ImmuneOnco Biopharmaceuticals (Shanghai) Inc.
宜明昂科生物醫藥技術（上海）股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1541)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2023

The board (the "**Board**") of directors (the "**Directors**") of ImmuneOnco Biopharmaceuticals (Shanghai) Inc. (the "**Company**") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended December 31, 2023, together with comparative figures for the same period of 2022. These annual results have been reviewed by the Audit Committee of the Company and agreed by the Company's auditor, Messrs. Deloitte Touche Tohmatsu.

In this announcement, "**we**", "**us**" and "**our**" refer to the Company or where the context otherwise requires, the Group. Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments or have been rounded to one or two decimal places, as appropriate. Any discrepancies in any table, chart or elsewhere totals and sums of amounts listed therein are due to rounding. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings ascribed thereto in the Prospectus of the Company dated August 24, 2023.

BUSINESS HIGHLIGHTS

The Company was listed on the Stock Exchange on September 5, 2023. During the Reporting Period, we continued rapidly advancing the development of our drug pipeline, including the following milestones and achievements.

Progress of Our Core Product

- *IMM01 (SIRPα-Fc Fusion Protein)*

  - We have obtained an IND approval for the Phase Ib/IIa clinical trial to evaluate the combination of IMM01 with bortezomib and dexamethasone for the treatment of multiple myeloma (MM) from the NMPA in January 2023.

  - We have completed the enrollment of patients for the Phase II clinical trial of IMM01 in combination with azacitidine for the first-line treatment of higher-risk myelodysplastic syndrome (MDS) in June 2023. As of December 31, 2023, among the 51 evaluable patients, the overall response rate (ORR) was 64.7% (33/51), with a complete response rate (CRR) of 29.4% (15/51). For patients treated for ≥ 4 months, the ORR reached 85.3% (29/34), with a CRR of 44.1% (15/34). Among patients treated for ≥ 6 months, the ORR reached 89.3% (25/28), and the CRR reached 53.6% (15/28), demonstrating increasing efficacy with prolonged treatment duration.

  - We have completed the enrollment of patients for the Phase II clinical trial of IMM01 in combination with azacitidine for the first-line treatment of chronic myelomonocytic leukemia (CMML) in March 2023. As of December 31, 2023, among the 22 evaluable patients, the ORR reached 72.7% (16/22), with a CRR of 27.3% (6/22). For patients treated for ≥ 4 months, the ORR reached 87.5% (14/16), and the CRR reached 37.5% (6/16). Among patients treated for ≥ 6 months, the ORR reached 84.6% (11/13), and the CRR reached 46.2% (6/13), revealing increasing efficacy with prolonged treatment duration.

- We have dosed the first patient for the Phase II clinical trial of IMM01 in combination with tislelizumab, targeting relapsed or refractory (R/R) classical Hodgkin lymphoma (cHL) patients who relapsed or progressed after the treatment of PD-1 inhibitors on January 19, 2023, and completed the Phase II enrollment in December 2023. As of March 1, 2024, among 33 evaluable patients, 8 achieved complete response (CR), 14 achieved partial response (PR), resulting in an ORR of 66.7% and CRR of 24.2%. These results demonstrate encouraging antitumor efficacy, along with favorable tolerability and safety profiles.

- The FDA has granted an orphan-drug designation to IMM01 in combination with azacitidine for the treatment of CMML in November 2023.

Progress of Other Selected Products

Clinical Stage Products

- *IMM0306 (CD47×CD20)*

  - We have dosed the first patient in the Phase Ib/IIa clinical trial, a combination study of IMM0306 and lenalidomide for R/R CD20-positive B-cell non-Hodgkin lymphoma (B-NHL) in June 2023. A total of 8 patients were enrolled in this Phase Ib dose escalation trial at two dose levels (1.6 mg/kg and 2 mg/kg). According to our clinical data as of January 5, 2024, IMM0306 at the dose of 1.6 mg/kg in combination with lenalidomide at 20 mg/day was well-tolerated and demonstrated a robust preliminary antitumor activity in patients with R/R follicular lymphoma (FL) and marginal zone lymphoma (MZL). Among 7 efficacy-evaluable patients in the ongoing phase Ib study, 1 CR (FL), 4 PR (2 FL, 2 MZL), and 1 SD were observed. The ORR and disease control rate (DCR) were 71.4% and 85.7%, respectively.

- *IMM2510 (VEGF×PD-L1)*

  - We have dosed the first patient in the Phase II clinical trial of IMM2510 in China for the treatment of R/R soft tissue sarcoma (STS) in November 2023.

  - We have completed the enrollment of patients for the Phase I dose-escalation study of IMM2510 in September 2023. Total 33 patients with advanced/ metastatic solid tumors were enrolled and dosed. The recommended Phase II dose (RP2D) was determined to be 20 mg/kg administered once every two weeks (Q2W). The clinical data from the Phase I trial of IMM2510 has demonstrated tolerable safety and promising antitumor activity particularly for treatments of R/R non-small cell lung cancer (NSCLC) and thymus adeno-squamous carcinoma. As of December 31, 2023, 3 patients had confirmed PR (2 squamous (sq)-NSCLC at 3 mg/kg and 10 mg/kg respectively, 1 thymus adeno-squamous carcinoma at 20 mg/kg), and 7 patients achieved SD, with 4 of them observed tumor shrinkage of over 15% (1 with cervical cancer at 3 mg/kg, 2 with non-squamous (non-sq) NSCLC at 10 mg/kg and 20 mg/kg respectively, 1 with ovarian cancer at 20 mg/kg).

  - We have received an IND approval from the NMPA for the Phase II clinical trial of IMM2510 in combination with chemotherapy for the first-line treatments of NSCLC or triple-negative breast cancer (TNBC) in November 2023.

  - We have received an IND approval from the NMPA for a Phase I clinical trial of IMM2510 in combination with IMM27M for advanced solid tumors in October 2023.

- *IMM27M (CTLA-4 ADCC+)*

  - We have completed the enrollment of patients for the Phase I dose-escalation study of IMM27M, and the preliminary data has demonstrated that IMM27M is safe and well tolerated up to 7.5 mg/kg. The RP2D was determined to be 5 mg/kg administered once every three weeks (Q3W). Two confirmed PRs were achieved in heavily treated advanced hormone receptor-positive BC patients at 3 mg/kg and 5 mg/kg, respectively.

- *IMM2520 (CD47×PD-L1)*

  - We have initiated the Phase I study of IMM2520 targeting various advanced solid tumors and dosed the first patient in March 2023. By the end of 2023, 12 patients in total have been enrolled and dosed. The preliminary data has demonstrated that IMM2520 is safe and well tolerated up to 2.0 mg/kg. The dose escalation is still ongoing. Three SDs with tumor shrinkage over 10% were achieved for a patient with cervical cancer at 0.1 mg/kg, a patient with SCLC and a patient with colorectal cancer at 2.0 mg/kg. Among them, one SCLC patient who progressed after PD-1 antibody treatment has achieved tumor shrinkage of 26.3% after 4 cycles of treatment in January 2024.

- *IMM2902 (CD47×HER2)*
    - We are conducting the dose escalation studies in China and the U.S. In China, dose escalation is ongoing for the 7th cohort at 4.0mg/kg (step-up dose regimen).
- *IMM47 (CD24)*
    - We have dosed the first patient for the Phase I clinical trial of IMM47 in Australia in September 2023.
    - We have obtained an IND approval for IMM47 for the treatment of advanced malignant tumors from the NMPA and advanced solid tumors and R/R B-NHL from FDA in October and December 2023, respectively.

Preclinical/IND/IND-Enabling Stage Products

- *IMC-002 (IMM0306)*
    - The IND-enabling study is ongoing for IMC-002 (IMM0306) in treating autoimmune indications. We have filed an IND application with the NMPA for autoimmune indications in March 2024.
- *IMC-001 (IMM01)*
    - IND-enabling study is currently ongoing for IMC-001 (IMM01) for the treatment of atherosclerosis.
- *IMM72 (ACTRIIA fusion protein)*
    - We have completed the pilot efficacy study in rat model for pulmonary arterial hypertension (PAH).
    - We have observed preliminary efficacy of skeletal muscle increasement in mice.
    - We have developed upstream and downstream process in 3L bioreactor.
- *IMM7211 (ACTRIIA×non-disclosed target bispecific molecule)*
    - We have completed candidate screening and proof of concept studies.
    - Cell line development is in progress.

FINANCIAL HIGHLIGHTS

International Financial Reporting Standards ("IFRS") Measures:

- **Research and development expenses** increased by 5.3% from RMB277.3 million for the year ended December 31, 2022 to RMB291.9 million for the year ended December 31, 2023, primarily attributable to (i) an increase of RMB24.9 million in clinical trial expenses due to the advancement of our clinical drug candidates; and (ii) an increase of RMB12.2 million in salaries and related benefit costs due to the continuous expansion of our clinical team throughout 2022, in line with our continuous research and development efforts in advancing and expanding our pipeline of drugs; partially offset by a decrease of RMB13.7 million in preclinical and CMC expenses due to (i) the decrease in testing expenses for certain preclinical drug assets in preparation for IND application filings; and (ii) a decrease of RMB9.6 million in share-based payments, resulting from a decrease in the number of restricted shares vested for the year ended December 31, 2023.

- **Loss for the year** was RMB379.5 million for the year ended December 31, 2023, representing a decrease of RMB23.4 million from RMB402.9 million for the year ended December 31, 2022, primarily attributable to a decrease of RMB55.5 million in our loss from changes in fair value of financial liabilities at FVTPL, due to the fact that we no longer recorded any financial liabilities at FVTPL since January 31, 2022, as our investors' preferred rights, including liquidation preferences, redemption rights and anti-dilution rights, were terminated on the same day.

Non-International Financial Reporting Standards ("Non-IFRS") Measures:

- **Adjusted loss for the year**[1] were RMB281.8 million for the year ended December 31, 2023, representing an increase of RMB56.0 million from RMB225.8 million for the year ended December 31, 2022, primarily attributable to our continuous investment in R&D.

[1] Adjusted loss for the year is not a financial measure defined under the IFRS. It represents the loss for the year excluding the effect brought by certain loss/expenses, namely loss from changes in fair value of financial liabilities at FVTPL, share-based payment expenses and listing expenses. For the calculation and reconciliation of this non-IFRS measure, please refer to "Management Discussion and Analysis — Financial Review — Non-IFRS Measure".

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

We are a science-driven biotechnology company dedicated to the development of innovative immuno-oncology therapies. Incorporated in 2015, we stand out as one of the few biotechnology companies globally adopting a systematic approach to harness both the innate and adaptive immune systems. Strictly adhering to the "Drug-by-Design" concept and leveraging our R&D platform, we have designed a robust pipeline of over ten innovative drug candidates with eight ongoing clinical programs. Anchored by a deep and broad innate-immunity-based asset portfolio, our pipeline reflects our extensive understanding into the frontiers of cancer biology and immunology, and our expertise in turning scientific research into drug candidates.

Product Pipeline

The following diagram summarizes the development status of our selected drug candidates as of the date of this announcement:

Notes:

(1) All of the Company's clinical- and IND-stage drug candidates are classified as Category 1 innovative drugs, and preclinical- and discovery-stage drug candidates are expected to be classified as Category 1 innovative drugs, in accordance with relevant laws and regulation in China.

(2) The cohort-expansion trials of this combination are mainly designed to target the first-line treatment of higher-risk MDS (patients who fall into higher-risk group categories in the original or revised International Prognostic Scoring System), unfit AML (individuals of older age with AML who are considered not eligible for intensive treatment approaches), and CMML. On November 8, 2023, the combination therapy of IMM01 and azacitidine was granted the orphan-drug designation by the FDA for the treatment of CMML.

(3) This combination of IMM01 and tislelizumab targets all subtypes of cHL.

Abbreviations: MDS refers to myelodysplastic syndrome; AML refers to acute myeloid leukemia; CMML refers to chronic myelomonocytic leukemia; B-NHL refers to B-cell non-Hodgkin lymphoma; STS refers to soft-tissue sarcomas; cHL refers to classical Hodgkin lymphoma; FL refers to follicular lymphoma; MZL refers to marginal zone lymphoma; IND refers to investigational new drug; CMC refers to chemistry, manufacturing, and controls; ADCC refers to antibody-dependent cellular cytotoxicity; TNBC refers to triple-negative breast cancer; NSCLC refers to non-small cell lung cancer; HCC refers to hepatocellular carcinoma; SLE refers to systemic lupus erythematosus; LN refers to lupus nephritis; MN refers to membranous nephropathy; NMOSD refers to neuromyelitis optica spectrum disorder; MG refers to myasthenia gravis; PAH refers to pulmonary arterial hypertension.

