Brii Biosciences Limited
腾盛博药生物科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2137)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2024

The Board is pleased to announce the unaudited condensed consolidated interim results of the Group for the six months ended June 30, 2024, together with the comparative figures for the previous year, which have been reviewed by the Audit and Risk Committee.

FINANCIAL HIGHLIGHTS

- Our cash and cash equivalents, bank deposits and restricted bank balances were RMB2,477.8 million as of June 30, 2024, representing a decrease of RMB183.6 million or 6.9%, compared with RMB2,661.4 million as of December 31, 2023. The decrease was primarily due to payout of daily operations and research and development activities.

- Other income was RMB70.9 million for the six months ended June 30, 2024, representing a decrease of RMB15.0 million or 17.5%, compared with RMB85.9 million for the six months ended June 30, 2023. This was mainly due to the decreased income recognized from government grants.

- Research and development expenses were RMB126.2 million for the six months ended June 30, 2024, representing a decrease of RMB76.0 million or 37.6%, compared with RMB202.2 million for the six months ended June 30, 2023. The decrease was primarily attributable to the decrease in third-party contracting cost of RMB36.6 million and the decrease in employee cost of RMB36.4 million, which were primarily due to pipeline prioritization and organizational optimization during the Reporting Period.

- Administrative expenses were RMB78.6 million for the six months ended June 30, 2024, representing a decrease of RMB24.2 million or 23.5%, compared with RMB102.8 million for the six months ended June 30, 2023. The decrease was primarily attributable to the decrease in employee cost of RMB21.7 million, which was primarily attributable to pipeline prioritization and organizational optimization during the Reporting Period.

- Loss for the period was RMB283.2 million for the six months ended June 30, 2024, representing an increase of RMB86.4 million or 43.9%, compared with RMB196.8 million for the six months ended June 30, 2023. The increase in loss was primarily attributable to the other losses of RMB115.4 million mainly related to fair value losses on financial assets, partially offset by the decrease in research and development expenses and administrative expenses.

- Other comprehensive income for the six months ended June 30, 2024 was RMB18.0 million, representing a decrease of RMB74.8 million or 80.6%, compared with RMB92.8 million for the six months ended June 30, 2023. The decrease was primarily due to the decrease in gain arising from the exchange differences on translation from functional currency to presentation currency.

BUSINESS HIGHLIGHTS

During the Reporting Period, the Company continued to advance its pipeline through internal discovery and external collaborations, with a particular focus on its leading hepatitis B virus functional cure program. Leveraging insights acquired from recent data, the Company has been actively working to improve the rate of functional cure for HBV through multiple ongoing combination regimens. Additional combination studies are set for initiation in the second half of 2024. In April 2024, IND clearance was obtained from the Center for Drug Evaluation of the National Medical Products Administration of China for a multi-center Phase 2 study in mainland China to evaluate the efficacy and safety of a sequential treatment regimens containing elebsiran (BRII-835), BRII-179, and PEG-IFNα for the treatment of HBV infection. In recognition of the innovative candidates for HBV cure, elebsiran (BRII-835) and tobevibart (BRII-877) were each granted Breakthrough Therapy Designation by the CDE of China's NMPA in May 2024, following Breakthrough Therapy Designation granted for BRII-179 in November 2023. As of the date of this announcement, all three clinical stage HBV programs of the Company have obtained Breakthrough Therapy Designation.

Recently, the Company has been made aware that its partner, VBI initiated restructuring proceedings under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended. After thorough evaluation, it is not expected that the insolvency of VBI will have a material impact on the financial performance or business operations of the Company. Sufficient clinical supply for all the planned clinical trials involving BRII-179 has also been secured. Development plans for the Company's HBV cure program remains intact.

While maintaining a strong focus on its HBV functional cure programs, the Company continues to advance its non-HBV programs by seeking external partnerships for its therapeutic candidates for HIV, MDR/XDR and central nervous system programs. An IND for the BRII-693 MDR program has been submitted to the CDE of China's NMPA in July 2024.

Furthermore, with the strategic appointment of a Chief Scientific Officer and the expansion of the early discovery team, the Company reaffirms its commitment to strengthening its pipeline reserves across new target and platform technology areas, for future research and development. This proactive approach to pipeline development ensures that the Company remains at the forefront of scientific research, positioned to deliver innovative solutions for patients worldwide.

For further details, please refer to the rest of this announcement, as well as the Company's prior announcements and regulatory filings.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Six months ended June 30, 2024 **RMB'000** **(unaudited)**	2023 *RMB'000* (unaudited)
Revenue		**–**	617
Other income	*4*	**70,879**	85,863
Other gains and losses, net		**(115,374)**	23,326
Net impairment losses under expected credit loss model		**(32,956)**	–
Research and development expenses		**(126,169)**	(202,175)
Administrative expenses		**(78,629)**	(102,823)
Selling and marketing expenses		**–**	(1,380)
Finance costs		**(989)**	(254)
Loss before tax	*5*	**(283,238)**	(196,826)
Income tax expense	*6*	**–**	–
Loss for the period		**(283,238)**	(196,826)
Other comprehensive income (expense):			
Items that will not be reclassified to profit or loss:			
Exchange differences on translation from functional currency to presentation currency		**17,710**	102,567
Fair value gain (loss) on equity instrument at fair value through other comprehensive income ("**FVTOCI**")		**976**	(4,484)
		18,686	98,083
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**(719)**	(5,244)
Other comprehensive income for the period		**17,967**	92,839
Total comprehensive expense for the period		**(265,271)**	(103,987)
Loss for the period attributable to:			
Owners of the Company		**(280,535)**	(189,917)
Non-controlling interests		**(2,703)**	(6,909)
		(283,238)	(196,826)
Total comprehensive expense for the period attributable to:			
Owners of the Company		**(262,568)**	(97,078)
Non-controlling interests		**(2,703)**	(6,909)
		(265,271)	(103,987)
Loss per share			
– Basic and diluted (RMB)	*7*	**(0.38)**	(0.26)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	At June 30, 2024 RMB'000 (unaudited)	At December 31, 2023 RMB'000 (audited)
Non-current assets			
Property, plant and equipment		**127**	2,117
Right-of-use assets		**1,988**	3,492
Intangible assets		**268,882**	267,420
Financial assets at fair value through profit or loss		**14,207**	134,560
Equity instrument at FVTOCI		**8,912**	7,884
Deposits and other receivables	*9*	**25,206**	–
Restricted bank balances		**17,933**	–
		337,255	415,473
Current assets			
Deposits, prepayments and other receivables	*9*	**99,487**	121,388
Restricted bank balances		**73,090**	729
Time deposits with original maturity over three months		**1,730,517**	2,171,011
Cash and cash equivalents		**656,256**	489,650
		2,559,350	2,782,778
Current liabilities			
Other payables	*10*	**37,771**	72,081
Lease liabilities		**1,099**	3,156
Deferred income		**28,825**	50,632
		67,695	125,869
Net current assets		**2,491,655**	2,656,909
Total assets less current liabilities		**2,828,910**	3,072,382
Non-current liabilities			
Lease liabilities		**800**	–
Note payables	*10*	**17,817**	–
		18,617	–
Net assets		**2,810,293**	3,072,382
Capital and reserves			
Share capital		**24**	24
Share premium and reserves		**2,859,630**	3,119,016
Equity attributable to owners of the Company		**2,859,654**	3,119,040
Non-controlling interests		**(49,361)**	(46,658)
Total equity		**2,810,293**	3,072,382

