a clinical study for alleviating pain including cancer pain.

Immunology and Other Therapeutic Areas

- ***Manfidokimab (IL-4R monoclonal antibody, AK120):***

  Significant Clinical Progress:

  — In September 2021, AK120 obtained approval from FDA to initiate a Phase II clinical study for moderate to severe atopic dermatitis.

  — In October 2021, AK120 obtained NMPA approval to initiate a Phase II clinical study for moderate to severe asthma, and a Phase II clinical study of AK120 for treatment of moderate to severe atopic dermatitis completed dosing of first patient in the United States.

- ***Ebdarokimab (IL-12/IL-23 monoclonal antibody, AK101):***

  Significant Clinical Progress:

  — In November 2021, AK101 initiated a Phase III clinical study for treatment of moderate to severe psoriasis.

- ***Gumokimab (IL-17 monoclonal antibody, AK111):***

  Significant Clinical Progress:

  — In September 2021, Phase II clinical study of AK111 for treatment of moderate to severe plaque psoriasis completed patient enrollment.

  — In December 2021, Phase II clinical study of AK111 for treatment of ankylosing spondylitis completed patient enrollment.

- ***Ebronucimab (PCSK9 monoclonal antibody, AK102):***

  Significant Clinical Progress:

  — In September 2021, AK102 initiated a Phase III clinical study for treatment of hyperlipidemia.

Warning under Rule 18A.08(3) of the Rules Governing the Listing of Securities on the Stock Exchange: There is no assurance that AK104, AK112, AK117, AK105, AK 119, AK102, AK120, AK101, AK111, AK109, AK115, and AK127 will ultimately be successfully developed and marketed by the Company. As of the date of this announcement, no material adverse changes had occurred with respect to the regulatory approvals we had received in relation to our drug candidates.

Our Selected IND-enabling Drug Candidates

In addition to our clinical-stage drug candidates, as of December 31, 2021, we are also developing over three drug candidates in IND-enabling stage, including but not limited to:

Assets	Target(s)	Monotherapy/ Combo-therapy	Therapeutic Areas	Commercialization Rights
AK131	PD-1/CD73	Monotherapy	Oncology	Global
AK130	TIGIT/TGFbeta	Monotherapy	Oncology	Global
AK129	PD-1/LAG3	Monotherapy	Oncology	Global

DRUG CANDIDATES UNDER TESTING AND DISCOVERY

In addition to our clinical-stage and IND-enabling stage drug candidates, we are also developing discovery-stage drug candidates. Each of these candidates has been approved by our science committee, which reviews all proposals for research programs before they enter discovery and development. Our drug discovery platform has allowed us to maintain and expand a strong discovery-stage drug pipeline in potentially important areas, such as oncology (including I/O) and immunology/inflammation. These are mostly novel targets with few or no available clinical data for proof of concept. We anticipate advancing several of our discovery-stage candidates into IND-enabling stage each year.

HUMAN RESOURCES MANAGEMENT

As of December 31, 2021, we had a total of 1,865 employees with detailed breakdown as set out below, as compared to 746 employees as of December 31, 2020.

Function	**Number of employees**	**% of total**
Research and Development	243	13.0
Clinical	496	26.6
Manufacturing	398	21.3
Sourcing	13	0.7
Selling and Marketing	512	27.5
General and Administrative	203	10.9
Total	1,865	100

MANUFACTURING FACILITIES

Our GMP-compliant manufacturing facilities are designed and validated according to the FDA, the EMA, and the NMPA regulations, and support the entire drug development process, from drug discovery to process development, GMP-compliant pilots and commercial manufacturing. The existing production capacity in operation has reached 23,500 L, together with production capacity under construction and planning. Our manufacturing facilities are comprised of the following sites:

- **FDA/NMPA Compliant GMP Manufacturing Facility:** Our Zhongshan facility enables GMP-compliant manufacturing capacity of 3,500 L. The Zhongshan facility also features a 6,000 vial/hour (10 and 2 vials) fill/finish line.

- **Commercialization Manufacturing Base in Guangzhou:** The production capacity in operation has reached 20,000 L bioreactors and two fill/finish lines for vials and pre-filled syringes, respectively, with an anticipated annual production capacity of ten million dose units (vials and syringes). The production capacity under construction is up to 40,000 L and planned capacity is in place for future products. A development laboratory with pilot plant has been established, which enables late stage process development and full manufacturing support.

- **Commercialization Manufacturing Base in Cuiheng, Zhongshan:** Phase 1 and phase 2 of the project are under construction in Cuiheng, Zhongshan. It will provide a production capacity of up to 60,000 Liters. Phase III of the project is in planning at the moment, which will provide a production capacity of up to 40,000 Liter once completed.

BUSINESS COLLABORATION AND MARKET RECOGNITION

Up to the announcement date, the Company commenced collaboration with Pfizer Pharmaceuticals, AstraZeneca Pharmaceuticals and Chipscreen Biosciences on AK104 and AK112 respectively. In December 2021, we collaborated with the researcher from MD Anderson Medical Institute in the United States to commence an investigator-initiated phase II clinical study of Cadonilimab for the treatment of NECC. Along with the increasing production capacity and planned construction of new manufacturing facility, we entered into collaboration agreement with industry leading suppliers including Cytiva, Siemens, Sartorius, Thermo Fisher, and Duoning Biotech to further optimize our raw material supply, critical equipment supply and maintenance, and supply chain management.

In 2021, we won the title of "Most Honored Company (最受尊崇公司)" in the "2021 All-Asia Executive Team" rankings by Institutional Investor. We also ranked in the "Top 20 Most Valuable Biotechs in Asia (亞洲最具價值生物醫藥企業TOP20)" ranking (ranked 5th), Best Biopharmaceutical Company of the Year (年度生物醫藥最佳企業) and Best Pharmaceutical and Medical Company (最佳醫藥及醫療公司等).

IMPACT OF COVID-19 AND RESPONSE

Global Outbreak of COVID-19

It is expected that our clinical studies in China and overseas will not be significantly affected by the outbreak of COVID-19. Based on information available as of the date of this announcement, we believe that the outbreak of COVID-19 will not cause material interruption to our business operation and will not have significant impact on our financial conditions and financial results.

The above conclusion is based on the information about COVID-19 available for the time being. We cannot be sure if the COVID-19 will not worsen and if our operation results will not be materially and adversely affected.