Business Review

Our Product Candidates

During the Reporting Period, we made significant progress advancing our pipeline candidates and business operations. Our key achievements and planned next steps as of the date of this announcement along include:

- *IMM01 (SIRPα-Fc Fusion Protein)*

  - IMM01, our Core Product, is an innovative CD47-targeted molecule. It is the first SIRPα-Fc fusion protein to enter into clinical stage in China. IMM01 designed with IgG1 Fc can fully activate macrophages via a dual mechanism — simultaneously blocking the "don't eat me" signal by disrupting CD47/SIRPα interaction and delivering the "eat me" signal through the engagement of activating Fcγ receptors on macrophages. Furthermore, the CD47-binding domain of IMM01 was specifically engineered to avoid human red blood cell (RBC) binding. With the differentiated molecule design, IMM01 has achieved a favorable safety profile and demonstrated its ability to activate macrophages. Moving forward, we may actively explore IMM01's therapeutic potential in other indications and seek collaboration opportunities.

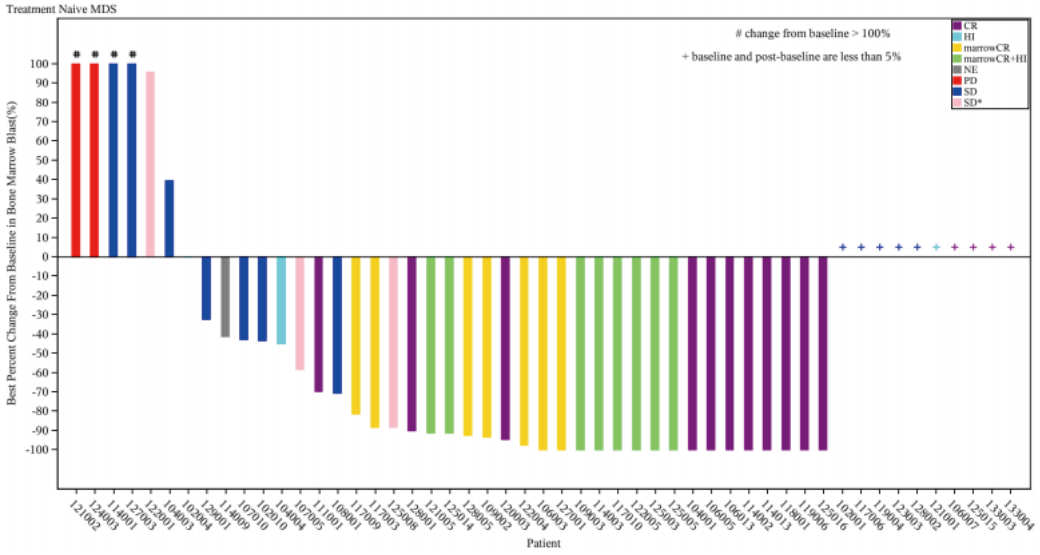
- During the Reporting Period and up to the date of this announcement, we have achieved the following progress and milestones:

  - Combination Therapy with Azacitidine

    - The FDA has granted an orphan-drug designation to IMM01 in combination with azacitidine for the treatment of CMML in November 2023.

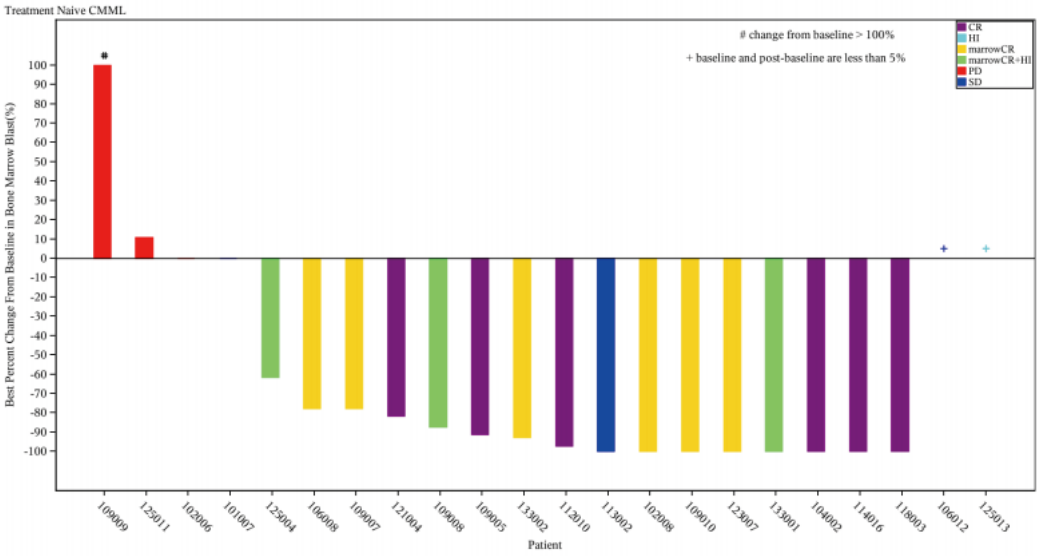
    - We have completed the enrollment of patients for the Phase II clinical trial of IMM01 in combination with azacitidine for the first-line treatment of higher-risk MDS in June 2023. 57 patients were enrolled in the study. As of December 31, 2023, among the 51 efficacy evaluable patients, ORR was 64.7% (33/51), including 29.4% (15/51) achieved CR, 15.7% reached mCR with hematologic improvement (HI), 5.9% reached HI and 13.7% reached mCR alone. For patients treated for ≥ 4 months, the ORR reached 85.3% (29/34), and the CRR was 44.1% (15/34). Among patients treated for ≥ 6 months, the ORR reached 89.3% (25/28), and the CRR was 53.6% (15/28), demonstrating increasing efficacy with prolonged treatment duration. Without having to resort to priming dose, the Grade ≥3 hemolysis was rare (only 1.8%). IMM01 (without low-dose priming) combined with azacitidine were well tolerated and showed exciting efficacy results in patients with treatment-naive higher-risk MDS, as demonstrated in the diagram below:

Waterfall Plot for Best Percent Change from Baseline in the Blast Cells in the Bone Marrow (1L MDS)



- We have completed the enrollment of patients for the Phase II clinical trial of IMM01 in combination with azacitidine for the first-line treatment of CMML in March 2023. 24 patients were enrolled. As of December 31, 2023, among the 22 evaluable patients, the ORR was 72.7% (16/22), including 27.3% (6/22) achieved CR, 13.6% reached marrow CR (mCR) with hematologic improvement (HI), 4.5% reached HI and 27.3% reached mCR alone. In patients treated for ≥ 4 months, the ORR reached 87.5%, and the CRR was 37.5%. Among patients treated for ≥ 6 months, the ORR reached 84.6% (11/13), and the CRR was 46.2% (6/13), revealing increasing efficacy with prolonged treatment duration. IMM01, without the use of low-dose priming, combined with azacitidine, was well tolerated in 1L CMML. The combination of IMM01 with azacitidine, showed exciting efficacy results for patients with treatment-naive CMML, as demonstrated in the diagram below:

Waterfall Plot for Best Percent Change from Baseline in the Blast Cells in the Bone Marrow (1L CMML)



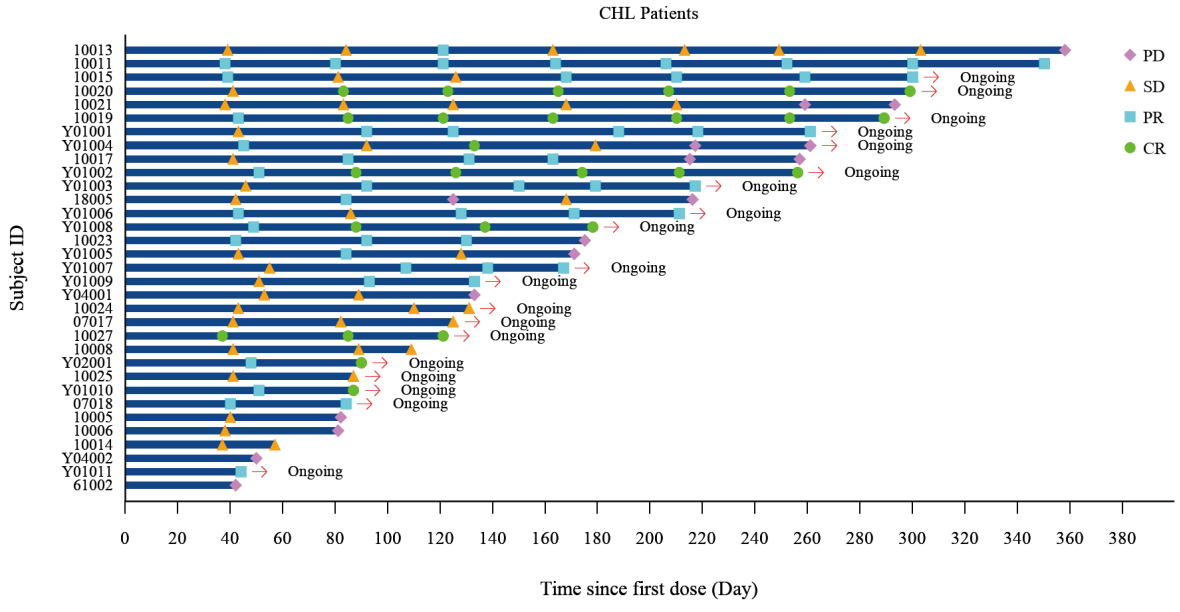
o Combination Therapy with Tislelizumab

- We have dosed the first patient for the Phase II clinical trial of IMM01 in combination with tislelizumab on January 19, 2023, targeting R/R cHL patients who relapsed or progressed after the treatment of PD-1 inhibitors, and completed the Phase II enrollment in December 2023. As of March 1, 2024, 33 cHL patients were enrolled. Among 33 evaluable patients, 8 achieved CR, 14 achieved PR, resulting in an ORR of 66.7% and CRR of 24.2%, respectively. There was no reported hemolytic anemia or hemolysis in any of the patients. No patients experienced TRAEs leading to the study drug discontinuation or death. These results demonstrate encouraging antitumor efficacy, along with favorable tolerability and safety profiles.

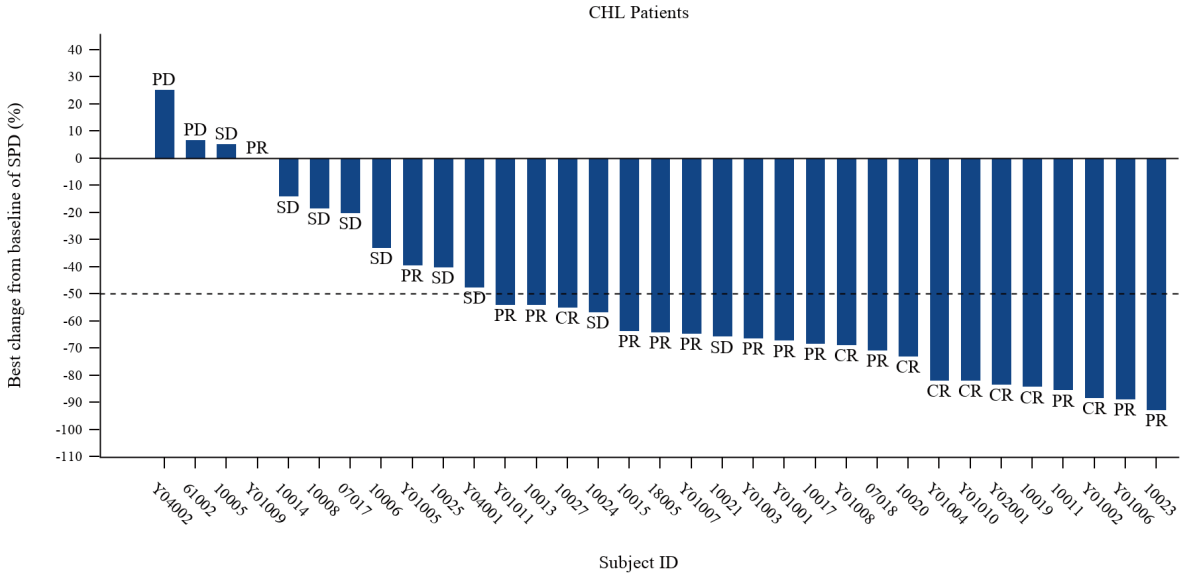
- We expect to complete the Phase II clinical trial and initiate a pivotal trial for the treatment of anti-PD-1 resistant cHL in 2024. On January 16, 2024, we submitted an application for Phase III registration trial of IMM01 in combination with tislelizumab in the treatment of PD-1 resistant cHL to CDE.