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Brii Biosciences Limited (the "**Company**") was incorporated in the Cayman Islands as an exempted company with limited liability on December 8, 2017. The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited on July 13, 2021.

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* issued by the International Accounting Standards Board ("**IASB**") as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The directors of the Company have, at the time of approving the condensed consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the condensed consolidated financial statements.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value, as appropriate.

Other than additional accounting policies resulting from application of amendments to International Financial Reporting Standards ("**IFRSs**"), the accounting policies and methods of computation used in these condensed consolidated financial statements for the six months ended June 30, 2024 are the same as those presented in the Group's annual consolidated financial statements for the year ended December 31, 2023.

Application of amendments to IFRSs

In the current interim period, the Group has applied the following amendments to IFRSs issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on January 1, 2024 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The application of the amendments to IFRSs in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. SEGMENT INFORMATION

The Group's chief operating decision maker ("**CODM**") has been identified as the Chief Executive Officer of the Group. For the purpose of resource allocation and performance assessment, the CODM reviews the overall results and financial position of the Group as a whole prepared based on the Group's accounting policies. Accordingly, the Group has only one reportable segment and only entity-wide disclosures are presented.

Geographical information

At June 30, 2024, the Group has total non-current assets (excluding financial instruments, restricted bank balances and deposits and other receivables) of RMB271.0 million (December 31, 2023: RMB273.0 million), among which, RMB192.4 million (December 31, 2023: RMB191.2 million), RMB76.3 million (December 31, 2023: RMB75.8 million) and RMB2.3 million (December 31, 2023: RMB6.0 million) are located in the Cayman Islands, the USA and the PRC, respectively.

During the six months ended June 30, 2023, all of the Group's revenue from external customers are located in the PRC.

4. OTHER INCOME

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Government grants *(Note)*	**22,155**	39,480
Bank interest income	**48,724**	46,383
	70,879	85,863

Note: Government grants including the incentive and other subsidies from government which are specifically for operating activities are recognised upon compliance with the attached conditions. In the current interim period, the Group did not receive any government grant (for the six months ended June 30, 2023: nil). At June 30, 2024, government grants of RMB28.8 million (December 31, 2023: RMB50.6 million) are recorded as deferred income and will be amortised upon compliance with the relevant conditions.

5. LOSS BEFORE TAX

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Loss before tax for the period has been arrived at after charging:		
Depreciation of property, plant and equipment	**2,118**	2,614
Depreciation of right-of-use assets	**3,723**	4,342
Amortisation of intangible assets	**201**	1,559
Impairment loss recognised on intangible assets (included in other gains and losses, net)	**–**	5,432

6. INCOME TAX EXPENSE

No provision for income tax expense has been made since the operating subsidiaries of the Company have no assessable profits for both periods.

7. LOSS PER SHARE

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

	Six months ended June 30,	
	2024	2023
	(unaudited)	(unaudited)
Loss for the period attributable to owners of the Company for the purpose of basic and diluted loss per share (RMB'000)	**(280,535)**	(189,917)
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share ('000)	**729,713**	727,488

For the six months ended June 30, 2023 and 2024, the weighted average number of ordinary shares for the purpose of basic and diluted loss per share excluded the shares held in trust and unvested restricted share units of the Company.

The computation of diluted loss per share for the six months ended June 30, 2023 and 2024 did not assume the exercise of share options and the vesting of unvested restricted share units since their assumed exercise and vesting would be anti-dilutive.

8. DIVIDENDS

No dividend was paid, declared or proposed during the interim periods.

The directors of the Company have determined that no dividend will be paid in respect of the interim period.

9. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	At June 30, 2024	At December 31, 2023
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Prepayments	**6,580**	47,685
Receivables for prepayments	**32,956**	–
Rental and other deposits	**2,513**	2,613
Value-added tax recoverable	**57,483**	53,607
Interests receivable	**32,292**	9,850
Deposits paid for intangible assets and property, plant and equipment	**18,582**	–
Other receivables	**7,243**	7,633
	157,649	121,388
Less: Impairment loss allowance for other receivables	**(32,956)**	–
	124,693	121,388
Analysed as:		
Non-current	**25,206**	–
Current	**99,487**	121,388
	124,693	121,388

10. NOTE AND OTHER PAYABLES

	At June 30, 2024 ***RMB'000*** **(unaudited)**	At December 31, 2023 *RMB'000* (audited)
Note payables	**17,817**	–
Payables for research and development expenses	**13,481**	20,539
Other payables for		
– legal and professional fee	**920**	1,901
– others	**1,108**	1,436
Other tax payables	**1,620**	2,011
Payroll payables	**17,473**	34,696
Accrued research and development expenses	**3,169**	11,498
	37,771	72,081
	55,588	72,081
Analysed as:		
Current	**37,771**	72,081
Non-current	**17,817**	–
	55,588	72,081

Ageing analysis of the Group's payables for research and development expenses based on the invoice dates at the end of the reporting period is as follows:

	At June 30, 2024 ***RMB'000*** **(unaudited)**	At December 31, 2023 *RMB'000* (audited)
0-30 days	**13,101**	15,186
31-60 days	**241**	4,059
61-90 days	**–**	1,125
Over 90 days	**139**	169
	13,481	20,539

The following is an ageing analysis of note payables presented based on the issue date at the end of each reporting period:

	At June 30, 2024 ***RMB'000*** **(unaudited)**	At December 31, 2023 *RMB'000* (audited)
0-180 days	**17,817**	–

The following is an ageing analysis of note payables presented based on the maturity date at the end of each reporting period:

	At June 30, 2024 ***RMB'000*** **(unaudited)**	At December 31, 2023 *RMB'000* (audited)
2-3 years	**17,817**	–

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

Since our inception, we have diligently pursued breakthrough scientific innovations to tackle major public health challenges. Under the expert leadership of our seasoned executive team, we are guided by critical patient insights and a global perspective as we advance our robust portfolio of infectious disease candidates. By strategically leveraging our presence in both China and the U.S., we are actively advancing our programs through cross-border operations to accelerate commercialization opportunities, ultimately aiming to enhance the health of patients worldwide.

