Keymed Biosciences Inc.
康諾亞生物醫藥科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2162)

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

FINANCIAL HIGHLIGHTS

	Six months ended June 30,			
	2024	2023	Changes	
	RMB'000	*RMB'000*	*RMB'000*	*%*
	(Unaudited)	(Unaudited)		
Revenue	**54,682**	327,124	(272,442)	(83%)
Cost of sales	**(3,736)**	(15,017)	11,281	(75%)
Gross profit	**50,946**	312,107	(261,161)	(84%)
Research and development expenses	**(331,026)**	(249,757)	(81,269)	33%
(Loss)/profit for the period	**(336,603)**	48,145	(384,748)	(799%)
Adjusted (loss)/profit for the period (as illustrated under "Non-IFRS Measures")	**(318,969)**	63,828	(382,797)	(600%)

	June 30,	December 31,		
	2024	2023	Changes	
	RMB'000	*RMB'000*	*RMB'000*	*%*
	(Unaudited)	(Audited)		
Cash and cash equivalents, time deposits, and financial assets at FVTPL	**2,576,748**	2,719,186	(142,438)	(5%)

Non-IFRS Measures[(1)]:

	Six months ended June 30,			
	2024	2023	Changes	
	RMB'000	*RMB'000*	*RMB'000*	*%*
	(Unaudited)	(Unaudited)		
(Loss)/profit for the period	**(336,603)**	48,145	(384,748)	(799%)
Add:				
Share-based payment expenses	**17,634**	15,683	1,951	12%
Adjusted (loss)/profit for the period	**(318,969)**	63,828	(382,797)	(600%)

(1) Adjusted (loss)/profit for the period represents the (loss)/profit for the period excluding the effect of the share-based payment expenses. The term adjusted (loss)/profit for the period is not defined under IFRSs. The use of this non-IFRSs 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 IFRSs. Our presentation of this adjusted figure may not be comparable to similarly titled measures presented by other companies. However, we believe that this non-IFRSs measure reflects our core operating results by eliminating potential impacts of items that our management do not consider to be indicative of our core operating performance, and thus, facilitate comparisons of core operating performance from period to period and company to company to the extent applicable.

BUSINESS HIGHLIGHTS

During the Reporting Period, we have rapidly proceeded with the R&D of our products and made the following milestones and progress with respect to our pipeline and business operation:

- **Rapid development of our pipeline products**

  The progress of core pipeline products:

  Stapokibart (CM310) (IL-4Rα antibody)

  We advanced and completed the 52-week treatment and safety follow-up of the Phase III clinical study of Stapokibart injection for the treatment of chronic rhinosinusitis with nasal polyps (CRSwNP) in the first half of 2024. In June 2024, the new drug application of Stapokibart injection for the treatment of chronic rhinosinusitis with nasal polyps was accepted by the NMPA and granted priority review.

  We advanced and completed the unblinding of data and the statistical analysis of the Phase III clinical study of Stapokibart injection for the treatment of seasonal allergic rhinitis (SAR) in the first half of 2024, with the clinical data meeting the primary endpoints. In April 2024, the new drug application of Stapokibart injection for the treatment of seasonal allergic rhinitis was accepted by the NMPA.

  We launched a randomized, double-blinded, placebo-controlled Phase III clinical study to evaluate the efficacy and safety of Stapokibart injection in prurigo nodularis subjects in May 2024. As of the date of this announcement, the patient enrollment of the clinical study is in progress. In addition, we launched a randomized, double-blinded, placebo-controlled Phase III clinical study to evaluate the efficacy and safety of Stapokibart injection in adolescent subjects with moderate-to-severe AD in February 2024. As of the date of this announcement, the patient enrollment of the clinical study is in progress.