- The following diagrams illustrate the interim efficacy data of the combination of IMM01 and tislelizumab as of March 1, 2024:

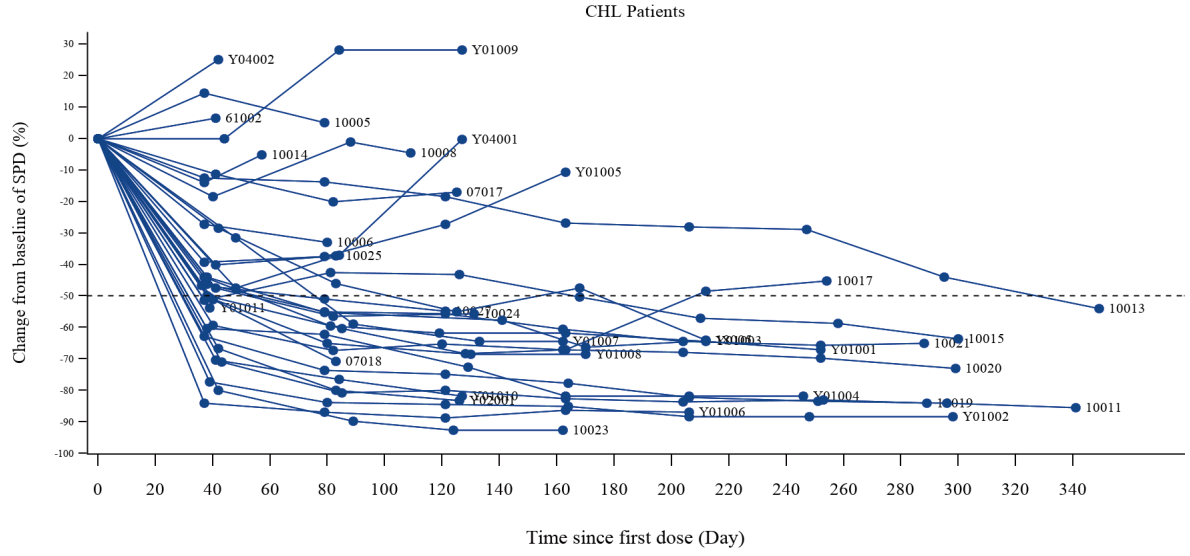
Duration of Treatment and Best Response



Best Percentage Change from Baseline in Target Lesion



Change in Target Lesion Tumor Size



- o Combination Therapy with Bortezomib and Dexamethasonum

  - ◆ We have obtained an IND approval for the Phase Ib/IIa clinical trial to evaluate the combination of IMM01 with bortezomib and dexamethasonum for the treatment of MM from the NMPA in January 2023.

- Potential Therapy for Treating Atherosclerosis

  - Based on solid scientific basis, IMM01 can also target atherosclerosis by blocking the CD47/SIRPα signaling pathway, and inducing macrophages to phagocytose the atherosclerotic plaque. IND-enabling study is currently ongoing for IMC-001 (IMM01) for the treatment of atherosclerosis.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that IMM01 will ultimately be successfully developed and marketed by our Company.

- *IMM0306 (CD47×CD20)*

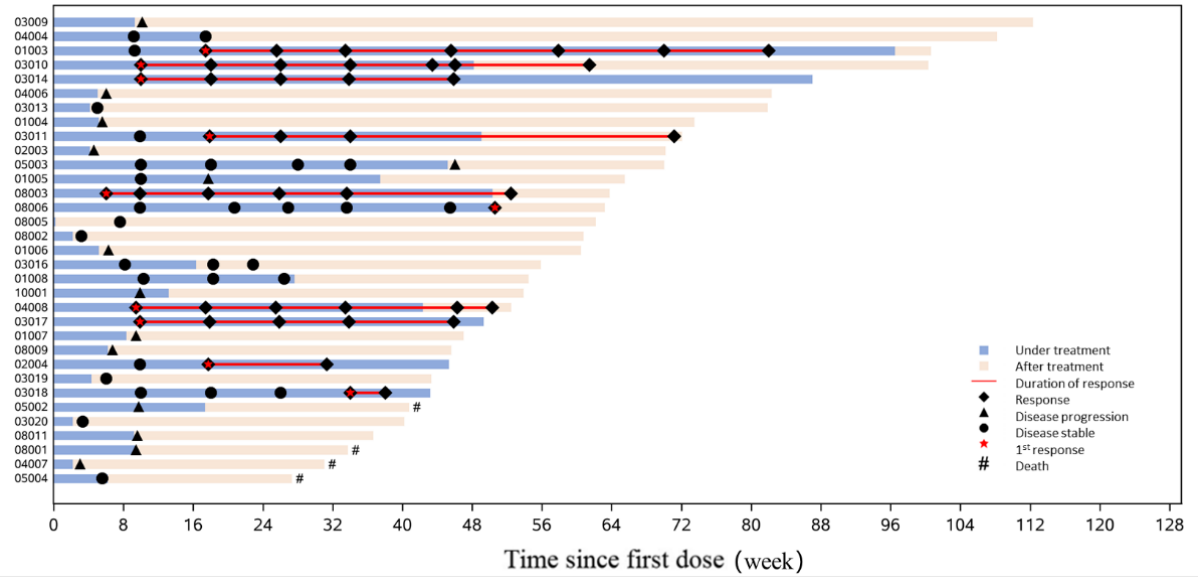
  - IMM0306 is a bispecific molecule that simultaneously targets both CD47 and CD20 and is the first CD47 and CD20 dual-targeting bispecific to enter into clinical stage globally. Based on our mAb-Trap platform, we designed the molecule of IMM0306 to consist of the CD47-binding domain of IMM01 and an ADCC-enhanced IgG1 Fc fragment which is capable of inducing full macrophage activation and much improved ADCP and ADCC activity, resulting in strong antitumor immune responses.

  - During the Reporting Period and up to the date of this announcement, we have achieved the following progress and milestones:

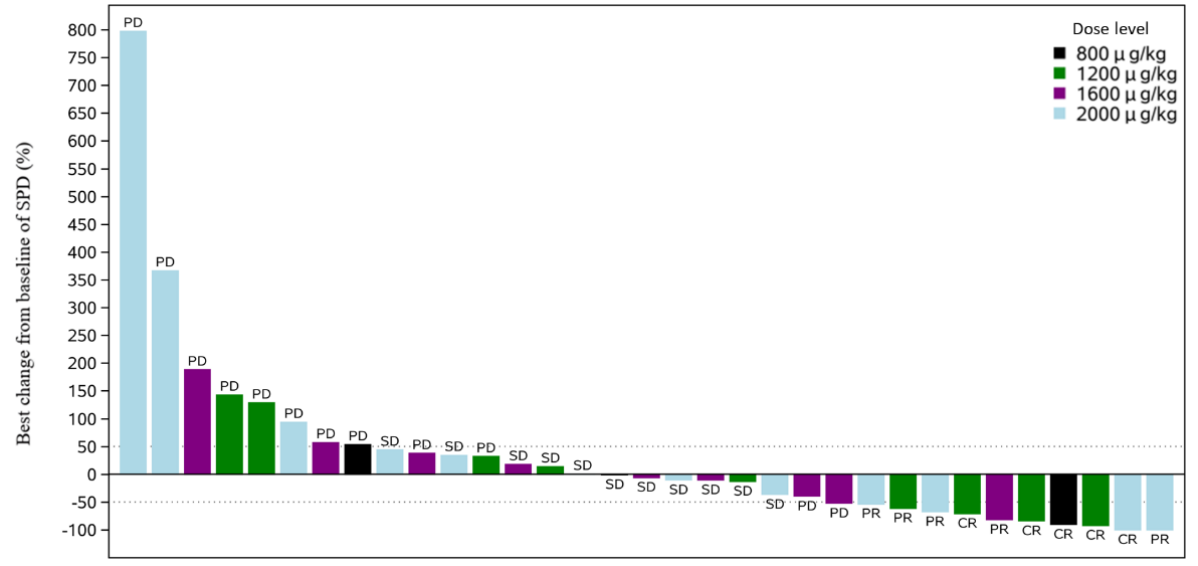
    - Monotherapy

      - As of December 31, 2023, 48 patients were enrolled. All patients received previous anti-CD20 therapy. No DLTs were observed. The RP2D was determined as 2.0 mg/kg. Among the patients who received active doses between 0.8 mg/kg and 2 mg/kg, 5 CR, 5 PR and 11 SD were observed. The following diagrams illustrate the interim efficacy data of the IMM0306 monotherapy:

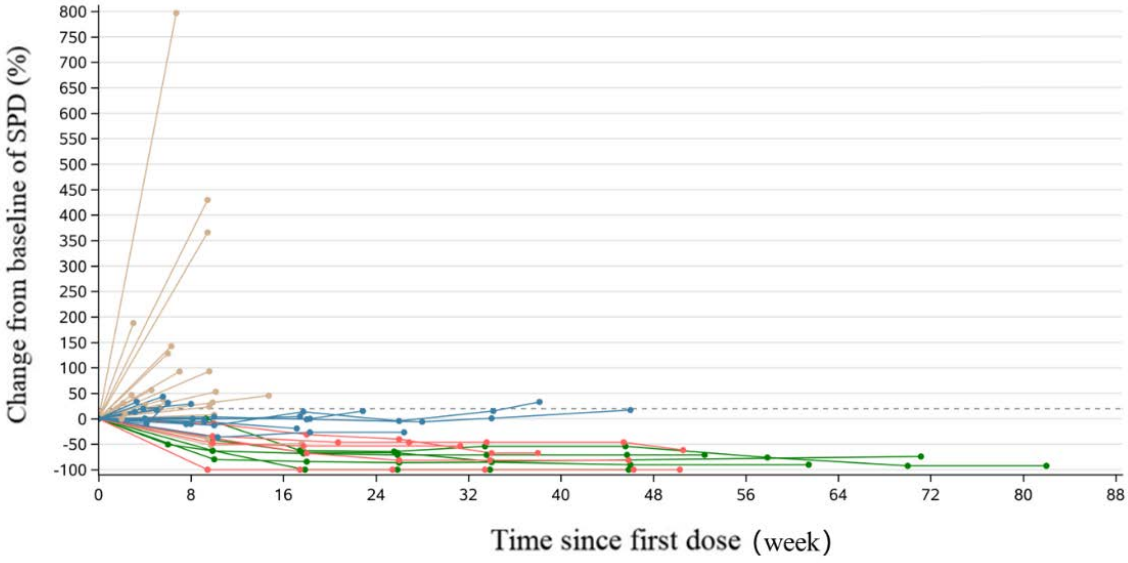
Duration of Treatment and Best Response



Best Percentage Change from Baseline in Target Lesion



Change in Target Lesion Tumor Size

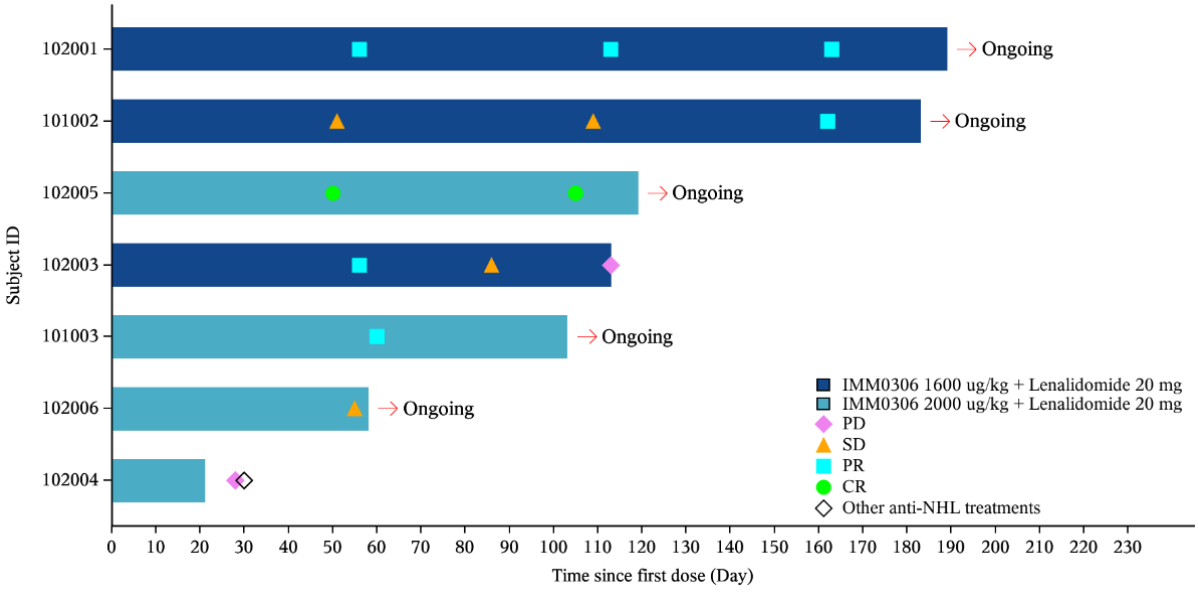


- We have completed the enrollment of patients for the Phase I trial and started the Phase II trial in the second quarter of 2023. Phase II study is currently ongoing.