Our strategic emphasis is on our HBV functional curative therapy program, where we believe there is a substantial opportunity to create a meaningful therapeutic impact for patients both in China and globally. We possess considerable competitive advantages in the pursuit of an HBV cure, driven by our extensive portfolio of assets. In collaboration with our strategic partners, we are advancing multiple ongoing HBV studies towards late-stage development. These initiatives include evaluating combination therapies of BRII-179 and PEG-IFNα, elebsiran and PEG-IFNα (including a cohort with BRII-179-experienced patients), and elebsiran and tobevibart with or without PEG-IFNα. All three of our leading HBV candidates (elebsiran, tobevibart, and BRII-179) have been granted Breakthrough Therapy Designation by the CDE of China's NMPA, recognizing their potential to deliver substantial advancements over existing therapies and to expedite the clinical development and regulatory review as we strive for a functional cure for HBV. We also plan to initiate additional combination studies in the second half of 2024 to investigate the additional combination regimens. Our goal is to improve the functional cure rate for broader patient populations through carefully designed combination treatment regimens in responsive or susceptible patients.

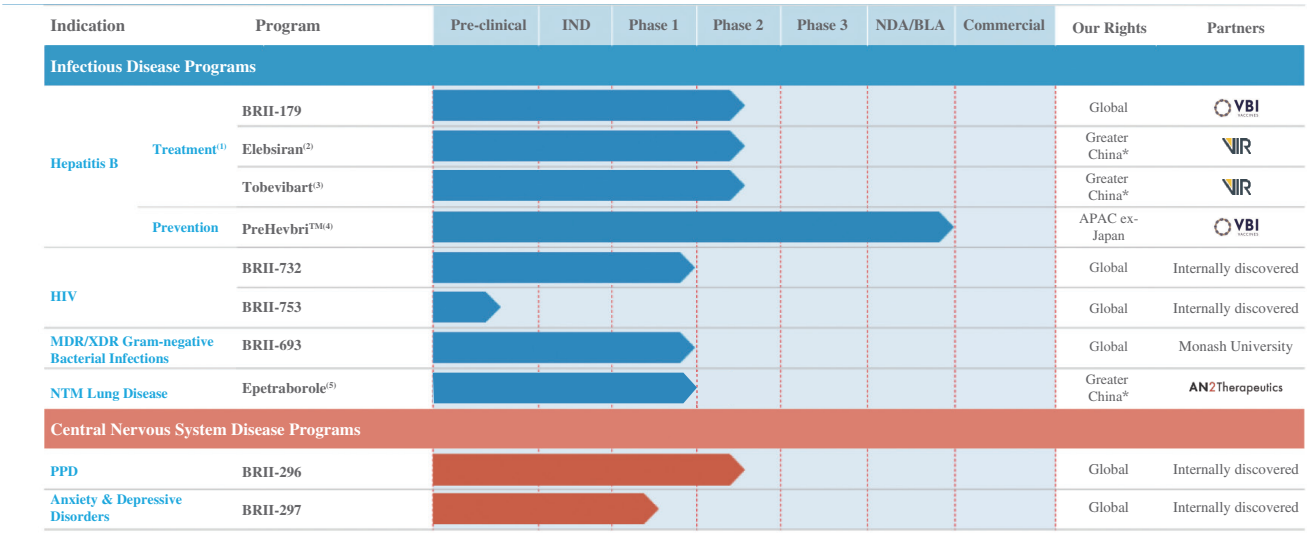
The recent updates relating to our partner VBI are not expected to affect the pace of our HBV cure programs. We have taken several critical steps in early 2024 to advance our potentially paradigm-shifting HBV program and maximize our future returns.

Vigorous clinical investigations over the past five years have provided us with essential understanding and unique insights into important factors to sustain HBsAg loss. Building on these data, we presented first-time direct evidence that immune responses induced by an HBV therapeutic vaccine are associated with HBsAg reduction and viral control in certain participants with chronic HBV infection. These pivotal breakthroughs inform our late-stage clinical combination trials as we execute a clinical strategy to assess and enhance the intrinsic immunity of HBV patients. Our goal is to enrich the lives of those patients who may have the best chance of achieving a cure, while also sparing others from poorly tolerated treatment regimens.

Pipeline Summary

We have developed an extensive pipeline of 10 innovative drug candidates targeting infectious diseases and central nervous system diseases. Our lead programs are centered on HBV functional cure, primarily in China, the world's largest HBV market.

The table below outlines the status of our key product candidates as of the date of this announcement:



Notes:

* Greater China – Mainland China, Macau, Hong Kong and Taiwan

(1) The Phase 2 combination clinical trials conducted by Brii Bio:

- Elebsiran + BRII-179
- BRII-179 + PEG-IFNα
- ENSURE: elebsiran ± PEG-IFNα (with PEG-IFNα controlled)

(2) Elebsiran was previously known as BRII-835 or VIR-2218.

(3) Tobevibart was previously known as BRII-877 or VIR-3434. The Phase 2 clinical trials have been conducted by Vir.

(4) VBI launched PreHevbrio/PreHevbri in the United States, Canada, the European Union, the European Economic Area, the United Kingdom, and Israel. Brii Bio acquired exclusive rights for APAC regions (ex-Japan) in July 2023.

(5) Epetraborole was also known as BRII-658. To this date, the development and clinical trials have been conducted by AN2.

BUSINESS REVIEW

We continuously advanced our product pipeline and business operations during the Reporting Period. As we move our leading HBV candidates into late-stage clinical development, we have strategically increased our investments in these assets.