FUTURE DEVELOPMENT

We will speed up the submission of new drugs for regulatory assessment and approval, the preparation for production and commercialization of drugs and the global development of our business. We will continue to push forward the clinical test of the existing and proposed pipeline products in China and overseas (including the United States) and the preparation for the commercialization of the pipeline products. With the increasing number of clinical research projects, we will focus more on the research projects related to important indications of our core products, in order to execute our clinical development plans more effectively and efficiently.

In addition, we expect that Cadonilimab will be approved for launch in 2022. We have built up a sales team with abundant experience, strong capability and sufficient knowledge of local markets by the end of 2021, which had a size exceeding 500 people. Moreover, we plan to expand the team size to approximately 800 people in 2022. At the same time, we are also actively expanding the indications of Cadonilimab in other important cancer types.

We expect the new drug applications for Anniko® for first-line treatment of squamous NSCLC, and for third-line treatment of NPC will be approved in 2022.

Further data readouts of other drugs in the pipeline, including Cadonilimab, AK112 (PD-1/VEGF), AK117 (CD47), AK105 (PD-1), AK119 (CD73), (AK102, PCSK9), AK120 (IL-4R), AK101 (IL-12/23) and AK111 (IL-17), are expected in the next twelve months as well.

Furthermore, we will push forward our pre-clinical test preparation to discover, verify and select targets through our ACE Platform to enrich our product offering, in particular the products for cancer immunology and immunotherapy. It is expected that one or two drug candidates will commence clinical test in 2022.

To speed up the commercialization process and to maximize the commercial value of drugs, we will identify strategic partners in China and overseas with high value-added potential to cooperate in the form of partnership, joint venture, or licensing agreement.

FINANCIAL REVIEW

Year Ended December 31, 2021 Compared to Year Ended December 31, 2020

	Year Ended December 31,	
	2021	2020
	RMB'000	*RMB'000*
Product sales	**211,623**	–
Licensing fee income	**128,600**	–
Total sales from products and licensing fee	**340,223**	–
Less: distribution cost	**(114,597)**	–
Revenue	**225,626**	–
Cost of sales	**(31,259)**	–
Gross profit	**194,367**	–
Other income and gains, net	**116,273**	123,524
Research and development expenses	**(1,122,957)**	(768,589)
Selling and marketing expenses	**(179,149)**	–
Administrative expenses	**(243,517)**	(253,029)
Other expenses, net	**(12,791)**	(2,077)
Fair value changes on convertible redeemable preferred shares	**–**	(412,421)
Finance costs	**(10,352)**	(7,987)
Loss for the year	**(1,258,126)**	(1,320,579)
OTHER COMPREHENSIVE LOSS		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**43,534**	70,613
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:		
Translation from functional currency to presentation currency	**(97,226)**	(302,550)
Other comprehensive loss for the year, net of tax	**(53,692)**	(231,937)
Total comprehensive loss for the year	**(1,311,818)**	(1,552,516)

1. Revenue

Total sales from products and licensing fee recognised by the Company were RMB340.2 million for the year ended December 31, 2021, as compared to nil for the year ended December 31, 2020. The growth in sales was attributable to (i) product sales of RMB211.6 million generated from our newly approved Anniko® starting in late August 2021, which brought benefits to around 17,000 patients across the country; and (ii) licensing income of RMB128.6 million in connection with our out-licensed product AK107 to Merck. As a result, we achieved revenue of RMB225.6 million for the year ended December 31, 2021, consisting of sales of RMB340.2 million from products and licensing fee, net of distribution cost of RMB114.6 million. The following table sets forth the components of the Group's revenue:

	2021	2020
	RMB'000	*RMB'000*
Types of goods or services		
Product sales	**211,623**	–
Licensing fee income	**128,600**	–
Total sales from products and licensing fee	**340,223**	–
Less: distribution cost relevant to the product sales	**(114,597)**	–
Revenue	**225,626**	–

2. Cost of sales

The Group's cost of sales was related to Anniko® we sold, consisting of cost of raw material, direct labor, manufacturing cost and manufacturing overhead related to the production of the products sold. For the year ended 31 December 2021, the cost of sales was RMB31.3 million.

3. Other Income and Gains, net

The Group's other income and gains primarily consisted of government grants, bank interest income, investment income from financial products and foreign exchange differences. The government grants consist of (i) subsidies from local government for compensation on expenditure arising from research and development activities; and (ii) awards for new drug development and capital expenditure incurred on certain projects including construction of manufacturing facilities.

For the year ended December 31, 2021, the other income and gains, net of the Group was RMB116.3 million as compared to RMB123.5 million for the year ended December 31, 2020. The slight decrease was primarily attributable to decrease in bank interest income which was in line with the decreased fixed deposit to better enhance financial flexibility, partially offset by the increase in government grants.

4. Research and Development Expenses

The Group's research and development expenses primarily consisted of: (i) the costs of clinical trials for our drug candidates including third-party contracting costs with the engagement of CROs, clinical trial sites and other service providers in connection with clinical trials; (ii) employee salaries and related benefit costs in connection with our research and development activities; (iii) third-party contracting costs relating to testing expenses for pre-clinical programs; and (iv) costs associated with purchasing raw materials for research and development of our drug candidates.

For the year ended December 31, 2021, research and development expenses increased by RMB354.4 million from RMB768.6 million for the year ended December 31, 2020 to RMB1,123.0 million. The increase was primarily attributable to (i) the clinical trial advancements of our drug candidates, including two NDAs and one BLA filed for Anniko®, one NDA filed for Cadonilimab (AK104, PD-1/CTLA-4), the initiation of multiple phase III trials for Cadonilimab, AK112 (PD-1/VEGF), AK101 (IL-12/IL-23) and AK102 (PCSK9), and the advancements of other clinical programs such as AK117 (CD47), AK119 (CD73), AK109 (VEGFR2), AK120 (IL4R), and AK111 (IL17); (ii) the advancements of our pre-clinical programs into clinical stage including AK127 (TIGIT) and AK115 (NGF); and (iii) the increased salaries and benefits as a result of the increase in our R&D staff, which was in line with the development mentioned above.

5. Selling and marketing expenses

For the year ended December 31, 2021, the selling and marketing expenses were RMB179.1 million as compared to nil for the year ended December 31, 2020. The increase was mainly attributed to (i) the selling expenses related to the sales of Anniko® on which CTTQ-Akeso, a joint-venture established by us and CTTQ, in which each party owns 50% equity interest, entered into an Exclusive Sales Agreement with LYG Tianqing and CTTQ, under which LYG Tianqing will be fully responsible for the sales and marketing of Anniko® and CTTQ-Akeso will bear the related cost incurred; and (ii) the staff costs and marketing expenses related to the preparation for the coming launch of Cadonilimab.