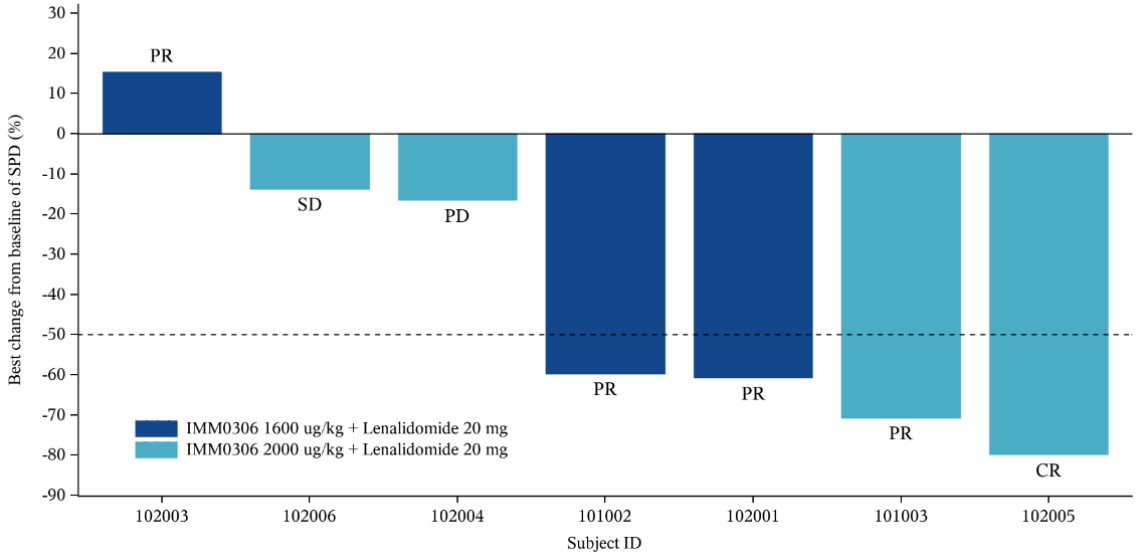
o Combination Therapy with Lenalidomide

- We have dosed the first patient in the Phase Ib/IIa clinical trial, a combination study of IMM0306 and lenalidomide for R/R CD20-positive B-NHL in June 2023. A total of 8 patients were enrolled in this Phase Ib dose escalation trial at two dose levels (1.6 mg/kg and 2 mg/kg). According to our clinical data as of January 5, 2024, IMM0306 at the dose of 1.6 mg/kg in combination with lenalidomide at 20 mg/day was well-tolerated and demonstrated robust preliminary antitumor activity in patients with R/R FL and MZL. Among seven efficacy-evaluable patients in the ongoing Phase Ib trial, 1 CR (FL), 4 PR (2 FL, 2 MZL), and 1 SD were observed. The ORR and DCR were 71.4% and 85.7%, respectively. The following diagrams illustrate the interim efficacy data of the combination of IMM0306 and lenalidomide:

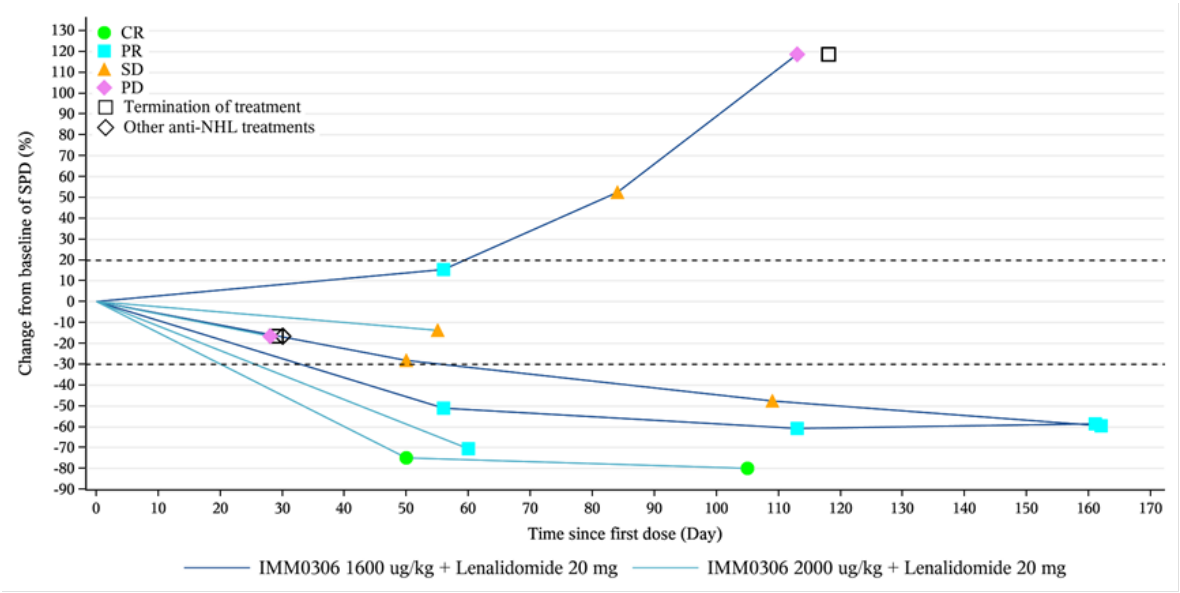
Duration of Treatment and Best Response



Best Percentage Change from Baseline in Target Lesion



Change in Target Lesion Tumor Size



- Potential Therapy for Treating Autoimmune Diseases

  - B-cell depletion observed in IMM0306 clinical studies serves as a strong basis for its treatment of autoimmune diseases. The IND-enabling study is ongoing for IMC-002 (IMM0306) in treating autoimmune indications. We have filed an IND application with the NMPA for autoimmune indications in March 2024.

- *IMM2510 (VEGF×PD-L1)*

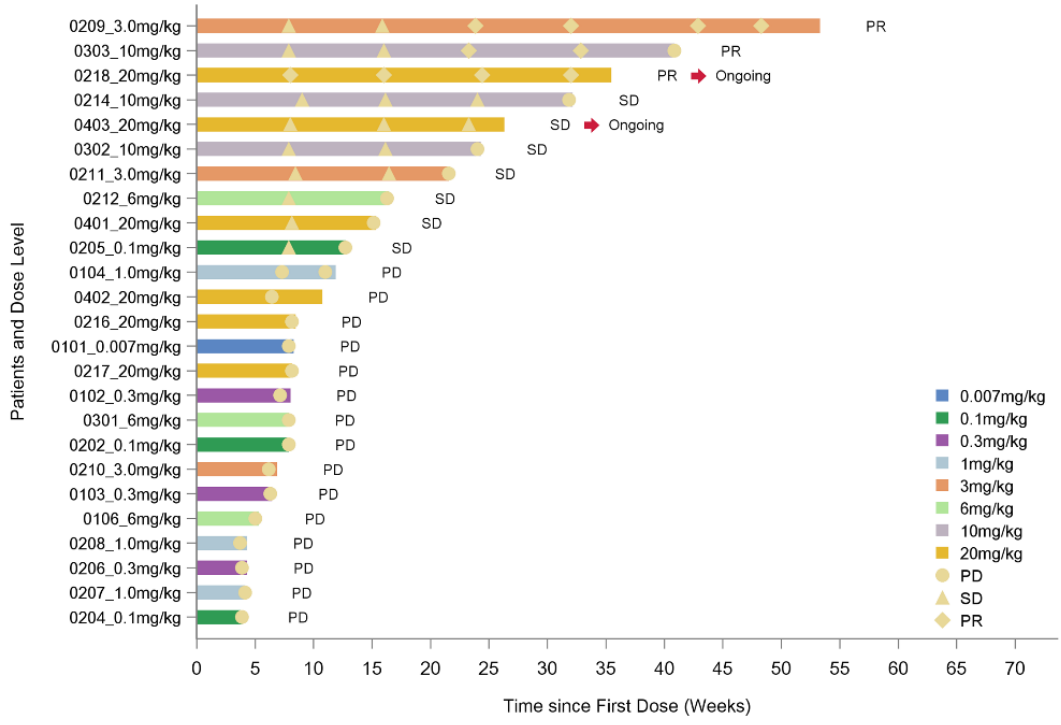
➢ IMM2510 is a bispecific molecule with the mAb-Trap structure that targets VEGF and PD-L1 for the treatment of solid tumors. By targeting VEGF and PD-L1, IMM2510 is able to activate T-cell tumor killing activities and simultaneously inhibit tumor angiogenesis and tumor growth. Moreover, IMM2510 can also activate NK cells and macrophages through Fc-mediated ADCC/ADCP activities.

- Monotherapy

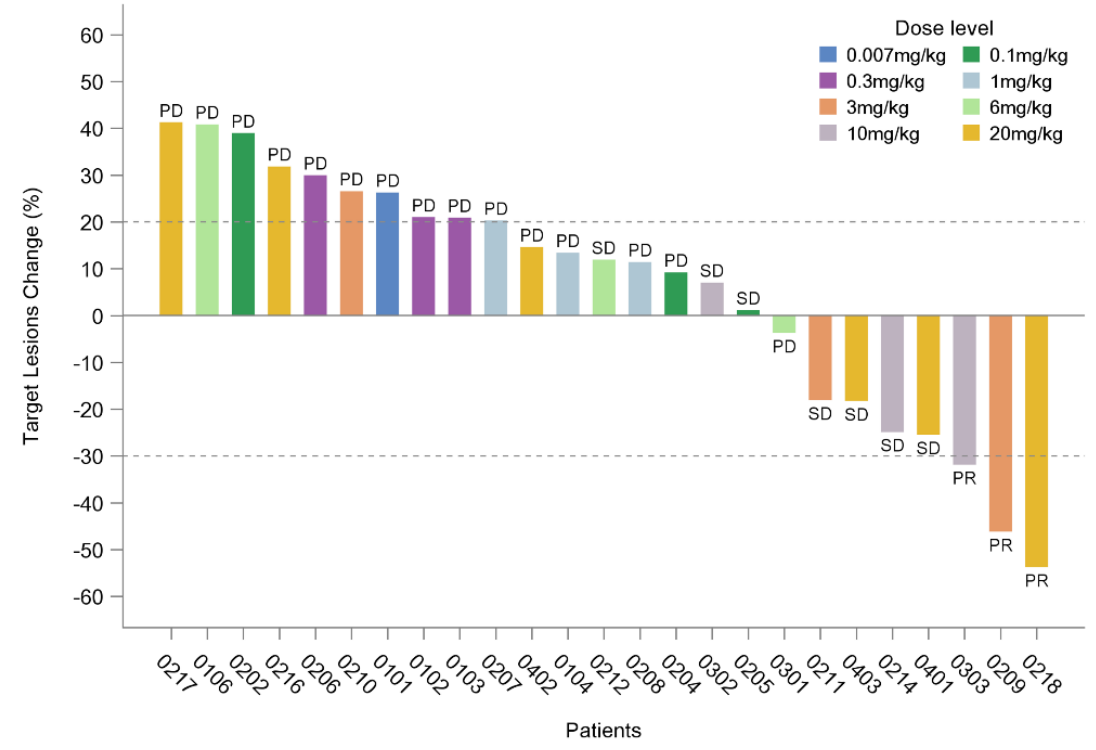
  - We have completed the enrollment of patients for the Phase I dose-escalation study of IMM2510 in September 2023. Total 33 patients with advanced/metastatic solid tumors were enrolled and dosed. There was no DLT observed. The RP2D was determined to be 20 mg/kg administered Q2W. The clinical data as of December 31, 2023 from the Phase I trial of IMM2510 has demonstrated tolerable safety and promising antitumor activity particularly for treatments of R/R NSCLC and thymus adeno-squamous carcinoma. As of

December 31, 2023, we have observed three patients had confirmed PR: one patient with sq-NSCLC (onco-driver gene negative, previous immuno-oncology treatment failure) at 3 mg/kg with tumor shrinkage 46% and still on the treatment with treatment duration over 20 months; one patient with sq-NSCLC at 10 mg/kg with tumor shrinkage about 32% along with treatment duration 9.4 months; one patient with thymus adeno-squamous carcinoma (PD-L1 CPS 80) at 20 mg/kg with tumor shrinkage over 53% and still remains on the treatment along with treatment duration 8.1 months. We observed seven patients with SD and four of them had over 15% tumor shrinkage (one cervical cancer patient with tumor shrinkage 17.9% at 3 mg/kg, two non-sq NSCLC patient with tumor shrinkage 24.8% and 18.1% at 10 and 20 mg/kg respectively, one ovarian cancer patient with tumor shrinkage 25.3% at 20 mg/kg). The following diagrams illustrate the interim efficacy data of IMM2510 monotherapy:

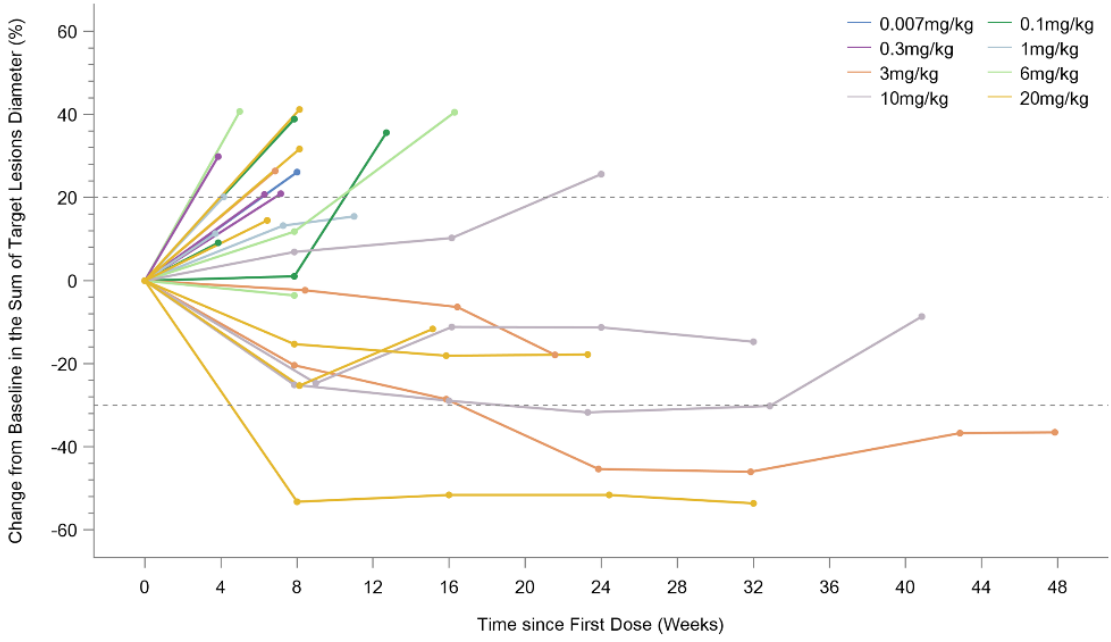
Duration of Treatment and Best Response



Best Change from Baseline in the Sum of Target Lesions



Change from Baseline in the Sum of Target Lesions



- We have dosed the first patient in the Phase II clinical trial of IMM2510 in China for the treatment of R/R STS in November 2023.