We successfully progressed multiple clinical trials and presented critical datasets at the European Association for the Study of the Liver Congress 2024 that showed direct evidence for the first time that immune responses induced by an HBV therapeutic vaccine are associated with HBsAg reduction and viral control in certain participants with chronic HBV infection. These findings offer valuable insights that support further clinical evaluation of BRII-179 in combination with other modalities, such as siRNA and PEG-IFNα, as essential components for achieving a functional cure for chronic HBV infection.

With our increasing strategic focus on HBV, we are actively exploring partnerships to further develop our promising programs in MDR/XDR, HIV and CNS.

As of the date of this announcement, our key achievements, along with our planned next steps and upcoming milestones, include:

Core Clinical Pipeline Highlights and Upcoming Milestones

Hepatitis B Virus Program Development Updates

Led by its team in China and partners, the Company is advancing multiple combination studies for the treatment of HBV to enhance the probability of achieving a high rate of functional cure for chronic HBV patients in China. China has the largest prevalence of HBV in the world, with around 87 million people impacted by this disease, yet there is no effective functional cure currently available for these patients.

Elebsiran and Tobevibart Related Studies and Plans

Elebsiran (previously known as BRII-835 or VIR-2218) is an investigational subcutaneously administered HBV-targeting siRNA designed to degrade hepatitis B virus RNA transcripts and limit the production of hepatitis B surface antigen. It has the potential to have direct antiviral activity against HBV and HDV. It is the first siRNA in the clinic to include Enhanced Stabilization Chemistry Plus technology to enhance stability and minimize off-target activity, which potentially can result in an increased therapeutic index. We licensed exclusive rights to develop and commercialize BRII-835 (elebsiran) for Greater China territory from Vir in 2020.

Tobevibart (previously known as BRII-877 or VIR-3434) is an investigational subcutaneously administered HBV-neutralizing monoclonal antibody designed to block entry of HBV and HDV into hepatocytes and also to reduce the level of virions and subviral particles in the blood. Tobevibart, which incorporates Xencor's Xtend™ and other Fc technologies, has been engineered to potentially function as a T-cell vaccine against HBV and HDV, as well as to have an extended half-life. We licensed exclusive rights to develop and commercialize tobevibart for Greater China territory from Vir in 2022.

- Throughout 2024, we plan to initiate additional combination studies to evaluate the potency of different combination treatment regimens containing elebsiran, BRII-179 and PEG-IFNα.

- In May 2024, the CDE of China's NMPA granted Breakthrough Therapy Designation to both elebsiran and tobevibart.

- In an oral presentation at the EASL™ Congress 2024, our partner, Vir, reported initial Phase 2 SOLSTICE hepatitis delta trial data indicating that treatment with tobevibart alone or in combination with elebsiran was generally well tolerated. Participants demonstrated high rates of virologic response at weeks 12 and 24, sustained durable virologic response through 48 weeks, and high rates of ALT normalization. Additional 24-week treatment data for approximately 60 SOLSTICE participants are expected in the fourth quarter of 2024.

- End-of-treatment data from cohorts undergoing 48 weeks of treatment in the ongoing MARCH Part B study, which evaluates the addition of tobevibart to a regimen of elebsiran with or without PEG-IFN*α*, are expected in the fourth quarter of 2024.

- Early topline results from the ongoing Phase 2 ENSURE study of elebsiran in combination with PEG-IFN*α* in the APAC regions, including mainland China, are expected in the fourth quarter of 2024.

- A Phase 1 study of tobevibart has been completed in China, aiming at comparing human pharmacokinetics in mainland Chinese subjects with those from other APAC regions and Europe.

BRII-179 Related Studies and Plans

BRII-179 is a novel recombinant protein-based HBV immunotherapeutic candidate that expresses the Pre-S1, Pre-S2 and S HBV surface antigens and is designed to induce enhanced B-cell and T-cell immunity.

- In June 2024, the Company presented new data from two Phase 2 studies at the EASL™ Congress 2024, demonstrating that BRII-179, administered in combination with elebsiran, induced substantial HBV-specific B and T cell responses that correlate with an antiviral effect. Additionally, BRII-179, administered on top of PEG-IFNα, improved the overall HBsAg loss rate. These results contribute to a growing body of evidence supporting BRII-179's ability to enhance HBV functional cure rate in combination with other modalities.

- In February 2024, the Company entered into agreements with the VBI Parties to acquire BRII-179 intellectual property rights and related manufacturing facility, as well as a license to VBI-1901, a clinical stage glioblastoma program, for the development and commercialization in the Asia Pacific regions (excluding Japan). These transactions are subject to a number of closing conditions. Currently, the Company has secured clinical supply for all the planned clinical studies and continues to work on obtaining the relevant manufacturing capabilities.

Additional Clinical and Pre-Clinical Development Updates

In line with the Company's strategy to focus on its advanced HBV cure programs, the Company is pursuing partnership opportunities for the continued development of these programs.

PreHevbri™ is a differentiated 3-antigen adult HBV prophylactic vaccine. It is currently approved for adult use under the brand name PreHevbrio® in the United States and Canada, under the brand name PreHevbri™ in the European Union, European Economic Area, United Kingdom, and under the brand name Sci-B-Vac® in Israel.

- The Company is pursuing partnerships for the commercialization of PreHevbri™ in APAC regions.

Multidrug-and Extensively Drug-Resistant Gram-Negative Bacteria Infections Program

BRII-693 is a novel synthetic lipopeptide in development for the treatment of MDR/XDR gram-negative bacterial infections. Based on a combination of increased *in vitro* and *in vivo* potency and an improved safety profile compared with currently available polymyxins, BRII-693 has the potential to be an important addition to the arsenal of hospital-administered intravenous antibiotics for the treatment of critically ill patients with gram-negative bacterial infections. BRII-693 has a highly differentiated safety and efficacy profile to address the most difficult-to-treat infections due to Acinetobacter baumannii and Pseudomonas aeruginosa, including infections due to MDR/XDR isolates resistant to carbapenem antibiotics.

The U.S. FDA has granted BRII-693 designation as a QIDP, which offers various incentives for its development in the U.S., including priority review and eligibility for the U.S. FDA's Fast Track Designation. This designation also opens the possibility for extended regulatory and market exclusivity in the U.S.