6. Administrative Expenses

Administrative expenses primarily consisted of (i) employee salaries and benefits; (ii) depreciation and amortization expenses; and (iii) professional fees. Other administrative expenses include travel expenditures and other expenses in connection with administration activities.

For the year ended December 31, 2021, the administrative expenses of the Group decreased slightly by RMB9.5 million to RMB243.5 million from RMB253.0 million for the year ended December 31, 2020, which was mainly caused by the decrease in listing expenses in connection with the IPO from RMB45.5 million to nil, partially offset by the increase in other employee salaries and related benefits.

7. Fair Value Changes on Convertible Redeemable Preferred Shares

For the year ended December 31, 2021, fair value changes on convertible redeemable preferred shares decreased to nil from RMB412.4 million for the year ended December 31, 2020, as all of the Company's preferred shares were converted to ordinary shares upon the Listing Date, and no such fair value changes incurred since then.

8. Finance Costs

Finance costs consisted of finance cost on lease liabilities and interest expense on bank and other borrowings net of capitalized interest related to construction in progress.

For the year ended December 31, 2021, the finance costs of the Group increased by RMB2.4 million to RMB10.4 million from RMB8.0 million for the year ended December 31, 2020, which was in line with the increase in bank and other borrowings.

9. Loss for the year

For the reasons discussed above, loss for the year of the Group decreased by RMB62.5 million from RMB1,320.6 million for the year ended December 31, 2020 to RMB1,258.1 million for the year ended December 31, 2021.

Selected Data from Consolidated Statement of Financial Position

	As at December 31, 2021	As at December 31, 2020
	RMB'000	*RMB'000*
Total current assets	**3,152,256**	3,001,326
Total non-current assets	**1,653,533**	854,843
Total assets	**4,805,789**	3,856,169
Total current liabilities	**655,695**	169,971
Total non-current liabilities	**869,828**	235,759
Total liabilities	**1,525,523**	405,730
Net current assets	**2,496,561**	2,831,355

10. Liquidity and Source of Funding and Borrowing

As at December 31, 2021, the Group's cash and cash equivalents decreased by RMB42.9 million to RMB2,641.6 million from RMB2,684.5 million as at December 31, 2020. The decrease primarily resulted from the continued investment in R&D activities and construction of manufacturing facilities, partially offset by the sales revenue of Anniko®, the receipt of the milestone payment in connection with our out-licensed product AK107, the proceeds from 2021 Placing and capital raised from bank and other borrowings.

As at December 31, 2021, the current assets of the Group were RMB3,152.3 million, including cash and cash equivalents of RMB2,641.6 million. As at December 31, 2021, the current liabilities of the Group were RMB655.7 million, including trade payables of RMB206.3 million, other payables and accruals of RMB394.9 million, bank and other borrowings of RMB45.6 million and other current liabilities of RMB8.9 million.

As at December 31, 2021, the Group had available unutilized bank loan facilities of approximately RMB1,596.6 million.

As at December 31, 2021, the Group had short term loans of RMB45.6 million and long term loans of RMB803.7 million. Such borrowings bear interest at fixed annual interest rates ranging from 3.5% to 6.5%. There was no material influence of seasonality on the Group's borrowing needs.

Currently, the Group follows a set of funding and treasury policies to manage its capital resources and mitigate potential risks involved.

11. Pledge of Assets

As at December 31, 2021, the Group had a total of RMB192.5 million of buildings and land use rights pledged to secure its loans and banking facilities.

12. Key Financial Ratios

The following table sets forth the key financial ratios for the dates indicated:

	As at December 31, 2021	As at December 31, 2020
Quick ratio[(1)]	**4.5**	17.3
Gearing ratio[(2)]	**Not meaningful[(2)]**	Not meaningful[(2)]

Notes:

(1) Quick ratio is calculated by dividing current assets less inventories as of a given date by current liabilities as of such date.

(2) Gearing ratio is calculated using interest-bearing bank and other borrowings less cash and cash equivalents divided by total equity and multiplied by 100%. Gearing ratio is not meaningful as our interest-bearing bank and other borrowings less cash and cash equivalents was negative.

13. Significant Investments

As at December 31, 2021, the Group did not hold any significant investments. Save as disclosed in this announcement, the Group did not have other plans for significant investments or capital assets as of the date of this announcement.

14. Material Acquisitions and Disposals

The Group did not have material acquisitions or disposals of subsidiaries, associates and joint ventures for the year ended December 31, 2021.

15. Contingent Liabilities

Save as disclosed in note 16 to the consolidated financial statement, the Group did not have any material contingent liabilities as at December 31, 2021.

16. Capital Commitment

The capital commitments of the Group as at December 31, 2021 were RMB594.1 million, representing an increase of RMB115.2 million as compared with that of RMB478.9 million as at December 31, 2020, primarily attributable to the significant progress made in our capacity expansion by building world class manufacturing facilities.

17. Foreign Exchange Exposure

During the year ended December 31, 2021, the Group mainly operated in China and a majority of its transactions were settled in Renminbi, the functional currency of the Company's primary subsidiaries. As at December 31, 2021, a certain amount of the Group's cash and cash equivalents was denominated in Hong Kong dollars and United States dollars. Except for certain cash and cash equivalents, other receivables, trade payables and other payables and accruals denominated in foreign currencies, the Group did not have significant foreign currency exposure from its operations during the year ended December 31, 2021. Our Group manages its foreign exchange risk by performing regular reviews of our net foreign exchange exposures and uses forward contracts to eliminate the foreign exchange exposures.

18. Employees and Remuneration

As at December 31, 2021, the Group had a total of 1,865 employees. The following table sets forth the total number of employees by function as of December 31, 2021:

Function	Number of employees	% of total
Research and Development	243	13.0
Clinical	496	26.6
Manufacturing	398	21.3
Sourcing	13	0.7
Selling and Marketing	512	27.5
General and Administrative	203	10.9
Total	1,865	100

The total employee remuneration cost incurred by the Group for the year ended December 31, 2021 was RMB536.7 million, as compared to RMB469.8 million for the year ended December 31, 2020. The increase of RMB66.9 million was primarily attributable to the increased employee salaries and benefits as a result of expansion in our staff headcount, partially offset by decrease in equity-settled share award expenses.

The remuneration of the employees of the Group comprises salaries, bonuses, employees provident fund and social security contributions, other welfare payments and equity-settled share award expenses. In accordance with applicable Chinese laws, the Group has made contributions to social security insurance funds (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds for the Group's employees.