- Combination Therapy with IMM27M

  - We have received an IND approval from the NMPA for a Phase I clinical trial of IMM2510 in combination with IMM27M for advanced solid tumors in October 2023. We expect to initiate this trial in the second quarter of 2024.

- Combination Therapy with Chemotherapy

  - We have received IND approval from the NMPA for a Phase II clinical trial of IMM2510 in combination with chemotherapy for the first-line treatments of NSCLC or TNBC in November 2023. We expect to initiate this trial in the second quarter of 2024.

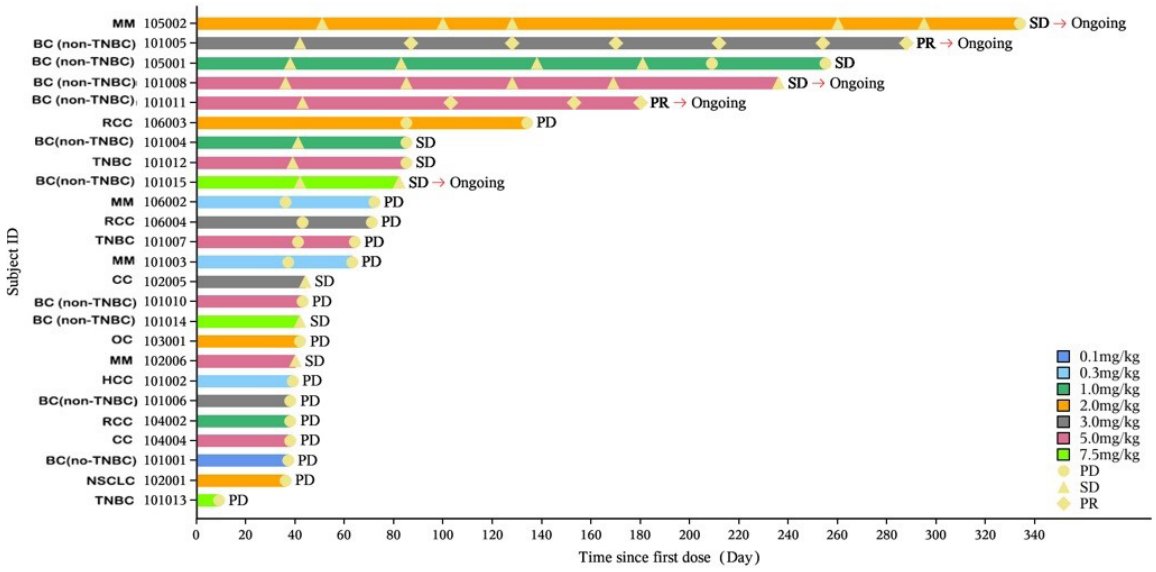
- *IMM27M (CTLA-4 ADCC-enhanced mAb)*

  - IMM27M is a new generation CTLA-4 antibody with enhanced ADCC activity through genetic engineering modification. As a protein receptor that can be found on the activated T cells, CTLA-4 can downregulate immune responses by binding to CD80/CD86, its natural ligands found on the surface of antigen presenting cells, delivering inhibitory signal and thus suppressing T-cell immune function. CTLA-4 antibodies can block the interaction between CTLA-4 and CD80/CD86, and thus enhance immune responses of T cells to tumor antigens.

  - We have completed the enrollment of patients for the Phase I dose-escalation study of IMM27M, and the preliminary data has demonstrated that IMM27M is safe and well tolerated up to 7.5 mg/kg. There was no DLT observed. The RP2D was determined to be 5 mg/kg administered Q3W. In the Phase I dose-escalation study, we have observed 2 confirmed PRs, among whom one patient with hormone receptor (HR) positive breast carcinoma (BC) who had six lines of prior treatment has achieved tumor shrinkage of 62.5% at 3 mg/kg and response durable for about 9 months by December 31, 2023, and another patient with HR positive BC who had four lines of prior treatment has achieved tumor shrinkage of 41.0% at 5 mg/kg and response durable for over 4 months by December 31, 2023. We have observed 3 SDs with tumor shrinkage, among whom one metastatic melanoma has achieved tumor shrinkage of 22.9% at 2 mg/kg and two HR positive BCs have achieved tumor shrinkage of 18.5% at 7.5 mg/kg and

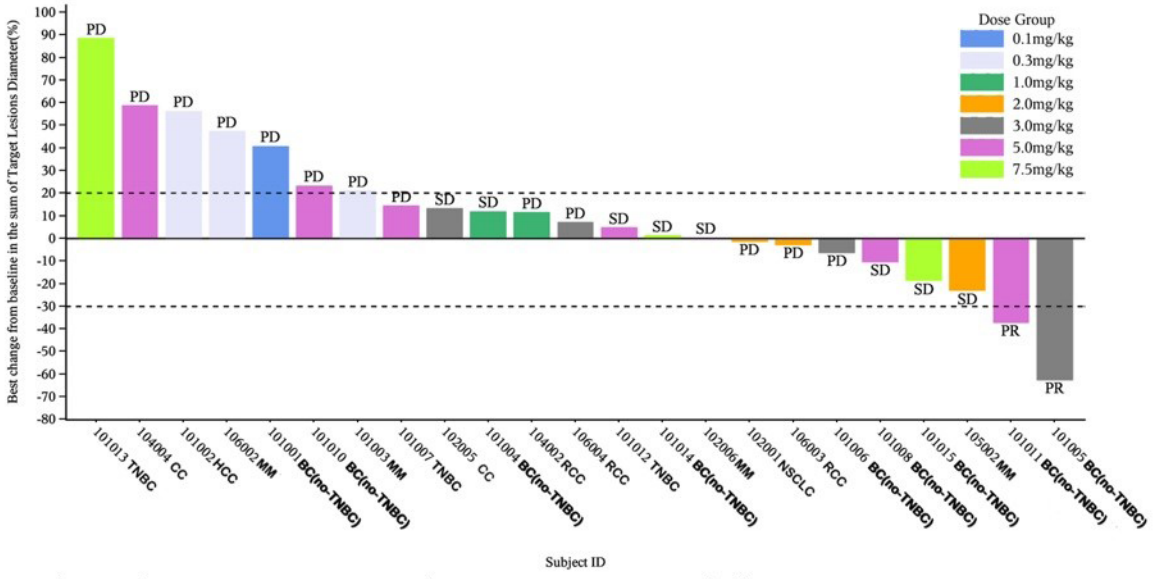
10.3% at 5 mg/kg, respectively. The following diagrams illustrate the interim efficacy data of the IMM27M:

Duration of Treatment and Best Response



MM: Malignant Melanoma; BC: Breast Cancer; TNBC: Triple Negative Breast Cancer; RCC: Renal Cell Carcinoma;
CC: Cervical Cancer; OC: Ovarian Cancer; HCC: Hepatocellular Carcinoma; NSCLC: Non Small Cell Lung Cancer

Best Change from Baseline in the Sum of Target Lesions



MM: Malignant Melanoma; BC: Breast Cancer; TNBC: Triple Negative Breast Cancer; RCC: Renal Cell Carcinoma;
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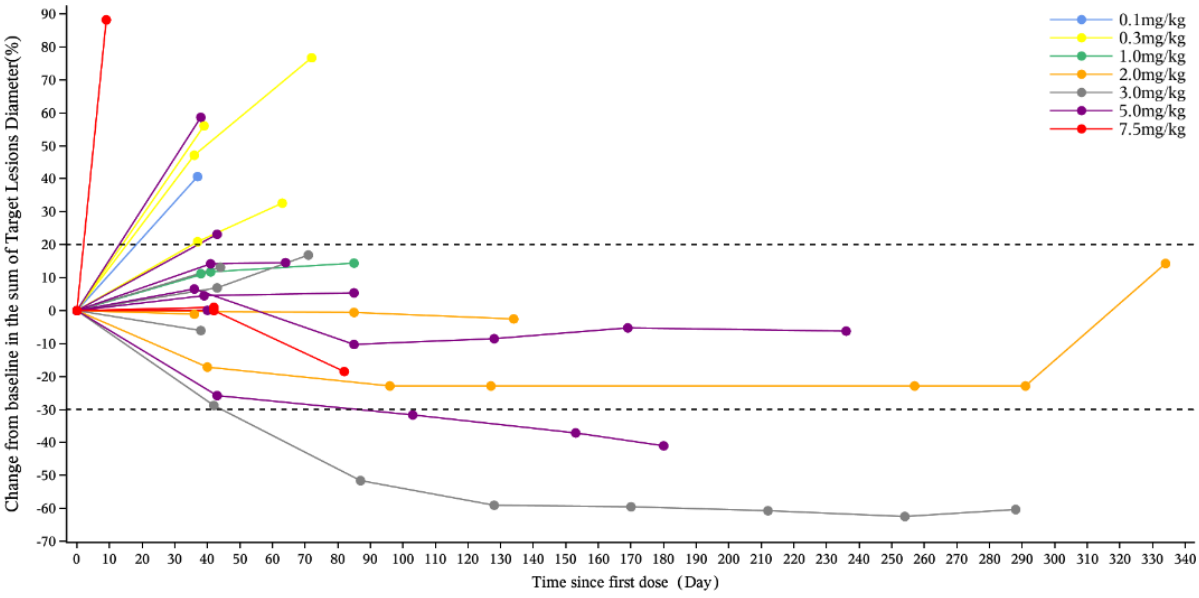
Change from Baseline in the Sum of Target Lesions



- *IMM2520 (CD47×PD-L1)*

  - IMM2520 is a CD47 and PD-L1 dual-targeting bispecific molecule for the treatment of solid tumors. IMM2520 consists of a PD-L1 antibody with an engineered ADCC-enhanced IgG1 Fc region, linked to the same CD47-binding domain used in IMM01 at the N-terminus of heavy chains. This unique structure allows our CD47-based bispecific molecules to avoid RBC binding, thus enabling the adoption of an ADCC-enhanced IgG1 Fc fragment to fully activate macrophages and induce enhanced ADCP and ADCC activity, resulting in potent integrated antitumor immune responses.

  - We have dosed the first patient at 0.1 mg/kg dose level on March 23, 2023 in the Phase I study of IMM2520 targeting solid tumor indications, with a particular focus on those solid tumors generally resistant or not sensitive to the currently available immunotherapies, such as CRC, GC, lung cancer and HNSCC. By the end of 2023, 12 patients in total have been enrolled and dosed. Preliminary data has demonstrated that IMM2520 is safe and well tolerated up to 2.0 mg/kg. There was no dose limiting toxicity (DLT) observed yet. The dose escalation is still ongoing. As of December 31, 2023, we have observed 3 SDs with over 10% tumor shrinkage in 10 evaluable patients, among whom one patient with cervical cancer who failed the first line of treatment has achieved tumor shrinkage 21.1% at initial 0.1 mg/kg dose level, and one patient with SCLC who had two lines of prior treatment including anti-PD-1 therapy has achieved tumor shrinkage of 19.0% at 2.0 mg/kg by the end of 2023 and the tumor shrinkage further increased to 26.3% in January 2024, and one patient with colorectal cancer who had more than four lines of therapy previously has achieved tumor shrinkage of 11.4% at 2.0

mg/kg. We expect to complete this trial in 2024. With further clinical validation from the Phase I trial in China, the Company will carefully decide whether to proceed with a clinical trial or explore potential collaboration opportunities in the U.S.