- The Company is actively looking for partners for the development of BRII-693. In July 2024, the Company submitted an IND application for Phase 1 PK bridging studies in China to support a global Phase 3 registrational trial in patients with hospital-acquired bacterial pneumonia/ventilator-associated bacterial pneumonia.

HIV Infection Program

BRII-753 is an NRTTI, which is an internally discovered NCE prodrug of EFdA currently in the pre-clinical stage of development. It is being developed as a long-acting subcutaneous injection with the potential to be given once monthly, once quarterly, or twice yearly. It can be used as a combination therapy for HIV treatment and as monotherapy for pre-exposure prophylaxis.

- We are actively looking for partners for BRII-753's development.

BRII-732 is a proprietary NCE prodrug that, upon oral administration, is rapidly metabolized into EFdA and is under evaluation as a potential HIV treatment or prevention option. EFdA is an NRTTI, acting as both a chain terminator and translocation inhibitor of HIV.

- BRII-732 has completed Phase 1 studies with the potential for development as part of an oral, once-weekly, long-acting combination treatment option for HIV patients. We are actively looking for partners for further development of BRII-732 in HIV patients.

NTM Lung Disease Program

Epetraborole (also known as BRII-658) is a boron-containing, small molecule inhibitor of mycobacterial leucyl-tRNA synthetase, or LeuRS, an enzyme involved in protein synthesis. We hold a license to develop, manufacture, and commercialize epetraborole in the Greater China.

- In August 2024, our partner, AN2, reported topline results from its Phase 2/3 EBO-301 clinical trial of epetraborole for the treatment-refractory Mycobacterium avium complex lung disease. With the results, AN2 has decided to terminate the Phase 2 (80 patients) and Phase 3 parts of the EBO-301 trial. Further evaluation on the results from the EBO-301 study will be conducted for potential future development of epetraborole.

Postpartum Depression and Major Depressive Disorders Program

BRII-296 is our novel, long-acting and single-injection therapeutic candidate under development for the treatment of PPD. It acts as a gamma-aminobutyric acid A receptor-positive allosteric modulator. It is designed to provide a rapid, profound and sustained reduction in depressive symptoms of PPD with the potential to lead to greater adherence, convenience and fewer side effects compared to the current standard of care.

- A Phase 2 study evaluating BRII-296, a LAI therapy in development for the treatment of PPD, has been completed and the Company is actively looking for partners to continue the development of BRII-296.

BRII-297 is a new chemical entity discovered internally and under development as a long-acting injectable treatment for various anxiety and depressive disorders.

- A Phase 1 clinical trial for BRII-297 has been completed. The study aims to evaluate the safety, tolerability and pharmacokinetics of BRII-297 in healthy volunteers, with data expected in the fourth quarter of 2024. The Company is actively looking for partners to continue the development of BRII-297.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET ANY OF THE ABOVE PRE-CLINICAL STAGE OR CLINICAL STAGE DRUG CANDIDATES SUCCESSFULLY.

Research and Development

We are a biotech company primarily engaged in pharmaceutical R&D activities. We recognize that R&D is fundamental for shaping our therapeutic strategy and sustaining our competitiveness in the biopharmaceutical industry. We prioritize diseases based on patients' needs, aiming to provide viable solutions to prevalent infectious diseases and central nervous system diseases. With a dedicated team primarily based in China, and collaborative partnerships in the U.S., we accelerate clinical development processes in China and participate in late-stage global studies, all driven by our shared commitment to delivering world-class medicines.

Our R&D capabilities, both in-house and through collaborations, enable us to identify and innovate therapies for both the Chinese and international markets. Led by industry veterans, our in-house R&D team is supported by a strong scientific advisory board and strategic partnerships with global pharmaceutical and biotech companies, along with contract research organizations, contract manufacturing organizations, contract development and manufacturing organizations, and research institutions. With our competitive advantage in cross-border and organic operations, we plan to further enhance our capacity and capabilities.

Our in-house R&D capabilities are led by industry veterans who impart us with their large pharma experience in drug discovery all the way through commercialization.

Our R&D executive team includes Chief Executive Officer Dr. Zhi Hong, Chief Medical Officer Dr. David Margolis, Chief Scientific Officer Dr. Brian A. Johns, Chief Technology Officer Dr. Ellee de Groot and Head of China R&D Dr. Qing Zhu. Our esteemed Board and scientific advisory board members, who possess diverse industry expertise and a proven record in successful drug development, direct our R&D processes and candidate selection through their extensive knowledge across various disciplines.

Our multi-pronged R&D strategies are designed with flexibility in mind, resulting in expenses that vary according to the number and scale of projects each year. Our R&D expenses amounted to RMB126.2 million for the six months ended June 30, 2024. We remain committed to leverage our technology and R&D capabilities to broaden our life sciences research and application capabilities and product candidate portfolio.

Commercialization

Our pipeline includes therapeutic candidates, encompassing both in-licensed Greater China rights and global rights.

As of the date of this announcement, our efforts have primarily focused on developing our therapeutic candidate pipeline. Most of our programs are in various stages of clinical development, and we do not anticipate sales or commercialization of additional drug candidates in the immediate future. As our pipeline gradually matures, we will evaluate strategic commercialization options, ensuring that we maximize their potential in addressing critical unmet medical needs.

FUTURE DEVELOPMENT

In alignment with our corporate strategy devoted to alleviating public health burdens and improving patients' experiences through developing innovative treatment options, we strive to further advance our diverse pipeline by leveraging our in-house capabilities while exploring external partnerships.

As a leading company in the field of HBV functional cure, we will maintain our focus on increasing the functional cure rate through various combination therapies. In collaboration with our partner Vir, we will further evaluate our combination treatment regimens under development, aiming for a higher functional cure rate for HBV infection by leveraging the additional data available from several ongoing trials. We also plan to initiate definitive clinical studies to bring a combination treatment regimen to the next stage of development in the Greater China. As our HBV candidates are approaching late-stage development, we are establishing a strategic and cost-effective manufacturing and supply chain management plan.

For our other programs, we are seeking partnerships for continued development allowing us to optimize our resources and concentrate on our promising core HBV program.

Our long-term strategy focuses on expanding our pipeline through in-house discovery and strategic licensing opportunities. We aim to explore business development opportunities that expedite global regulatory approval by in-licensing therapies for use in China and out-licensing our internally discovered therapeutic candidates for international markets. As we embark on our second five-year period, we have refined our discovery strategy to align more closely with our long-term pipeline interests, priorities and overall vision. To ensure sustainable development, we will continue to optimize our organization to foster innovation and enhance our business development efforts, all in line with our mission to tackle the world's biggest public health challenges.