The Company has also adopted the Restricted Share Unit Scheme on August 29, 2019 and the 2021 restricted share unit scheme (the "**2021 RSU Scheme**") on December 6, 2021. For details, please refer to the paragraph headed "D. Share Incentive Schemes — 1. Restricted Share Unit Scheme" in Appendix IV to the Prospectus and the announcement of the Company dated December 7, 2021, respectively.

OTHER INFORMATION

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend to the Shareholders for the Reporting Period (year ended December 31, 2020: Nil).

CORPORATE GOVERNANCE PRACTICES

The Directors recognise the importance of good corporate governance in management and internal procedures so as to achieve effective accountability. The Company has adopted the code provisions as set out in the CG Code as contained in Appendix 14 to the Listing Rules as its own code to govern its corporate governance practices.

The Company has adopted and complied with all applicable code provisions contained in the CG Code throughout the Reporting Period with the exception of code provision A.2.1 (which has been re-numbered as C.2.1 since January 1, 2022).

Under the code provision A.2.1 of the CG Code (which has been re-numbered as C.2.1 since January 1, 2022), the roles of chairman and chief executive should be separate and should not be performed by the same individual. Under the current organisation structure of the Company, Dr. XIA Yu is the chairwoman and chief executive officer of the Company. With her extensive experience in the industry, the Board believes that vesting the roles of both chairwoman and chief executive officer in the same person provides the Company with strong and consistent leadership, allows for effective and efficient planning and implementation of business decisions and strategies, and is beneficial to the business prospects and management of the Group. Although Dr. XIA Yu performs both the roles of chairwoman and chief executive officer, the division of responsibilities between the chairwoman and chief executive officer is clearly established. In general, the chairwoman is responsible for supervising the functions and performance of the Board, while the chief executive officer is responsible for the management of the business of the Group. The two roles are performed by Dr. XIA Yu distinctly. We also consider that the current structure does not impair the balance of power and authority between the Board and the management of the Company given the appropriate delegation of the power of the Board and the effective functions of the independent non-executive Directors. However, it is the long-term objective of the Company to have these two roles performed by separate individuals when suitable candidates are identified.

The Board will continue to review and monitor the practices of the Company with an aim of maintaining a high standard of corporate governance.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct regarding dealings in the securities of the Company by the Directors and the Group's senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Company or its securities.

Upon specific enquiry, all Directors confirmed that they have complied with the Model Code throughout the Reporting Period. In addition, the Company is not aware of any non-compliance of the Model Code by the senior management of the Group throughout the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

2021 Placing

On January 14, 2021, an aggregate of 30,000,000 new shares were issued at a price of HK$39.60 per share to not less than six Independent Third Parties pursuant to the share placing agreement (the "**Placing Agreement**") dated January 7, 2021 (the "**2021 Placing**"), representing approximately 3.67% of the enlarged issued share capital of the Company immediately following the 2021 Placing. The net proceeds raised from the 2021 Placing were HK$1,171.3 million (equivalent to RMB978.1 million).

The placing price of HK$39.60 per share represents (i) a discount of approximately 4.58% to the closing price of HK$41.50 per Share as quoted on the Stock Exchange on January 6, 2021, being the trading day immediately preceding the date of the Placing Agreement; and (ii) a discount of approximately 1.02% to the average closing price of HK$40.01 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately preceding the date of the Placing Agreement.

As at the date of this announcement, the Company has not used any of the proceeds arising from the 2021 Placing. The Company intends to apply such net proceeds in accordance with the purposes as set out in the announcement of the Company dated January 7, 2021.

Further details of the 2021 Placing are set out in the announcements of the Company dated January 7, 2021 and January 14, 2021, respectively.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

AUDIT COMMITTEE

The Company has established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and code provision C.3 (which has been re-numbered as A.2 since January 1, 2022) and code provision D.3 of the CG Code. The primary duties of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management systems of the Group, overseeing the audit process and performing other duties and responsibilities as assigned by the Board. The Audit Committee consists of three independent non-executive Directors being Dr. ZENG Junwen, Dr. XU Yan and Mr. TAN Bo. The chairman of the Audit Committee is Mr. TAN Bo. Mr. TAN Bo holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing rules.

The Audit Committee had reviewed together with the management the accounting principles and policies adopted by the Group and discussed internal controls and financial reporting matters including a review of the consolidated financial statements and annual results of the Group for the year ended December 31, 2021.

SCOPE OF WORK OF THE COMPANY'S AUDITOR IN RESPECT OF THIS ANNUAL RESULTS ANNOUNCEMENT

The figures in respect of the Group's consolidated statement of financial position as at December 31, 2021, consolidated statement of profit or loss and other comprehensive income for the year then ended and the related notes thereto as set out in this announcement have been agreed by the Company's auditor to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by the Company's auditor, Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards in Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on this announcement.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, as of the date of this announcement, the Group had no significant events after the Reporting Period.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.akesobio.com. The annual report of the Company for the year ended December 31, 2021 containing all the information required by the Listing Rules will be dispatched to Shareholders and published on the above websites in due course.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2021

	Notes	**2021** ***RMB'000***	2020 *RMB'000*
Product sales	*3*	**211,623**	–
Licensing fee income	*3*	**128,600**	–
Total sales from products and licensing fee		**340,223**	–
Less: distribution cost	*3*	**(114,597)**	–
Revenue	*3*	**225,626**	–
Cost of sales		**(31,259)**	–
Gross profit		**194,367**	–
Other income and gains, net	*4*	**116,273**	123,524
Research and development expenses		**(1,122,957)**	(768,589)
Selling and marketing expenses		**(179,149)**	–
Administrative expenses		**(243,517)**	(253,029)
Other expenses, net		**(12,791)**	(2,077)
Fair value changes on convertible redeemable preferred shares	*5*	**–**	(412,421)
Finance costs	*6*	**(10,352)**	(7,987)
LOSS BEFORE TAX	*5*	**(1,258,126)**	(1,320,579)
Income tax expense	*7*	**–**	–
LOSS FOR THE YEAR		**(1,258,126)**	(1,320,579)

	Note	**2021** ***RMB'000***	2020 *RMB'000*
OTHER COMPREHENSIVE LOSS			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**43,534**	70,613
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:			
Translation from functional currency to presentation currency		**(97,226)**	(302,550)
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX		**(53,692)**	(231,937)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(1,311,818)**	(1,552,516)
Loss attributable to:			
Owners of the parent		**(1,074,933)**	(1,177,051)
Non-controlling interests		**(183,193)**	(143,528)
		(1,258,126)	(1,320,579)
Total comprehensive loss attributable to:			
Owners of the parent		**(1,128,625)**	(1,408,988)
Non-controlling interests		**(183,193)**	(143,528)
		(1,311,818)	(1,552,516)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted			
— For loss for the year	*9*	**RMB(1.32) yuan**	RMB(1.65) yuan