- *IMM2902 (CD47×HER2)*

  - IMM2902 is an innovative bispecific molecule targeting CD47 and HER2 simultaneously. With its unique structural design with the engineered CD47-binding fragment connected to the N-terminus of light chains, our IMM2902 shows no RBC binding in vitro, and is able to adopt an ADCC-enhanced IgG1 Fc fragment capable of inducing full macrophage activation, enhanced ADCP and ADCC activity, and potent antitumor immune responses.

  - We have initiated a Phase Ia/Ib trial for IMM2902 in advanced HER2-positive and HER2-low expressing solid tumors in China in February 2022. Dose escalation is on-going for the 7th cohort at 4.0mg/kg (step-up dose regimen). We expect to complete dose escalation by the end of 2024.

  - We have also initiated the clinical trial for advanced HER2-positive and HER2-low expressing solid tumors in the U.S. with the first patient dosed in June 2022. Dose escalation is still on-going. Moreover, we have received Fast Track Designation from the FDA for breast cancer in July 2022.

- *IMM47 (CD24 mAb)*

  - IMM47 is a CD24-targeted humanized antibody we internally screened and developed with global first-in-class potential for the treatment of solid tumors. CD24 is widely expressed in numerous types of solid tumors, including BC, NSCLC, CRC, HCC, RCC and OC, and has been recognized as an important marker for poor prognosis of those cancers, presenting a huge market potential in a broad-spectrum application. With a high affinity for CD24, IMM47 is able to suppress the CD24/Siglec-10 inhibitory signals sent to macrophages, NK cells and T cells. With its ADCC-enhanced IgG1 Fc, IMM47 can potently activate macrophage and NK cell-immune responses through ADCP and ADCC. It has also been shown to significantly increase the amount of M1 macrophages in tumor tissues in our in vivo proof-of-concept studies. IMM47 can also activate and promote T-cell response likely through tumor antigen presentation by activated macrophages to T cells and direct blockade of CD24/Siglec-10 inhibitory signals. We have obtained an IND approval for IMM47 for the treatment of advanced malignant tumors from the NMPA and advanced solid tumors and R/R B-NHL from FDA in October and December 2023, respectively.

- We have dosed the first patient for the Phase I clinical trial of IMM47 in Australia in September 2023.

During the past year, we have also expanded our early research and development efforts into non-oncology therapeutic areas, and achieved significant progress, including:

- *IMM72 (ACTRIIA fusion protein)*

  - IMM72 is a new generation ACTRIIA fusion protein through genetic engineering modification with better activity and quality attributes than sotatercept. We have completed the pilot efficacy study in rat mode for PAH. We have observed preliminary efficacy of skeletal muscle increasement in mice. We have completed cell line development, and have developed upstream and downstream process in 3L bioreactor. We expect to apply for IND in 2024.

- *IMM7211 (ACTRIIA×non-disclosed target bispecific molecule)*

  - IMM7211 is a bispecific antibody targeting ACTRIIA and a non-disclosed target, which can be used for the treatment of patients with osteoporosis. We have completed the screening and proof of concept study of candidates. Cell line development is in progress.

- *IMM67 (recombinant human hyaluronidase)*

  - IMM67 is a recombinant human hyaluronidase engineered and expressed by mammalian cells. Our IMM67 can locally degrade hyaluronan in the subcutaneous space and remove the barrier to fluid flow temporarily, and thus overcome volume limitation to subcutaneous injection. We have completed the development of IMM67 as a pharmaceutical excipient in small-scale bioreactors. Pilot manufacturing is currently in progress, with registration filing to the NMPA anticipated by the end of 2024.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that IMM0306, IMM2520, IMM2510, IMM27M, IMM2902, IMM47, IMM72, IMM7211 and IMM67 will ultimately be successfully developed and marketed by our Company.

Future and Outlook

Looking forward to 2024, we will continue to advance the development of our drug candidates to unleash their therapeutic potential and address substantial unmet medical needs. We will follow a stepwise clinical development strategy to evaluate our drug candidates and expand their clinical application. In addition, we plan to expand our overseas footprint and develop immuno-oncology therapies to fully grasp tremendous market opportunities. We expect to rapidly advance clinical studies in China, and may subsequently utilize the China data to accelerate the clinical progress in other markets in order to save the time and costs of clinical development globally. Also, we will continue to single out and evaluate other innate immune checkpoints and enrich our pipeline with novel therapies.

Cautionary Statement under Rule 18A.08(3) of the Listing Rules: Our Company cannot guarantee that it will be able to successfully develop or ultimately market our Core Product.

FINANCIAL REVIEW

Revenue

	Year ended December 31,	
	2023	2022
	RMB'000	*RMB'000*
Revenue from sales of cell strain and other products	**367**	499
Revenue from testing services	**19**	39
Total	**386**	538

For the years ended December 31, 2023 and 2022, our Group recorded revenue of RMB0.4 million and RMB0.5 million, respectively. Our revenue was generated from sales of cell strain and other products, and provision of testing services. Our revenue generated from sales of cell strain and other products mainly represents the income from selling cell lines and growth medium developed by us. Our revenue generated from testing services mainly represents the income from providing testing assays through fee-for-service contracts.

Other Income

	Year ended December 31,	
	2023	2022
	RMB'000	*RMB'000*
Government grants	**7,309**	5,152
Bank interest income	**10,799**	9,505
Others	**137**	—
Total	**18,245**	14,657

Our other income increased from RMB14.7 million for the year ended December 31, 2022 to RMB18.2 million during the year ended December 31, 2023, primarily attributable to an increase in government grants of RMB2.2 million and an increase of bank interest income of RMB1.3 million.

Other Gains and Losses, Net

	Year ended December 31,	
	2023	2022
	RMB'000	*RMB'000*
Gains from changes in fair value of financial assets at FVTPL	**1,761**	—
Net foreign exchange gains	**96**	26,106
Loss from changes in fair value of financial liabilities at FVTPL	**—**	(55,510)
Others	**(79)**	(32)
Total	**1,778**	(29,436)

Our other gains and losses, net changed from losses of RMB29.4 million for the year ended December 31, 2022 to gains of RMB1.8 million for the year ended December 31, 2023, which was mainly attributable to (i) a decrease of RMB55.5 million in loss from changes in fair value of financial liabilities at FVTPL, due to the fact that we no longer recorded any financial liabilities at FVTPL since January 31, 2022, and our investors' preferred rights, including liquidation preferences, redemption rights and anti-dilution rights, were terminated on the same day, and (ii) a decrease of RMB26.0 million in net foreign exchange gains, in connection with fluctuations in the RMB-USD exchange rate; partially offset by an increase of RMB1.8 million in gains from changes in fair value of financial assets at FVTPL, mainly due to the gains from our wealth management products.

Research and Development Expenses

	Year ended December 31,	
	2023	2022
	RMB'000	*RMB'000*
Preclinical and CMC expenses	**42,883**	56,628
Clinical trial expenses	**120,584**	95,667
Salaries and related benefit costs	**61,629**	49,417
Costs of materials and consumables	**12,304**	15,005
Share-based payments	**31,160**	40,740
Depreciation expenses	**13,950**	12,163
Others	**9,434**	7,726
Total	**291,944**	277,346

Our research and development expenses consisted of (i) preclinical and CMC expenses, mostly resulting from the engagement of CROs, CDMOs and other service providers to conduct preclinical studies and CMC on our behalf; (ii) clinical trial expenses for our drug candidates, including expenses with respect to the engagement of clinical trial sites and principal investigators, as well as other expenses incurred in connection with our clinical trials; (iii) salaries and related benefit costs (exclusive of non-cash share-based payments) for our research and development activities; (iv) costs of materials and consumables, primarily representing expenses for procuring materials and consumables used to support our preclinical studies and clinical trials; (v) non-cash share-based payments for our research and development functions; (vi) depreciation expenses, mainly including depreciation expenses for right-of-use assets, property and equipment used for research and development purposes; and (vii) others, including utilities, travelling and transportation expenses and other miscellaneous expenses.

Our research and development expenses increased by 5.3% from RMB277.3 million for the year ended December 31, 2022 to RMB291.9 million for the year ended December 31, 2023, primarily due to (i) an increase of RMB24.9 million in clinical trial expenses due to the advancement of our clinical drug candidates; and (ii) an increase of RMB12.2 million in salaries and related benefit costs due to the continuous expansion of our clinical team throughout 2022, in line with our continuous research and development efforts in advancing and expanding our pipeline of drugs; partially offset by a decrease of RMB13.7 million in preclinical and CMC expenses due to (i) the decrease in testing expenses for certain preclinical drug assets in preparation for IND application filings; and (ii) a decrease of RMB9.6 million in share-based payments, resulting from a decrease in the number of restricted shares vested for the year ended December 31, 2023.

Administrative Expenses

Our administrative expenses decreased by 13.3% from RMB92.8 million for the year ended December 31, 2022 to RMB80.4 million for the year ended December 31, 2023, which was mainly caused by the decrease of non-cash share-based payments, resulting from a decrease in the number of restricted shares vested for the year ended December 31, 2023.

Listing Expenses

Listing expenses represent expenses incurred for the Global Offering. We recorded listing expenses of RMB26.0 million for the Reporting Period.

Finance Costs

Our finance costs increased from RMB0.8 million for the year ended December 31, 2022 to RMB1.5 million for the year ended December 31, 2023, primarily due to an increase in interest on borrowings.

Income Tax Expense

We recognized no income tax expenses for the years ended December 31, 2022 and 2023.

Loss for the Year

Based on the factors described above, the Group's loss decreased from RMB402.9 million for the year ended December 31, 2022 to RMB379.5 million for the year ended December 31, 2023.

Non-IFRS Measure

To supplement our consolidated statements of profit or loss and other comprehensive expenses which are presented in accordance with IFRSs, we also use adjusted net loss as a non-IFRS measure, which is not required by, or presented in accordance with, IFRSs. We believe that the presentation of the non-IFRS measure when shown in conjunction with the corresponding IFRS measures provides useful information to management and investors in facilitating a comparison of our operating performance from year to year. In particular, the non-IFRS measure eliminates impact of certain expenses/(gains), including loss/(gain) from changes in fair value of financial liabilities at FVTPL (which ceased to be recorded since January 31, 2022), share-based payments and listing expenses. Such non-IFRS measure allows investors to consider metrics used by our management in evaluating our performance.

The use of the non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for, or superior to, analysis of our results of operations or financial condition as reported under IFRSs. In addition, the non-IFRS financial measure may be defined differently from similar terms used by other companies and therefore may not be comparable to similar measures presented by other companies.

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

	Year ended December 31,	
	2023	2022
	RMB'000	*RMB'000*
Loss for the year	**(379,459)**	(402,894)
Added:		
Loss from changes in fair value of financial liabilities at FVTPL	**—**	55,510
Share-based payment expenses	**71,642**	103,829
Listing expenses	**25,976**	17,724
Adjusted loss for the year	**(281,841)**	(225,831)

Material Acquisitions and Disposals

During the year ended December 31, 2023, our Group did not have any material acquisitions or disposals of subsidiaries, associates, and joint ventures.

Capital Structure, Liquidity and Financial Resources

As of December 31, 2023, our cash and cash equivalents, which were primarily denominated in USD, HKD and RMB, term deposits and financial assets at fair value through profit or loss were RMB608.6 million aggregately, as compared to RMB635.2 million as of December 31, 2022. The decrease was primarily attributed to (i) cash outflows used in our daily business operation and our research and development activities during the Reporting Period, and (ii) our subscription of financial assets at fair value through profit or loss, partially offset by the cash inflows from the proceeds from the Global Offering.

As of December 31, 2023, our current assets were RMB686.7 million, including cash and cash equivalents of RMB307.0 million, term deposits of RMB42.5 million, financial assets at fair value through profit or loss of RMB259.1 million, and prepayments and other receivables of RMB78.1 million. As of December 31, 2023, our current liabilities were RMB115.9 million, including trade and other payables of RMB51.5 million, lease liabilities of RMB4.4 million and bank borrowings of RMB60.0 million.

During the year ended December 31, 2023, net cash used in operating activities of our Group amounted to RMB367.6 million, representing an increase of RMB128.9 million compared to RMB238.7 million during the year ended December 31, 2022. The increase was mainly due to our business expansion as well as the progress advancement of our clinical trials.

During the year ended December 31, 2023, our net cash used in investing activities increased to RMB294.8 million, compared to the net cash flows generated from investing activities of RMB49,000 for the year ended December 31, 2022. This change was mainly due to our purchase of financial assets at FVTPL, partially offset by the withdrawal of financial assets at FVTPL.

During the year ended December 31, 2023, net cash generated from financing activities of our Group increased by RMB151.6 million to RMB331.0 million from RMB179.4 million during the year ended December 31, 2022. The increase was mainly due to proceeds from the Global Offering and cash from unsecured bank borrowings, partially offset by issue costs paid.

As at December 31, 2023, the Group had available unutilized bank loan facilities of approximately RMB80.0 million.