SUBSEQUENT EVENTS

Save as disclosed in this announcement, the Directors are not aware of any significant event requiring disclosure that has taken place subsequent to June 30, 2024 and up to the date of this announcement.

FINANCIAL REVIEW

1. Revenue

Our revenue was decreased by RMB0.6 million to nil for the six months ended June 30, 2024 due to the discontinuation of COVID-19 programs.

2. Other income

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Government grants	**22,155**	39,480
Bank interest income	**48,724**	46,383
Total	**70,879**	85,863

Our other income decreased by RMB15.0 million from RMB85.9 million for the six months ended June 30, 2023 to RMB70.9 million for the six months ended June 30, 2024. The decrease was primarily due to the decrease in the recognition of government grants income of RMB17.3 million. These grants mainly represent the incentive and other subsidies from government, and are recognized upon compliance with the attached conditions.

3. Other gains and losses

Our other gains and losses decreased by RMB138.7 million from gains of RMB23.3 million for the six months ended June 30, 2023 to losses of RMB115.4 million for the six months ended June 30, 2024. The decrease was primarily attributable to the fair value losses on financial assets.

4. Fair value gain (loss) on equity instruments at FVTOCI

Our fair value gain (loss) on equity instruments at FVTOCI increased by RMB5.5 million from loss of RMB4.5 million for the six months ended June 30, 2023 to gain of RMB1.0 million for the six months ended June 30, 2024. The amount represents the equity investment in a biopharmaceutical company listed in the USA. The fair value of the listed equity investment is measured based on quoted market price.

5. Research and development expenses

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Third-party contracting cost	**72,081**	108,720
Employee cost	**52,902**	89,295
Amortization	**–**	1,358
Others	**1,186**	2,802
Total	**126,169**	202,175

Our research and development expenses decreased by RMB76.0 million from RMB202.2 million for the six months ended June 30, 2023 to RMB126.2 million for the six months ended June 30, 2024. The decrease was primarily attributable to the decrease in third-party contracting cost of RMB36.6 million and the decrease in employee cost of RMB36.4 million as the Company prioritizes HBV functional cure program and has strategically optimized its organization.

6. Administrative expenses

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Employee cost	**43,345**	65,016
Professional fees	**16,741**	16,133
Depreciation and amortization	**7,504**	7,158
Office expenses	**925**	2,438
Others	**10,114**	12,078
Total	**78,629**	102,823

Our administrative expenses decreased by RMB24.2 million from RMB102.8 million for the six months ended June 30, 2023 to RMB78.6 million for the six months ended June 30, 2024. This was primarily attributable to the decrease in employee cost of RMB21.7 million from RMB65.0 million for the six months ended June 30, 2023 to RMB43.3 million for the six months ended June 30, 2024, which was primarily attributable to organizational optimization.

7. Liquidity and Capital resources

As of June 30, 2024, our bank and cash balances, including restricted bank balances, time deposits with original maturity over three months and cash and cash equivalents, decreased to RMB2,477.8 million from RMB2,661.4 million as of December 31, 2023. The decrease was primarily due to payout of daily operations and research and development activities.

8. Non-IFRS measures

To supplement the Group's condensed consolidated financial statements, which are presented in accordance with the IFRS, we also use adjusted loss for the period and other adjusted figures as additional financial measures, which are not required by, or presented in accordance with, the IFRS. We believe that these adjusted measures provide useful information to shareholders and potential investors in understanding and evaluating our consolidated results of operations in the same manner as they help our management.

Adjusted loss for the period represents the loss for the period excluding the effect of certain non-cash items and one-time events, namely share-based compensation expenses. The term adjusted loss for the period is not defined under the IFRS. The use of this non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS. The presentation of such adjusted figures may not be comparable to a similarly titled measure presented by other companies. However, we believe that this and other non-IFRS measures are reflections of our normal operating results by eliminating potential impacts of items that the management does not consider to be indicative of our operating performance, and thus facilitate comparisons of operating performance from period-to-period and company to-company to the extent applicable.

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

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Loss for the period	**(283,238)**	(196,826)
Added:		
Share-based compensation	**3,139**	33,126
Adjusted loss for the period	**(280,099)**	(163,700)

The table below sets forth a reconciliation of the research and development expenses to adjusted research and development expenses during the periods indicated:

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Research and development expenses for the period	**(126,169)**	(202,175)
Added:		
Share-based compensation	**(3,336)**	16,324
Adjusted research and development expenses for the period	**(129,505)**	(185,851)

The table below sets forth a reconciliation of the administrative expenses to adjusted administrative expenses during the periods indicated:

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Administrative expenses for the period	**(78,629)**	(102,823)
Added:		
Share-based compensation	**6,475**	19,356
Adjusted administrative expenses for the period	**(72,154)**	(83,467)

9. Key financial ratios

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

	As at June 30, 2024	At December 31, 2023
Current ratio[(1)]	**3,781%**	2,211%
Gearing ratio[(2)]	**NM**	NM

(1) Current ratio is calculated using current assets divided by current liabilities as of the same date. Current ratio increased mainly due to the decrease in other payables as we have paid out most of the payables for third-party contracting cost.

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

10. Indebtedness

Borrowings

As at June 30, 2024, other than the note payables of RMB17.8 million, the Group did not have any unutilized bank facilities, material mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other similar indebtedness, hire purchase commitments, liabilities under acceptances (other than normal trade bills) or acceptance credits, which are either guaranteed, unguaranteed, secured or unsecured.

Contingent Liabilities

As at June 30, 2024, the Group did not have any contingent liabilities.

Lease liabilities

We lease our office places under operating lease arrangements. Leases for office places are negotiated for terms ranging mainly from one to two years. As at June 30, 2024, the Group had lease liabilities of RMB1.9 million recognized under IFRS 16.

11. Significant investments, material acquisitions and disposals

As at June 30, 2024, we did not hold any significant investments. For the six months ended June 30, 2024, we did not have material acquisitions or disposals of subsidiaries, associates, and joint ventures.

12. Charge on the Group's assets

As at June 30, 2024, none of the Group's assets were charged with any parties or financial institutions (December 31, 2023: nil).