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2021

	Notes	**31 December 2021** ***RMB'000***	31 December 2020 *RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment	*10*	**1,352,913**	608,251
Right-of-use assets	*11*	**151,727**	150,916
Intangible assets		**3,980**	1,230
Advance payments for property, plant and equipment		**144,913**	94,446
Total non-current assets		**1,653,533**	854,843
CURRENT ASSETS			
Inventories		**196,619**	61,235
Trade and bills receivables	*12*	**101,849**	–
Prepayments, other receivables and other assets		**212,071**	143,639
Financial assets at fair value through profit or loss	*13*	**–**	110,000
Pledged deposits		**92**	1,953
Cash and cash equivalents		**2,641,625**	2,684,499
Total current assets		**3,152,256**	3,001,326
CURRENT LIABILITIES			
Trade payables	*14*	**206,315**	112,607
Other payables and accruals		**394,891**	39,567
Interest-bearing bank and other borrowings	*15*	**45,598**	13,811
Lease liabilities	*11*	**7,854**	2,864
Tax payable		**1,037**	1,122
Total current liabilities		**655,695**	169,971
NET CURRENT ASSETS		**2,496,561**	2,831,355
TOTAL ASSETS LESS CURRENT LIABILITIES		**4,150,094**	3,686,198

	Notes	**31 December 2021** ***RMB'000***	31 December 2020 *RMB'000*
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	*15*	**803,733**	178,614
Lease liabilities	*11*	**2,237**	3,702
Deferred income		**63,858**	53,443
Total non-current liabilities		**869,828**	235,759
Net assets		**3,280,266**	3,450,439
EQUITY			
Equity attributable to owners of the parent			
Share capital		**57**	55
Shares held for restricted share unit schemes		**(51,718)**	–
Reserves		**3,215,717**	3,185,491
		3,164,056	3,185,546
Non-controlling interests		**116,210**	264,893
Total equity		**3,280,266**	3,450,439

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2021

	2021	2020
	RMB'000	*RMB'000*
Net cash flows used in operating activities	**(1,001,238)**	(617,775)
Net cash flows used in investing activities	**(579,585)**	(555,699)
Net cash flows from financing activities	**1,586,555**	2,878,323
NET INCREASE IN CASH AND CASH EQUIVALENTS	**5,732**	1,704,849
Cash and cash equivalents at beginning of year	**2,684,499**	1,186,029
Effect of foreign exchange rate changes, net	**(48,606)**	(206,379)
CASH AND CASH EQUIVALENTS AT END OF YEAR	**2,641,625**	2,684,499

1. CORPORATE AND GROUP INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 30 January 2019. The address of the registered office of the Company is Floor 4, Willow House, Cricket Square, Grand Cayman KY1-9010, Cayman Islands. The Company's principal place of business in Hong Kong is Room 1901, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong.

The Company is an investment holding company. The Company's subsidiaries were involved in research and development, production and sale of biopharmaceutical products.

The shares of the Company were listed on the Main Board of the Stock Exchange on 24 April 2020.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRSs**") (which include all International Financial Reporting Standards, International Accounting Standards ("**IASs**") and Interpretations) issued by the International Accounting Standards Board ("**IASB**") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for the financial assets at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised IFRSs for the first time for the current year's financial statements.

Amendments to IFRS 9, IAS 39 and IFRS 7, IFRS 4 and IFRS 16	*Interest Rate Benchmark Reform — Phase 2*
Amendments to IFRS 16	*Covid-19-Related Rent Concessions beyond 30 June 2021 (early adopted)*

The nature and the impact of the revised IFRSs are described below:

(a) Amendments to IFRS 9, IAS 39, IFRS 7. IFRS 4 and IFRS 16 address issues affecting financial reporting in the period before the replacement of an existing interest rate benchmark with an alternative risk-free rate ("**RFR**"). The amendments provide a practical expedient to allow the effective interest rate to be updated without adjusting the carrying amount of financial assets and liabilities when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, if the change is a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change. In addition, the amendments permit changes required by the interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Any gains or losses that could arise on transition are dealt with through the normal requirements of IFRS 9 to measure and recognise hedge ineffectiveness. The amendments also provide a temporary relief to entities from having to meet the separately identifiable requirement when an RFR is designated as a risk component. The relief allows an entity, upon designation of the hedge, to assume that the separately identifiable requirement is met, provided the entity reasonably expects the RFR risk component to become separately identifiable within the next 24 months. Furthermore, the amendments require an entity to disclose additional information to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy. The amendments did not have significant impact on the financial position and performance of the Group as the Group does not have any interest rate hedging relationships.

(b) Amendment to IFRS 16 issued in March 2021 extends the availability of the practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the covid-19 pandemic by 12 months. Accordingly, the practical expedient applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met. The amendment is effective retrospectively for annual periods in which they first apply the amendment with any cumulative effect of initially applying the amendment recognised as an adjustment to the opening balance of retained profits at the beginning of the current accounting period. Earlier application is permitted.

The Group has early adopted the amendment on 1 January 2021 and applied the practical expedient during the year ended 31 December 2021 to all rent concessions granted by the lessors that affected only payments originally due on or before 30 June 2022 as a direct consequence of the covid-19 pandemic. A reduction in the lease payments arising from the rent concessions of RMB30,000 has been accounted for as a variable lease payment by derecognising part of the lease liabilities and crediting to profit or loss for the year ended 31 December 2021. There was no impact on the opening balance of equity as at 1 January 2021.

3. REVENUE AND OPERATING SEGMENT INFORMATION

Revenue

An analysis of revenue is as follows:

Revenue from contracts with customers

Disaggregated revenue information

	2021	2020
	RMB'000	*RMB'000*
Types of goods or services		
Product sales	**211,623**	–
Licensing fee income	**128,600**	–
Total sales from products and licensing fee	**340,223**	–
Less: distribution cost relevant to the product sales	**(114,597)**	–
Revenue	**225,626**	–
Timing of revenue recognition		
Transfer at a point in time	**225,626**	–

Distribution cost is relevant to the product sales, and it represents the distribution fee paid or payable by the Group to customers.

There is no revenue recognised from performance obligations satisfied in previous periods.