As part of our treasury management, we invested in certain term deposits, wealth management products and structured deposits to better utilize excess cash when our cash sufficiently covered our ordinary course of business. We have implemented a series of internal control policies and rules setting forth overall principles as well as detailed approval process for our treasury management activities. Going forward, we believe our liquidity requirements will be satisfied by a combination of net proceeds from the Global Offering, funds received from potential collaboration arrangements and cash generated from our operations after the commercialization of our drug candidates.

Gearing Ratio

The gearing ratio (calculated by total liabilities divided by total assets) of the Group as of December 31, 2023 was 14.4%, representing an increase of 7.2% from the gearing ratio of 7.2% as at December 31, 2022, primarily due to an increase in our total liabilities, mainly resulting from an increase of RMB60.0 million in our bank borrowings.

Indebtedness

As of December 31, 2023, we had unsecured bank borrowings of RMB60.0 million, which were primarily denominated in RMB and with original maturity of within one year, as compared to nil as of December 31, 2022. The interest rate of our bank borrowings ranged from 3.0% to 3.4% as of December 31, 2023.

Our lease liabilities stayed relatively stable at RMB14.6 million as of December 31, 2022 and RMB14.8 million as of December 31, 2023.

Capital Commitments

As of December 31, 2023, we had capital commitments contracted, but not yet provided, of RMB6.0 million. As of December 31, 2022, our Group had capital commitments contracted, but not yet provided, of RMB5.7 million. Such capital commitments reflected capital expenditure we contracted for but not provided in the consolidated financial statements in respect of acquisition of property and equipment.

Contingent Liabilities

As of December 31, 2023, our Group did not have any contingent liabilities.

Pledge of Assets

There was no pledge of our Group's assets as of December 31, 2023.

Foreign Exchange Exposure

Certain financial assets and liabilities of the Group are denominated in foreign currency of respective Group entities which are exposed to foreign currency risk. We currently do not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Employees and Remuneration Policies

As at December 31, 2023, our Group had 145 employees in total. The total remuneration costs amounted to RMB155.7 million for the year ended December 31, 2023, as compared to RMB173.1 million for the year ended December 31, 2022. The decrease in total remuneration was mainly due to the decrease in non-cash share-based payments, resulting from a decrease in the number of restricted shares vested for the year ended December 31, 2023.

In order to maintain the quality, knowledge and skill levels of our workforce, our Group provides continuing education and training programs, including internal and external training, for our employees to improve their technical, professional or management skills. Our Group also provides training programs to our employees from time to time to ensure their awareness and compliance with our policies and procedures in various aspects.

We provide various incentives and benefits for our employees. We offer competitive salaries, bonuses and share-based compensation to our employees, especially key employees. We have 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 our employees in accordance with applicable laws. In recognition of the contributions of our employees and to incentivize them to further promote our development, the Company approved and adopted the employee incentive plans on January 31, 2021 and December 20, 2021, respectively. Please refer to the paragraph headed "Appendix IV — Statutory and General Information — C. Further Information about Directors, Supervisors, Management and Substantial Shareholders — 4. Employee Incentive Plans" to the Prospectus for further details.

Significant Investments Held

During the Reporting Period, we subscribed for four redeemable wealth management products of structured notes (the "**Wealth Management Products**") using our internal surplus cash reserves from four different reputable institutions, including GF Securities (Hong Kong) Brokerage Limited (廣發証券(香港)經紀有限公司), Shenwan Hongyuan Securities (H.K.) Limited (申萬宏源證券(香港)有限公司), China Securities (International) Asset Management Company Limited (中信建投(國際)資產管理有限公司) and Huatai Financial Holdings (Hong Kong) Limited (華泰金融控股(香港)有限公司), with effective date of subscription of September 18, 2023, September 15, 2023, September 20, 2023 and November 10, 2023, respectively, which recorded a gain on changes in fair value for the Reporting Period of RMB1,329,000, RMB462,000, RMB554,000 and RMB175,000, respectively. Each of the Wealth Management Products has a term for one year, and carries an expected annualized rate of return of 1.5%-4.5%. Such Wealth Management Products had the fair value as of December 31, 2023 of RMB123,044,000, RMB45,769,000, RMB45,150,000 and RMB45,122,000, respectively, each of which accounts for 5% or more of the Group's total assets as of December 31, 2023. For further details of the wealth management product from GF Securities (Hong Kong) Brokerage Limited, please refer to the Company's announcement dated September 13, 2023.

We believe that appropriate wealth management with low risk exposure is conducive to enhancing the utilization of capital and increasing income from idle funds of the Group, and that diversified, readily redeemable investments in cash management products are conducive to enhancing the safety and flexibility of our cash management.

Saved as disclosed above, the Group did not hold any significant investments during the Reporting Period.

CORPORATE GOVERNANCE

Compliance with the Corporate Governance Code

The Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of the Shareholders and to enhancing corporate value and accountability. The Board is of the view that the Company has complied with all applicable code provisions of the Corporate Governance Code during the period from the Listing Date to December 31, 2023, except for a deviation from the code provision C.2.1 of the Corporate Governance Code.

Under the code provision C.2.1 of the Corporate Governance Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Under the current organization structure of the Company, Dr. Tian Wenzhi (田文志) ("**Dr. Tian**") is the chairman and the chief executive officer of the Company. The Board believes that, in view of his experience, personal profile and his roles in our Company, Dr. Tian is the Director best suited to identify strategic opportunities and focus of the Board due to his extensive understanding of our business as our chief executive officer. The Board also believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of (i) ensuring consistent leadership within the Group, (ii) enabling more effective and efficient overall strategic planning and execution of strategic initiatives of the Board, and (iii) facilitating the flow of information between the management and the Board for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable our Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company at a time when it is appropriate by taking into account the circumstances of the Group as a whole.

The Company will continue to review and enhance its corporate governance practices to ensure compliance with the Corporate Governance Code.

Compliance with the Model Code

The Company has adopted a code of conduct regarding the Directors', the Supervisors' and employees' securities transactions on terms no less exacting than the required standards set out in the Model Code.

Having made specific enquiries with all Directors and Supervisors, each of them has confirmed that he/she has complied with our Company's code of conduct regarding the Directors', the Supervisors' and employees' securities transactions during the period from the Listing Date to December 31, 2023. No incident of non-compliance of the Model Code by the employees who are likely to be in possession of inside information of the Company was noted by the Company during the period from the Listing Date to December 31, 2023.

USE OF PROCEEDS

The Company issued 17,147,200 H Shares at HK$18.60, which were listed on the Main Board of the Stock Exchange on the Listing Date, and issued 917,800 H Shares at HK$18.60 upon the partial exercise of the Over-allotment Option, which were listed on the Main Board of the Stock Exchange on October 4, 2023. We received net proceeds (after deduction of underwriting commissions and related costs and expenses) from the Global Offering (following partial exercise of the Over-allotment Option) of approximately HK$251.3 million. The following table sets forth the planned use of the net proceeds and the actual use as at December 31, 2023:

Proposed use		**Percentage of total net proceeds**	**Allocation of net proceeds** *(HK$ million)*	**Utilized amount during the year ended December 31, 2023** *(HK$ million)*	**Unutilized amount as of December 31, 2023** *(HK$ million)*
(a)	To fund our Core Product, IMM01	40.0%	100.5	22.8	77.7
	• For funding an ongoing Phase II trial and planned pivotal clinical trials for the combination therapy of IMM01 and azacitidine for the first-line treatment of MDS/AML, and CMML in China, the preparation of relevant registration filings and other regulatory matters.	20.0%	50.3	11.1	39.2
	• For funding ongoing and planned clinical trials of the combination therapy of IMM01 and tislelizumab in China, the preparation of relevant registration filings and other regulatory matters.	17.0%	42.7	11.7	31.0
	• For funding the launch and commercialization of IMM01 in combination therapies.	3.0%	7.5	0.0	7.5

Proposed use		Percentage of total net proceeds	Allocation of net proceeds *(HK$ million)*	Utilized amount during the year ended December 31, 2023 *(HK$ million)*	Unutilized amount as of December 31, 2023 *(HK$ million)*
(b)	To fund our Key Products, IMM0306, IMM2902 and IMM2520	28.0%	70.4	21.6	48.8
	• For ongoing and planned clinical trials of IMM0306 for the treatment of R/R B-NHL in China, the preparation of relevant registration filings, other regulatory matters, and planned commercial launch in China.	15.0%	37.7	8.2	29.5
	• For the ongoing clinical trials of IMM2902 for the treatment of advanced HER2-positive and HER2-low expressing solid tumors, such as BC, GC, NSCLC and BTC in China and the U.S.	8.0%	20.1	12.0	8.1
	• For planned clinical trials of IMM2520 in China for the treatment of solid tumors, particularly those resistant or not sensitive to the currently available immunotherapies, such as CRC, GC and lung cancer, among others.	5.0%	12.6	1.4	11.2
(c)	For the planned clinical trial of IMM47.	10.0%	25.1	7.6	17.5
(d)	For the ongoing clinical trials of IMM2510 and IMM27M.	5.0%	12.6	7.4	5.2
(e)	For construction of our new manufacturing facility in Zhangjiang Science City, Shanghai.	7.0%	17.5	0.0	17.5

Proposed use		Percentage of total net proceeds	Allocation of net proceeds *(HK$ million)*	Utilized amount during the year ended December 31, 2023 *(HK$ million)*	Unutilized amount as of December 31, 2023 *(HK$ million)*
(f)	For our continuous preclinical research and development of multiple preclinical- and discovery-stage assets, including without limitation IMM4701, IMM51, IMM38, IMM2547, IMM50 and IMM62, as well as CMC to support the clinical trials including pivotal trials for various assets.	5.0%	12.6	0.0	12.6
(g)	For working capital and general corporate purposes.	5.0%	12.6	0.0	12.6
Total		100.0%	251.3	59.4	191.9

Up to December 31, 2023, HK$59.4 million of proceeds have been utilized. The Company intends to use the net proceeds in the manner consistent with that mentioned in the section head "Future Plans and Use of Proceeds" in the Prospectus. The Company plans to utilize the balance of the net proceeds of the Global Offering by the end of 2025. The completion time of using such proceeds will be determined based on the Company's actual business needs and future business development.

AUDIT COMMITTEE

The Audit Committee of the Company has three members, comprising one non-executive Director and two independent non-executive Directors, namely Mr. Yeung Chi Tat (楊志達) (chairman), Dr. Xu Cong (徐聰) and Dr. Zhenping Zhu.

The Audit Committee has considered and reviewed the accounting principles and practices adopted by the Group and has discussed matters in relation to internal controls, risk management and financial reporting with the management of the Company. The Audit Committee reviewed and considered that the annual financial results for the year ended December 31, 2023 are in compliance with the relevant accounting standards, rules and regulations, and appropriate disclosures have been duly made.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended December 31, 2023 as set out in this announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board on March 25, 2024. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the announcement.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

Resignation of Executive Director, Chief Financial Officer and Authorized Representative

With effect from March 2, 2024, Ms. Song Ziyi (宋子一) ("**Ms. Song**") has tendered her resignation as an executive Director and the chief financial officer of the Company, in order to devote more time to her other business commitments. Following the resignation of Ms. Song, she has also ceased to be an authorized representative ("**Authorized Representative**") of the Company under Rule 3.05 of the Listing Rules.

Appointment of Authorized Representative

Dr. Tian, the chairman of the Board, the chief executive officer, the chief scientific officer and an executive Director of the Company, has been appointed as an Authorized Representative with effect from March 2, 2024 to fill the vacancy following Ms. Song's cessation to act in the same capacity as mentioned above.

Proposed Appointment of Executive Director

After taking into consideration the recommendation from the nomination committee of the Board, the Board resolved to nominate Ms. Guan Mei (關梅) ("**Ms. Guan**") as an executive Director of the Company for a term commencing from the date of the approval of the appointment of Ms. Guan at the upcoming annual general meeting of the Company (the "**AGM**") and ending on the expiry of the term of the first session of the Board, provided that her term of office will not exceed three years. The proposed appointment of Ms. Guan is subject to the approval by the Shareholders at the AGM by way of ordinary resolution. Upon approval by the Shareholders of the appointment of Ms. Guan as an executive Director at the AGM, the composition of the Board will satisfy the requirement under Rule 13.92 of the Listing Rules regarding gender diversity of the Board.

For further details of the abovementioned events, please refer to the Company's announcement dated March 1, 2024.

Save as disclosed in this announcement and as of the date of this announcement, there were no other significant events after the end of the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The H Shares of the Company were first listed on the Stock Exchange on September 5, 2023. During the period from the Listing Date to December 31, 2023, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

FINAL DIVIDEND

The Board has resolved not to recommend a final dividend for the year ended December 31, 2023 (2022: Nil).

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

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

The annual report for the year ended December 31, 2023 of the Company containing all the information required by the Listing Rules will be despatched to the Shareholders of the Company (if necessary) and published on the websites of the Stock Exchange and the Company in due course.