13. Foreign exchange exposure

We are exposed to foreign exchange risk arising from certain currency exposures. Our reporting currency is RMB, but a significant portion of our operating transactions, assets, and liabilities are denominated in other currencies such as USD and 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.

As at June 30, 2024, the Group's restricted bank balances, time deposits with original maturity over three months and cash and cash equivalents were denominated as to 45.5% in US dollars, 38.0% in Hong Kong dollars, and 16.5% in RMB.

14. Employees and remuneration

As at June 30, 2024, we had a total of 95 employees. The following table sets forth the total number of employees by function as of June 30, 2024:

Function	Number of employees	% of total
Research and development	63	66%
Administration	32	34%
Total	95	100%

We enter into individual employment contracts with our employees to cover matters such as wages, benefits, equity incentive, and grounds for termination. We generally formulate our employees' remuneration package to include salary, bonus, equity incentive and allowance elements. Our compensation programs are designed to remunerate our employees based on their performance, measured against specified objective criteria. We also provide our employees with welfare benefits in accordance with applicable regulations and our internal policies.

The Group also has adopted share incentive schemes for the purpose of providing incentives and rewards to its employees.

In accordance with applicable regulations in the PRC, we participate in a pension contribution plan, a medical insurance plan, an unemployment insurance plan, and a personal injury insurance plan for our employees. We have made adequate provisions in accordance with applicable regulations. Additionally, in accordance with PRC regulations, we make annual contributions toward a housing fund, a supplemental medical insurance fund, and a maternity fund.

We provide formal and comprehensive company-level and department-level training to our new employees followed by on-the-job training. We also provide training and development programs to our employees from time to time to ensure their awareness and compliance with our various policies and procedures. Some of the training is conducted jointly by different groups and departments serving different functions but working with or supporting each other in our day-to-day operations.

The total remuneration cost incurred by the Group for the six months ended June 30, 2024 was RMB96.2 million, as compared to RMB155.0 million for the six months ended June 30, 2023.

15. Treasury policy

Majority of our cash arises from equity funding. Such cash can only be invested in relatively liquid and low-risk instruments such as bank deposits or money market instruments. The primary objective of our investments is to generate finance income at a yield higher than the interest rate of current bank deposits, with an emphasis on preserving principal and maintaining liquidity.

OTHER INFORMATION

USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

On July 13, 2021, the Company was successfully listed on the Stock Exchange. The net proceeds received by the Group from the Global Offering (including the partial exercise of the over-allotment option) amounted to approximately HK$2.614 billion (after deducting underwriting fee and relevant expenses).

Details of the planned applications of the net proceeds from the Global Offering were disclosed in the Prospectus and subsequently revised and disclosed in the annual results announcement of the Company dated March 24, 2023.

The table below sets out the planned applications of the net proceeds and the actual usage up to June 30, 2024:

Use of proceeds	Percentage of total net proceeds	Allocation of net proceeds *(HK$ million)*	Unutilized amount as at December 31, 2023 *(HK$ million)*	Utilized amount during the Reporting Period *(HK$ million)*	Utilized amount up to June 30, 2024 *(HK$ million)*	Unutilized amount as at June 30, 2024 *(HK$ million)*
Used for our HBV functional cure programs	38%	994.1	494.8	90.3	589.6	404.5
To fund ongoing and planned clinical trials and preparation for regulatory filings for developing combination regimens containing BRII-179, BRII-835 or BRII-877	32%	837.3	338.0	90.3	589.6	247.7
Used for regulatory milestone payments for BRII-179	1%	26.1	26.1	–	–	26.1
Used for the launch and commercialization of HBV curative treatment regimens	5%	130.7	130.7	–	–	130.7
Used for our HIV programs, funding the ongoing and planned non-clinical studies, clinical trials and preparation for registration filings for BRII-732 and BRII-753	7%	176.0	29.6	4.0	150.4	25.6
Used for our MDR/XDR gram-negative infections programs	11%	294.0	241.1	7.9	60.8	233.2
To fund the ongoing and planned clinical trials and preparation for registration filings for BRII-636, BRII-672 and BRII-693	9%	234.5	190.1	7.9	52.3	182.2
Used for regulatory milestone payments for BRII-636, BRII-672 and BRII-693	2%	59.5	51.0	–	8.5	51.0
Used for our CNS programs, funding the ongoing and planned non-clinical studies, clinical trials and preparation for registration filings for BRII-296, BRII-297 and other pre-clinical/ clinical candidates	19%	496.3	259.8	40.4	276.9	219.4
Used for discovery and business development activities for pipeline expansion	15%	392.0	318.0	9.2	83.2	308.8
Used for working capital and general corporate purposes	10%	261.4	–	–	261.4	–
Total	**100%**	**2,613.8**	**1,343.3**	**151.8**	**1,422.3**	**1,191.5**

For the Company's planned usage of the proceeds as described above, the Company expects that the net proceeds will be used up by the end of 2027.

The unutilized net proceeds will be applied in a manner consistent with the above planned applications and remains subject to change based on the current and future development of market conditions and our actual business needs.

INTERIM DIVIDEND

The Board did not declare an interim dividend for the six months ended June 30, 2024.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability.

The Company adopted the CG Code as set out in Appendix C1 to the Listing Rules as its code of corporate governance. During the Reporting Period, the Company has complied with all the applicable code provisions of the CG Code, save and except for the following deviation from code provision C.2.1 of the CG Code.

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Accordingly, the appointment of Dr. Zhi Hong as the chairman of the Board and the chief executive officer of the Company deviates from the relevant code provision. Dr. Zhi Hong, as the founder of the Group, has extensive experience in the biopharmaceutical industry and has served in the Company since its establishment. Dr. Zhi Hong is in charge of overall management, business, strategic development and scientific research and development of the Group. The Board considers that vesting the roles of the chairman of the Board and the chief executive officer of the Company in the same person, Dr. Zhi Hong, is beneficial to the management of the Group. The Board also believes that the combined role of the chairman of the Board and the chief executive officer of the Company can promote the effective execution of strategic initiatives and facilitate the flow of information between management and the Board.