Operating segment information

The Group is engaged in research, development, production and sale of biological products, which is regarded as a single reportable segment in a manner consistent with the way in which information is reported internally to the Group's senior management for purposes of resource allocation and performance assessment. Therefore, no analysis by operating segment is presented.

Geographical information

(a) Revenue from external customers

	2021	2020
	RMB'000	*RMB'000*
USA	**128,600**	–
Mainland China	**97,026**	–
	225,626	–

The revenue information above is based on the location of the customers.

(b) Non-current assets

	2021	2020
	RMB'000	*RMB'000*
Mainland China	**1,652,287**	852,780
Other regions	**1,246**	2,063
	1,653,533	854,843

The non-current asset information above is based on the locations of the assets.

Information about major customers

Revenue from the customer contributing over 10% of revenue of the Group is as follows:

	2021	2020
	RMB'000	*RMB'000*
Customer A	**128,600**	–

4. OTHER INCOME AND GAINS, NET

Other income and gains, net

	2021	2020
	RMB'000	*RMB'000*
Bank interest income	**14,236**	34,505
Investment income from financial products	**8,522**	7,023
Government grant released*	**84,822**	69,195
Net income from lab testing services	**3,392**	273
Foreign exchange differences, net	**5,162**	12,526
Others	**139**	2
	116,273	123,524

* The government grants mainly represent subsidies received from the local governments for the purpose of compensation for expenses arising from research activities and clinical trials, award for new drug development and capital expenditure incurred on certain projects.

5. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	Notes	**2021** ***RMB'000***	2020 *RMB'000*
Employee benefit expenses (excluding directors' remuneration):			
Wages and salaries		**287,656**	97,588
Pension scheme contributions		**51,096**	6,414
Equity-settled share award expenses		**43,148**	347,151
		381,900	451,153
Cost of inventories sold		**31,259**	–
Depreciation of property, plant and equipment	*10*	**47,730**	15,627
Depreciation of right-of-use assets	*11*	**9,278**	6,030
Amortisation of intangible assets*		**1,235**	450
Lease payments not included in the measurement of lease liabilities		**1,939**	1,380
(Gain)/loss upon early termination of a lease**		**(2)**	65
Auditor's remuneration		**1,826**	1,683
Fair value changes on convertible redeemable preferred shares***		**–**	412,421
Listing expenses		**–**	45,492
Impairment of trade receivables, net**		**30**	–
(Reversals of the write-down)/write-down of inventories to net realisable value**		**(1,042)**	1,903
Donation expenses**		**13,736**	–

* Included in "Administrative expenses" in the consolidated statements of profit or loss and other comprehensive income.

** Included in "Other expenses, net" in the consolidated statements of profit or loss and other comprehensive income.

*** Amount represented the fair value changes for the convertible redeemable preferred shares designated as financial liabilities at fair value through profit or loss, which were converted into ordinary shares upon the completion of the IPO.

6. FINANCE COSTS

	2021	2020
	RMB'000	*RMB'000*
Finance cost on lease liabilities	**542**	356
Interest on bank and other borrowings	**24,184**	16,904
Total interest expense on financial liabilities not at fair value through profit of loss	**24,726**	17,260
Less: Interest capitalised	**(14,374)**	(9,273)
	10,352	7,987

7. 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 operate.

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands or the BVI.

The subsidiary incorporated in Hong Kong is subject to Hong Kong profits tax at the rate of 16.5% on any estimated assessable profits arising in Hong Kong during the reporting period. No provision for Hong Kong profits tax has been made as the Group has no assessable profits derived from or earned in Hong Kong during the year.

The provision for corporate income tax in Mainland China is based on the statutory rate of 25% of the assessable profits are determined in accordance with the PRC Corporate Income Tax Law which was approved and became effective on 1 January 2008 except for Akeso Biopharma which was qualified as a High and New Technology Enterprise and was subject to a preferential income tax rate of 15% for the year.

The subsidiary incorporated in the USA is subject to American federal and California income taxes. America federal income tax was provided at the rate of 21% during the reporting period and California income tax was provided at the rate of 8.84% during the year on the estimated assessable profits arising in the USA.

The subsidiary incorporated in the Australia is subject to Australia income tax. Australia corporate income tax has been provided at the rate of 30% on the estimated assessable profits arising in Australia.

The income tax expense of the Group is analysed as follows:

	2021	2020
	RMB'000	*RMB'000*
Current		
Charge for the year	**–**	–
Deferred	**–**	–
Total tax charge for the year	**–**	–

8. DIVIDENDS

No dividend has been paid or declared by the Company during the year ended 31 December 2021 and subsequent to the end of the reporting period (2020: Nil).

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

The calculation of the basic loss per share amounts is based on the loss for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 815,931,798 (2020: 628,941,610) in issue during the year.

As the Group incurred losses, no adjustment has been made to the basic loss per share amounts presented for the years ended 31 December 2021 and 2020 in respect of a dilution as the impact of the restricted share units or the conversion of the convertible redeemable preferred shares had an anti-dilutive effect on the basic loss per share amounts presented.

The calculations of basic and diluted loss per share are based on:

	2021	2020
	RMB'000	*RMB'000*
Loss		
Loss attributable to owners of the parent	**(1,074,933)**	(1,177,051)
Add: Loss attributable to preferred shareholders	**–**	140,677
Loss attributable to ordinary equity holders of the parent, used in the basic and diluted loss per share calculation	**(1,074,933)**	(1,036,374)

	Number of shares	
	2021	2020
Shares		
Weighted average number of shares in issue during the period used in the basic and diluted loss per share calculation	**815,931,798**	628,941,610

10. PROPERTY, PLANT AND EQUIPMENT

	31 December 2021	31 December 2020
	RMB'000	*RMB'000*
At beginning of year:		
Cost	**657,716**	247,896
Accumulated depreciation	**(49,465)**	(33,891)
Net carrying amount	**608,251**	214,005
At beginning of year, net of accumulated depreciation	**608,251**	214,005
Additions	**778,682**	400,618
Interest capitalised	**14,374**	9,273
Disposals	**(660)**	(9)
Depreciation provided during the year	**(47,730)**	(15,627)
Exchange realignment	**(4)**	(9)
At end of year, net of accumulated depreciation	**1,352,913**	608,251
At end of year:		
Cost	**1,438,798**	657,716
Accumulated depreciation	**(85,885)**	(49,465)
Net carrying amount	**1,352,913**	608,251

At 31 December 2021, the Group's buildings with a net carrying amount of RMB50,087,000 (31 December 2020: RMB56,356,000) were pledged to secure banking facilities and bank loans (note 15).