APPRECIATION

On behalf of the Board, I wish to express my sincere gratitude to our Shareholders and business partners for their continued trust and support, and to our employees for their diligence, dedication, loyalty and integrity.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2023

		Year ended December 31,	
		2023	2022
	Notes	***RMB'000***	*RMB'000*
Revenue	*3*	**386**	538
Other income	*5*	**18,245**	14,657
Other gains and losses, net		**1,778**	(29,436)
Research and development expenses		**(291,944)**	(277,346)
Administrative expenses		**(80,424)**	(92,796)
Listing expenses		**(25,976)**	(17,724)
Finance costs		**(1,524)**	(787)
Loss before tax	*6*	**(379,459)**	(402,894)
Income tax expense	*7*	**—**	—
Loss for the year		**(379,459)**	(402,894)
Other comprehensive (expense) income			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**(172)**	61
Total comprehensive expenses for the year		**(379,631)**	(402,833)
Loss per share			
— Basic and diluted *(RMB yuan)*	*8*	**(1.05)**	(1.21)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT DECEMBER 31, 2023

	Notes	As at December 31, 2023 **RMB'000**	2022 RMB'000
Non-current assets			
Property and equipment		**59,157**	69,830
Right-of-use assets		**90,230**	94,062
Other non-current assets		**38,503**	24,215
		187,890	188,107
Current assets			
Trade receivables	*10*	**39**	66
Prepayments and other receivables	*11*	**78,097**	16,593
Financial assets at fair value through profit or loss ("**FVTPL**")		**259,085**	—
Term deposits with original maturity over three months		**42,496**	—
Cash and cash equivalents		**306,983**	635,212
		686,700	651,871
Current liabilities			
Trade and other payables	*12*	**51,530**	46,138
Lease liabilities		**4,398**	5,599
Borrowings		**59,980**	—
		115,908	51,737
Net current assets		**570,792**	600,134
Total assets less current liabilities		**758,682**	788,241
Non-current liabilities			
Lease liabilities		**10,395**	9,020
Net assets		**748,287**	779,221
Capital and reserves			
Share capital		**374,158**	356,093
Reserves		**374,129**	423,128
Total equity		**748,287**	779,221

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

ImmuneOnco Biopharmaceuticals (Shanghai) Inc. (the "**Company**") was incorporated in the People's Republic of China (the "**PRC**") on June 18, 2015 as a limited liability company. On June 14, 2022, the Company was converted to a joint stock company with limited liability under the Company Law of the PRC. The Company's shares were listed on The Main Board of The Stock Exchange of Hong Kong Limited on September 5, 2023 (the "**Listing**"). The respective address of the registered office and the principal place of business of the Company is Unit 15, 1000 Zhangheng Road, China (Shanghai) Pilot Free Trade Zone, Pudong New Area, Shanghai, PRC.

The principal activities of the Company and its subsidiaries (the "**Group**") are the research and development of immuno-oncology therapies.

The consolidated financial statements are presented in Renminbi ("**RMB**"), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

The Group has consistently applied all the new and amendments to IFRSs issued by the International Accounting Standards Board (the "**IASB**"), that are effective for the Group's accounting period beginning on January 1, 2023.

Amendments to IFRSs in issue but not yet effective

The Group has not early applied the following amendments to IFRSs that have been issued but are not yet effective:

Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback[2]
Amendments to IAS 1	Classification of Liabilities as Current or Non-current[2]
Amendments to IAS 1	Non-current Liabilities with Covenants[2]
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements[2]
Amendments to IAS 21	Lack of Exchangeability[3]

1 Effective for annual periods beginning on or after a date to be determined.

2 Effective for annual periods beginning on or after January 1, 2024.

3 Effective for annual periods beginning on or after January 1, 2025.

The directors of the Company anticipate that the application of these amendments to IFRSs will have no material impact on the Group's consolidated financial statements in the foreseeable future.

3. REVENUE

Disaggregation of revenue from contracts with customers:

	Year ended December 31,	
	2023	2022
	RMB'000	*RMB'000*
Types of goods or services		
Sales of cell strain and other products	**367**	499
Testing services	**19**	39
	386	538
Geographical market		
The PRC	**386**	538
Timing of revenue recognition		
At a point in time	**386**	538

Sales of cell strain and other products

Revenue from sales of cell strain and other products is recognised when control of the goods has been transferred, being when the goods have been delivered to the customer's specific location. Transportation and handling activities that occur before customers obtain control are considered as fulfilment activities. A receivable is recognised by the Group when the goods are delivered to the customer. Following delivery, the customer bears the risks of obsolescence and loss in relation to the goods. The normal credit term is 10 to 30 days (2022: 10–30 days) upon delivery.

Testing services

The Group earns revenues by providing testing services to its customers through fee-for-service contracts. Services revenues are recognized at a point of time upon the customer obtains deliverables of the Group's service. The normal credit term is 10–30 days (2022: 10–30 days) upon delivery of testing result and issuance of invoices.

Revenue is recognised for sales which are considered highly probable that a significant reversal in the cumulative revenue recognised will not occur. All sales of goods or services are for a period of one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

4. SEGMENTS INFORMATION

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker ("**CODM**"), which is also identified as the chief executive officer of the Group, in order to allocate resources to segments and to assess their performance.

During the year, the CODM reviews the overall results and financial position of the Group as a whole which are prepared based on the same material accounting policies. Accordingly, the Group has only one single segment and no further analysis of the single segment is presented.

Geographical information

As at December 31, 2023 and 2022, all non-current assets are located in the PRC.

5. OTHER INCOME

	Year ended December 31,	
	2023	2022
	RMB'000	*RMB'000*
Government grants *(Note)*	**7,309**	5,152
Bank interest income	**10,799**	9,505
Others	**137**	—
	18,245	14,657

Note:

The amount represents various subsidies received from the PRC local government authorities as incentives mainly for the Group's research and development activities and financing activities.

6. LOSS BEFORE TAX

	Year ended December 31,	
	2023	2022
	RMB'000	*RMB'000*
Loss before tax for the year has been arrived at after charging:		
Depreciation of property and equipment	**12,414**	11,908
Depreciation of right-of-use assets	**10,169**	9,937
Total depreciation	**22,583**	21,845
Capitalised in construction in progress	**—**	(4,228)
	22,583	17,617
Auditor's remuneration	**1,560**	—

7. INCOME TAX EXPENSE

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the Company and the PRC subsidiaries of the Company is 25% for both years.

In November 2020, the Company has been accredited as a High and New Technology Enterprise recognized by Science and Technology Commission of Shanghai Municipality and enjoys a preferential tax rate of 15% for a term of three years from 2020 to 2022.

Pursuant to Caishui 2018 circular No. 99, the Company enjoyed super deduction of 200% on qualifying research and development expenditures for the year ended December 31, 2023 (period from January 1, 2022 to September 30, 2022: 175%, period from October 1, 2022 to December 31, 2022: 200%).

No provision for taxation in Hong Kong or the United States has been made since the operating subsidiaries of the Company in Hong Kong and the United States have no taxable profits for both years.

The Group has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to pillar two income taxes. The pillar two income taxes legislation had no material impact on the Group's financial positions and performance for the current and prior years.

8. LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on the following data:

	Year ended December 31,	
	2023	2022
Loss for the purpose of calculating basic and diluted loss per share:		
Loss for the year attributable to the owners of the Company *(RMB'000)*	**(379,459)**	(402,894)
Number of shares *('000)*:		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share *(Note i)*	**361,810**	331,794
Basic and diluted loss per share *(RMB yuan) (Note ii)*	**(1.05)**	(1.21)

Notes:

(i) Certain investors' shares, which are recorded as financial liabilities at FVTPL, are not treated as outstanding shares and thus are excluded in the calculation of basic loss per share until the redemption right was legally terminated on January 31, 2022. The Company was converted to a joint stock company on June 14, 2022, 356,092,695 ordinary shares with par value of RMB1 each were issued and allotted to the respective shareholders of the Company according to the paid-in capital registered under these shareholders on that day. This capitalization of share capital is applied retrospectively for the purpose of calculating basic loss per share, as adjusted for the capital contributions by the then shareholders and the number of ordinary shares.

(ii) Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the period from January 1, 2022 to January 31, 2022, the Company had certain investors' shares which are potential ordinary shares. As the Group incurred losses for the year ended December 31, 2022, the potential ordinary shares were not included in the calculation of diluted loss per share, as their inclusion would be anti-dilutive. Accordingly, diluted loss per share for the year ended December 31, 2022 is the same as basic loss per share.

No adjustment has been made to the basic earnings per share presented for the year ended December 31, 2023 as the Group had no potentially dilutive ordinary shares in issue during the year.

9. DIVIDENDS

No dividend was paid or declared by the Company for ordinary shareholders of the Company during 2023 (2022: nil), nor has any dividend been proposed since the end of the reporting period.

10. TRADE RECEIVABLES

The following is an aging analysis of trade receivable net of allowance for credit losses presented based on the date of completion of service or delivery of goods at the end of the reporting period:

	As at December 31,	
	2023	2022
	RMB'000	*RMB'000*
Within 30 days	**35**	11
31–60 days	**2**	6
61–120 days	**2**	27
121–180 days	**—**	22
	39	66

The Group normally grants a credit period of 30 days or a particular period agreed with customers effective from the date when the services have been completed or control of goods has been transferred to the customer and billed to the customer.

11. PREPAYMENTS AND OTHER RECEIVABLES

	As at December 31,	
	2023	2022
	RMB'000	*RMB'000*
Other receivables:		
Deferred issue costs	**—**	6,330
Interest receivables	**909**	925
Others	**131**	32
Prepayments for:		
Purchasing goods and research and development services	**76,769**	9,043
Others	**288**	263
	78,097	16,593

12. TRADE AND OTHER PAYABLES

	As at December 31,	
	2023	2022
	RMB'000	*RMB'000*
Trade payables for research and development expenses	**10,804**	1,262
Accrued outsourcing research and development expenses	**14,191**	16,199
Accrued staff costs and benefits	**14,163**	12,709
Accrued research and development materials and consumables	**942**	—
Accrued issue costs	**299**	2,165
Accrued listing expenses	**3,440**	7,249
Payables for property and equipment	**5,185**	5,705
Legal and professional fees	**1,560**	—
Other tax payables	**765**	612
Others	**181**	237
	51,530	46,138

The average credit period on purchases of goods/services of the Group is 45 days.

The following is an aging analysis of trade payables presented based on the invoice dates at the end of the reporting period:

	As at December 31,	
	2023	2022
	RMB'000	*RMB'000*
0–30 days	**10,746**	713
31–90 days	**42**	481
91–180 days	**16**	68
	10,804	1,262

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

"Audit Committee"	the audit committee of the Board
"Board"	the board of Directors
"China" or "PRC"	the People's Republic of China and, for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan, China
"Company" or "our Company"	ImmuneOnco Biopharmaceuticals (Shanghai) Inc. (宜明昂科生物醫藥技術(上海)股份有限公司), a joint stock company incorporated in the PRC with limited liability on June 14, 2022, the H Shares of which are listed on the Stock Exchange (stock code: 1541), or, where the context requires (as the case may be), its predecessor, ImmuneOnco Biopharmaceuticals (Shanghai) Co., Ltd. (宜明昂科生物醫藥技術(上海)有限公司), a limited liability company established in the PRC on June 18, 2015
"Core Product"	IMM01, the designated "core product" as defined under Chapter 18A of the Listing Rules
"Corporate Governance Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
"Director(s)"	the director(s) of the Company
"Global Offering"	the global offering of the Company's H Shares on the Stock Exchange
"Group", "our Group", "we", "us" or "our"	our 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

"H Share(s)"	overseas listed foreign share(s) in the share capital of our Company with a nominal value of RMB1.0 each, which is/are subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
"HKD" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Listing Date"	September 5, 2023, being the date on which the H 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, as amended from time to time
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
"Prospectus"	the prospectus of the Company dated August 24, 2023
"R&D"	research and development
"Reporting Period"	the financial year ended December 31, 2023
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, comprising the Unlisted Shares and H Shares
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to this term under the Listing Rules
"Supervisor(s)"	the supervisor(s) of the Company
"Unlisted Share(s)"	ordinary share(s) issued by our Company with a nominal value of RMB1.0 each, which is/are not listed on any stock exchange

"USD" or "US$"	United States dollars, the lawful currency of the United States
"%"	per cent.

By order of the Board
ImmuneOnco Biopharmaceuticals (Shanghai) Inc.
宜明昂科生物醫藥技術（上海）股份有限公司
Tian Wenzhi
Chairman and Executive Director

Shanghai, the People's Republic of China, March 25, 2024

As at the date of this announcement, the Board of Directors comprises (i) Dr. Tian Wenzhi and Mr. Li Song as executive Directors; (ii) Dr. Xu Cong, Mr. Yu Zhihua and Mr. Yu Xiaoyong as non-executive Directors; and (iii) Dr. Zhenping Zhu, Dr. Kendall Arthur Smith and Mr. Yeung Chi Tat as independent non-executive Directors.