The balance of power and authority is ensured by the operation of the Board, which comprises experienced and diverse individuals. The Board currently comprises two executive Directors and five independent non-executive Directors, and therefore has a strong independent element in its composition. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of chairman and the chief executive officer is necessary.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company adopted its code of conduct regarding securities transactions of the Directors (the "**Company's Code**") on terms no less exacting than the required standard set out in the Model Code as set out in the Appendix C3 to the Listing Rules. Having made specific enquiry with the Directors, all Directors confirmed that they have complied with the required standard as set out in the Model Code and the Company's Code during the Reporting Period. No incident of non-compliance of the Model Code or the Company's Code by the relevant employees who are likely to be in possession of unpublished inside information of the Company was noted by the Company.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities, including sales of treasury shares (as defined in the Listing Rules). As at June 30,2024, the Company did not hold any treasury shares (as defined in the Listing Rules).

REVIEW OF INTERIM RESULTS

The external auditors of the Company, namely Deloitte Touche Tohmatsu, have carried out a review of the unaudited condensed consolidated financial statements of the Group for the six months ended June 30, 2024, in accordance with the Hong Kong Standard on Review Engagement 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

The Board has established the Audit and Risk Committee, which comprises three independent non-executive Directors, namely Ms. Grace Hui Tang, Dr. Taiyin Yang and Mr. Yiu Wa Alec Tsui. Ms. Grace Hui Tang and Dr. Taiyin Yang serve as the co-chairladies of the Audit and Risk Committee, who have the professional qualifications and experience in financial matters in compliance with the requirements of the Listing Rules. The primary duties of the Audit and Risk Committee are to review and supervise the Company's financial reporting processes, risk management and internal control system.

The Audit and Risk Committee, together with the management and external auditor of the Company, has reviewed the accounting principles and policies adopted by the Company and discussed the risk management, internal control system and financial reporting matters of the Group (including the review of the unaudited condensed consolidated financial statements of the Group for the six months ended June 30, 2024), and is of the view that the interim results of the Group for the six months ended June 30, 2024 is prepared in accordance with applicable accounting standards, rules and regulations and appropriate disclosures have been duly made.

PUBLICATION OF THIS INTERIM RESULTS ANNOUNCEMENT AND THE INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.briibio.com). The interim report of the Company for the six months ended June 30, 2024 containing all the information required by the Listing Rules will be dispatched, if necessary, to the Shareholders and will be published on the respective websites of the Stock Exchange and the Company in due course.

DEFINITIONS

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

"ALT"	alanine transaminase
"AN2"	AN2 Therapeutics, Inc., a corporation incorporated in Delaware, U.S., whose stocks are listed on the NASDAQ Global Select Market (NASDAQ: ANTX)

"APAC"	Asia Pacific
"Audit and Risk Committee"	the audit and risk committee of the Board
"BLA"	biologics license application
"Board"	the board of directors of the Company
"CDE"	the Center for Drug Evaluation
"CG Code"	the Corporate Governance Code contained in Appendix C1 to the Listing Rules
"China" or "the PRC"	the People's Republic of China excluding, for the purposes of this announcement, Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"CNS"	central nervous system, part of the nervous system consisting of the brain and spinal cord
"Company", "we", "us" or "Brii Bio"	Brii Biosciences Limited (腾盛博药生物科技有限公司), an exempted company with limited liability incorporated under the laws of the Cayman Islands, the Shares of which are listed on the Main Board of the Stock Exchange
"Director(s)"	director(s) of the Company
"EASL"	European Association for the Study of the Liver
"EFdA"	an NRTTI and an investigational drug for the treatment of HIV infection
"ENSURE study"	a Phase 2 study in China and certain Asia Pacific regions of elebsiran in combination with PEG-IFNα, with PEG-IFNα controlled
"Global Offering"	the Hong Kong initial public offering and the international offering of the Company
"Greater China"	Mainland China, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Group"	the Company and its subsidiaries

"HBsAg"	hepatitis B surface antigen
"HBV"	hepatitis B virus
"HDV"	hepatitis D virus
"HIV"	human immunodeficiency virus
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"HK$"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"IND"	investigational new drug or investigational new drug application, also known as clinical trial application in China or clinical trial notification in Australia
"LAI"	long acting injection
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"MARCH"	Monoclonal Antibody siRNA Combination against hepatitis B
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuer as set out in Appendix C3 to the Listing Rules
"MDR/XDR"	multi-drug resistant/extensive drug resistant
"NCE"	new chemical entity
"NDA"	new drug application
"NMPA"	the National Medical Products Administration
"NRTTI"	nucleoside analogue reverse transcriptase translocation inhibitor
"NTM"	nontuberculous mycobacteria
"PEG-IFNα"	pegylated interferon alfa
"PK"	Pharmacokinetics
"PPD"	postpartum depression
"Prospectus"	the prospectus of the Company dated June 30, 2021
"QIDP"	Qualified Infectious Disease Product
"Reporting Period"	the six months ended June 30, 2024

"RMB"	Renminbi, the lawful currency of the PRC
"RNA"	ribonucleic acid
"R&D"	research and development
"SciVac"	SciVac Ltd., a company incorporated under the laws of Israel, being a wholly-owned subsidiary of VBI
"Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of US$0.00001 each
"Shareholder(s)"	the holder(s) of the Share(s)
"siRNA"	small interfering RNA, sometimes known as short interfering RNA or silencing RNA, a class of double stranded non-coding RNA molecules
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"United States", "U.S." or "USA"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US$" or "USD"	United States dollars, the lawful currency of the United States
"U.S. FDA"	the U.S. Food and Drug Administration
"VBI"	VBI Vaccines Inc., a corporation with corporate headquarters in Cambridge, the United States, whose stocks are listed on the NASDAQ Global Market (NASDAQ: VBIV)
"VBI Cda"	Variation Biotechnologies Inc., a company incorporated under the laws of Canada, being an indirectly wholly-owned subsidiary of VBI
"VBI Parties"	VBI, VBI Cda and SciVac, individually or together
"Vir"	Vir Biotechnology, Inc., a corporation incorporated in San Francisco, the United States, whose stocks are listed on the NASDAQ Global Market (NASDAQ: VIR)
"%"	per cent.

By order of the Board
Brii Biosciences Limited
Dr. Zhi Hong
Chairman

Hong Kong, August 19, 2024

As at the date of this announcement, the Board comprises Dr. Zhi Hong and Dr. Ankang Li as executive Directors; and Dr. Martin J Murphy Jr, Ms. Grace Hui Tang, Mr. Yiu Wa Alec Tsui, Mr. Gregg Huber Alton and Dr. Taiyin Yang as independent non-executive Directors.