11. LEASES

The Group as a lessee

The Group has lease contracts for various items of plant and buildings, machinery and land use rights with lease terms of 2 to 50 years used in its operations. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

	Plant and buildings *RMB'000*	Machinery *RMB'000*	Land use rights *RMB'000*	Total *RMB'000*
At 1 January 2020	2,746	3,508	46,151	52,405
Additions	2,908	–	102,291	105,199
Depreciation charge	(1,973)	(1,053)	(3,004)	(6,030)
Remeasurement resulting from early termination of a lease	(658)	–	–	(658)
At 31 December 2020 and 1 January 2021	**3,023**	**2,455**	**145,438**	**150,916**
Additions	**10,369**	**—**	**—**	**10,369**
Depreciation charge	**(5,218)**	**(1,056)**	**(3,004)**	**(9,278)**
Remeasurement resulting from early termination of a lease	**(225)**	**–**	**–**	**(225)**
Exchange realignment	**(55)**	**–**	**–**	**(55)**
As at 31 December 2021	**7,894**	**1,399**	**142,434**	**151,727**

At 31 December 2021, the Group's land used rights with a net carrying amount of RMB142,434,000 (31 December 2020: RMB100,245,000) was pledged to secure banking facilities and bank loans (note 15).

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

	31 December 2021	31 December 2020
	RMB'000	*RMB'000*
Carrying amount at 1 January	**6,566**	7,340
New leases	**10,369**	2,908
Accretion of interest recognised during the year	**542**	356
Covid-19-related rent concessions from lessors	**(30)**	(54)
Payments	**(7,071)**	(3,391)
Remeasurement resulting from early termination of a lease	**(227)**	(593)
Exchange realignment	**(58)**	–
Carrying amount at 31 December	**10,091**	6,566
Analysed into:		
Lease liabilities:		
Current portion	**7,854**	2,864
Non-current portion	**2,237**	3,702
	10,091	6,566

12. TRADE AND BILLS RECEIVABLES

	31 December 2021	31 December 2020
	RMB'000	*RMB'000*
Trade receivables	**101,532**	–
Bills receivable	**347**	–
	101,879	–
Impairment	**(30)**	–
	101,849	–

Included in the Group's trade and bills receivables are amounts due from a non-controlling shareholder of the Group of RMB101,532,000 (2020: Nil).

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

	31 December 2021	31 December 2020
	RMB'000	*RMB'000*
Within 3 months	**99,971**	–
3 to 6 months	**1,531**	–
	101,502	–

The Group's bills receivable were aged within two months and were neither past due nor impaired, and will be mature within two months.

The movements in the loss allowance for impairment of trade receivables is as follows:

	2021	2020
	RMB'000	*RMB'000*
At beginning of year	**–**	–
Impairment losses, net *(note 5)*	**30**	–
	30	–

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2021	31 December 2020
	RMB'000	*RMB'000*
Investments in financial products, at fair value	**–**	110,000

The investments as at 31 December 2020 represented investments in financial products which were issued by banks with expected interest rates ranging from 1.0% to 2.9% per annum. The returns on all of these financial products were not guaranteed. The fair values of the investments approximated to their costs plus expected interest.

14. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	31 December 2021	31 December 2020
	RMB'000	*RMB'000*
Within 3 months	**188,700**	98,145
3 to 6 months	**10,043**	6,256
6 months to 1 year	**6,066**	5,790
Over 1 year	**1,506**	2,416
	206,315	112,607

The trade payables are non-interest-bearing and are normally settled on terms of 30 to 90 days except for the balances due to a non-controlling shareholder of the Group of RMB66,173,000 (2020: Nil), which are repayable on demand.

15. INTEREST-BEARING BANK AND OTHER BORROWINGS

	2021			2020		
	Effective interest rate *(%)*	**Maturity**	***RMB'000***	Effective interest rate *(%)*	Maturity	*RMB'000*
Current						
Bank loans — unsecured	**4.00~4.30**	**2022**	**38,021**	–	–	–
Current portion of long term bank loans — secured	**4.83~5.39**	**2022**	**7,577**	5.23~5.39	2021	13,811
			45,598			13,811
Non-current						
Bank loans — secured	**4.70~5.39**	**2023~2035**	**583,169**	5.23~5.39	2022~2028	28,614
Convertible loans — secured	*note (c)*	*note (c)*	**170,504**	*note (c)*	*note (c)*	150,000
Loans from a non-controlling shareholder — unsecured	**3.50**	**2026**	**50,060**	–	–	–
			803,733			178,614
			849,331			192,425

Notes:

(a) The Group's banking facilities amounted to RMB2,225,400,000 (2020: RMB1,159,210,000) aggregately, among which RMB43,610,000 (2020: RMB43,610,000) are secured by the buildings of the Group with net carrying values of approximately RMB50,087,000 (2020: RMB56,356,000) and among which RMB1,990,000,000 (2020: RMB1,100,000,000) are secured by the land use rights of the Group with net carrying values of approximately RMB142,434,000 (2020: RMB100,245,000) at the end of the reporting period, respectively. Such banking facilities of approximately RMB628,767,000 (2020: RMB31,620,000) has been utilised as at the end of the reporting period.

(b) Among the Group's banking facilities mentioned in note (a) RMB1,130,000,000 (2020: Nil) are also secured by the equity interest of certain subsidiaries held by the Group. Such banking facilities of approximately RMB238,215,000 (2020: Nil) has been utilised as at the end of the reporting period.

(c) On 23 July 2019, a subsidiary of the Group entered into a convertible loan agreement with its non-controlling shareholder and borrowed a convertible loan amounting to RMB75,000,000. The subsidiary further borrowed convertible loans of an aggregate amount of RMB75,000,000 under the agreement in 2020. According to the loan agreement, the convertible loans bear interest at 6.5% per annum and are secured by the equity interest in the subsidiary held by the Group as at 31 December 2021 and 2020. The convertible loans are due on 31 December 2023. Under the loan agreement, an option (the "**Convertible Right**") to convert the unpaid principal and the related interest into ordinary shares of the subsidiary will be granted to its non-controlling shareholder under certain conditions. The fair value of the Convertible Right was assessed to be minimal as at 31 December 2021 and 2020.

(d) All borrowings were denominated in RMB as at 31 December 2021 and 2020.

16. CONTINGENT ASSETS/LIABILITIES

In February 2019, a subsidiary of the Group brought a breach of contract claim against Sichuan Kelun Drug Research Institute Co., Ltd. ("**Sichuan Kelun**") based on Sichuan Kelun's failure to perform its contractual obligations pursuant to the collaboration agreement entered between the subsidiary and Sichuan Kelun (the "**Kelun Collaboration Agreement**"). In this claim, the subsidiary of the Group sought an aggregate amount of approximately US$1.8 million (equivalent to RMB12.3 million). Taking into account the opinion of the Group's legal counsel that it was premature to speculate the outcome of such claim as at the date of this announcement, the Directors considered that the amount receivable in respect of the claim cannot be reliably measured and therefore no such asset was recognised during the reporting periods.

In July 2019, Sichuan Kelun filed a counterclaim and alleged that the subsidiary did not perform its contractual obligations under the Kelun Collaboration Agreement. In this claim, Sichuan Kelun sought for the return of RMB1 million the subsidiary received and an aggregate amount of approximately RMB20.2 million for compensation. As at the date of this announcement, the suit had completed substantive hearing stage. Taking into account the opinion of the Group's legal counsel, the Directors believed that the subsidiary has a valid defense against the allegation and, accordingly, the Group has not provided for any claim arising from the litigation, other than the related legal and other costs.

17. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	31 December 2021	31 December 2020
	RMB'000	*RMB'000*
Contracted, but not provided for:		
Plant and machinery	**594,063**	478,905

DEFINITIONS

In this annual results announcement, unless the context otherwise requires, the following expressions shall have the following meanings.

"ASCO 2021"	American Society of Clinical Oncology Annual Meeting 2021
"ASCO GI 2021"	Gastrointestinal Cancers Symposium 2021
"ACE Platform"	Akeso Comprehensive Exploration platform
"Akeso Biopharma"	Akeso Biopharma Co., Ltd. (中山康方生物醫藥有限公司), a limited liability company incorporated under the laws of the PRC and a subsidiary of the Company
"Anniko®", "Penpulimab" or "AK105"	Penpulimab antibody injection, a new PD-1 monoclonal antibody with IgG1 subtype and Fc segment modification, which is structurally stable and less prone to aggregation
"Audit Committee"	the audit committee of the Board
"BLA"	Biologics License Application
"Board of Directors" or "Board"	the board of Directors
"BVI"	British Virgin Islands
"CG Code"	the "Corporate Governance Code" as contained in Appendix 14 to the Listing Rules
"CDE"	Center for Drug Evaluation of NMPA
"China" or "PRC"	the People's Republic of China, which, for the purpose of this annual results announcement and for geographical reference only, excludes Hong Kong, Macau and Taiwan
"CMC"	chemistry, manufacturing and controls
"Company", "our Company"	Akeso, Inc. (康方生物科技(開曼)有限公司), an exempted company with limited liability incorporated under the laws of the Cayman Islands on January 30, 2019

"CRO"	contract research organization
"CSCO 2021"	Chinese Society of Clinical Oncology Annual Meeting 2021
"CTTQ" or "Chia Tai Tianqing"	Chia Tai Tianqing Pharmaceutical Group Co., Ltd. (正大天晴藥業集團股份有限公司), a subsidiary of Sino Biopharm and a shareholder of CTTQ-Akeso
"CTTQ-Akeso"	CTTQ-Akeso (Shanghai) Biomed. Tech. Co., Ltd. (正大天晴康方(上海)生物醫藥科技有限公司), a limited liability company incorporated under the law of the PRC on August 30, 2019, one of our Group's subsidiaries
"Director(s)"	the director(s) of the Company
"dMMR"	mismatch repair deficient
"EMA"	European Medicines Agency
"ESMO 2021"	European Society for Medical Oncology of 2021
"Exclusive Sales Agreement"	an agreement dated December 20, 2021 entered into between CTTQ-Akeso, Akeso Biopharma, LYG Tianqing and Chia Tai Tianqing in relation to the cooperation on the sales of Penpulimab Monoclonal Antibody
"FDA"	the Food and Drug Administration of the United States
"GMP"	good manufacturing practice
"Group", "our Group", "our", "we", "us" or "Akeso Group"	the Company and all of its subsidiaries, or any one of them as the context may require or, where the context refers to any time prior to its incorporation, the business which its predecessors or the predecessors of its present subsidiaries, or any one of them as the context may require, were or was engaged in and which were subsequently assumed by it
"HCC"	hepatocellular carcinoma
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC

"Hong Kong dollars" or "HK dollars" or "HK$"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"IFRS"	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
"IND"	investigational new drug or investigational new drug application, also known as clinical trial application in China or clinical trial notification in Australia
"Independent Third Party" or "Independent Third Parties"	a person or entity who is not a connected person of the Company under the Listing Rules
"IPO"	the initial public offering of the Shares on the Main Board of the Stock Exchange on April 24, 2020
"Listing Date"	April 24, 2020, on which the Shares were listed and from which dealings therein were permitted to take place on the Stock Exchange
"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)
LYG Tianqing	Lianyungang Chia Tai Tianqing Medicine Co., Ltd. (連雲港正大天晴醫藥有限公司), a wholly-owned subsidiary of Chia Tai Tianqing
"Model Code"	the "Model Code for Securities Transactions by Directors of Listed Issuers" set out in Appendix 10 to the Listing Rules
"NDA"	new drug application
"NMPA"	the National Medical Products Administration of the PRC (國家藥品監督管理局) (formerly known as the China National Drug Administration and the China Food and Drug Administration)
"NSCLC"	non-small-cell lung cancer, any carcinoma (as an adenocarcinoma or squamous cell carcinoma) of the lungs that is not a small-cell lung carcinoma

"Prospectus"	the prospectus of the Company dated April 14, 2020
"R&D"	Research and Development
"Reporting Period"	the year ended December 31, 2021
"Restricted Share Unit Scheme"	the restricted share unit scheme approved and adopted by our Company on August 29, 2019 as amended from time to time, for the benefit of any director, employee, adviser or consultant of the Company or any of our subsidiaries
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) with nominal value of US$0.00001 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"SITC 2021"	36th Annual Meeting of the Society for Immunotherapy of Cancer
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US$"	United States dollars, the lawful currency of the United States
"%"	per cent

By order of the Board
Akeso, Inc.
Dr. XIA Yu
Chairwoman and executive director

Hong Kong, March 30, 2022

As at the date of this announcement, the Board comprises Dr. XIA Yu as chairwoman and executive director, Dr. LI Baiyong, Dr. WANG Zhongmin Maxwell and Mr. XIA Yu (Ph.D.) as executive directors, Mr. XIE Ronggang and Dr. ZHOU Yi as non-executive directors, and Dr. ZENG Junwen, Dr. XU Yan and Mr. TAN Bo as independent non-executive directors.