  In June 2024, the long-term efficacy and safety data from the Phase III clinical trial of Stapokibart injection for the treatment of moderate-to-severe AD were presented by way of oral presentation at the European Academy of Allergy and Clinical Immunology (EAACI) Congress 2024. The two primary endpoints of this trial were met by achieving the rate of standards of at least 75% improvement from baseline in the Eczema Area and Severity Index (EASI-75) and an Investigator Global Assessment (IGA) score of 0 or 1 point with a reduction of ≥ 2 points from baseline at week 16. Other efficacy indicators included the EASI score, IGA score, and the Peak Pruritus Numerical Rating Scale (PP-NRS), among others. The study showed that at week 52, the rates of achieving EASI-75 for the Stapokibart group and the placebo-to-Stapokibart group were 92.5% and 88.7%, respectively. The EASI-90 response rates were 77.1% and 65.6%, respectively. The rates of achieving an IGA score of 0 or 1 point with a reduction of ≥ 2 points from baseline were 67.3% and 64.2%, respectively. Long-term treatment with Stapokibart can consistently improve dermatitis symptoms and quality of life in subjects with moderate-to-severe AD. During the maintenance period, only one subject (0.9%) experienced a relapse. In terms of safety, Stapokibart was safe and well-tolerated after 52 weeks of administration, with safety profiles consistent with those observed at week 16 and no new safety signals identified.

JMT-Bio, a wholly-owned subsidiary of CSPC, holds the exclusive license to develop and commercialize Stapokibart (CM310) for the treatment of moderate-to-severe asthma, COPD and other respiratory diseases in China (excluding Hong Kong, Macau, or Taiwan). As of the date of this announcement, CSPC has initiated the critical Phase II/III clinical study for the treatment of moderate-to-severe asthma and moderate-to-severe COPD.

CMG901/AZD0901 (Claudin 18.2 ADC)

As of the date of this announcement, AstraZeneca has conducted multiple clinical studies regarding CMG901 (AZD0901) for the treatment of advanced solid tumors.

Among these, an international multi-center Phase III study comparing CMG901 (AZD0901) monotherapy versus investigator's choice as second-line or later-line treatment in patients with advanced or metastatic gastric and gastroesophageal junction (G/GEJ) cancer expressing Claudin 18.2 was publicly announced on the drug clinical trial registration and information publicity platform in March 2024. The first patient received the initial dose in April 2024.

In June 2024, the latest data from a Phase I clinical study of CMG901 (AZD0901) in the treatment of advanced G/GEJ cancer were presented by way of oral presentation at the American Society of Clinical Oncology (ASCO) Annual Meeting 2024. The study results indicated that as of February 2024, among 89 evaluable patients with Claudin 18.2-high expressing (defined as Claudin 18.2 membrane intensity ≥2+ in ≥20% of tumor cells) G/GEJ cancer in three cohorts, confirmed objective response rate (ORR) and confirmed disease control rate (DCR) were 35% and 70%, respectively. In the 2.2 mg/kg dose group, the confirmed ORR was 48%. The median progression free survival (mPFS) for all 93 patients with Claudin 18.2-high expressing G/GEJ cancer was 4.8 months, and the median overall survival (mOS) was 11.8 months. In terms of safety, among the 113 subjects with G/GEJ cancer across the three dose groups, the incidence of drug-related grade ≥3 treatment-emergent adverse events (TEAEs) was 55%, the incidence of drug-related serious AEs was 32%, and 8% of subjects discontinued treatment due to TEAEs.

CM313 (CD38 antibody)

In the first half of 2024, we continued to advance a multi-center, open-label, dose-escalation and dose-expansion Phase I clinical study to evaluate the safety, tolerability, pharmacokinetics, and preliminary efficacy of CM313 injection in patients with RRMM, lymphoma, and other hematological malignancies. Additionally, we initiated a multi-center, open-label Phase I/II clinical study to assess the safety, tolerability, pharmacokinetics, pharmacodynamics, and preliminary efficacy of CM313 (subcutaneous formulation) injection as a monotherapy and in combination with other anti-tumor therapies in patients with RRMM.

In addition, given the observed outstanding clearance effect of CM313 on plasma cells in MM and lymphoma indications, we believe that CM313 has the potential to become an innovative treatment option for systemic lupus erythematosus (SLE). We continuously proceeded with a randomized, double-blinded, placebo-controlled, dose-escalation, multiple-dose Phase Ib/IIa clinical study in the first half of 2024 to evaluate the safety, tolerability, pharmacokinetics, pharmacodynamics, immunogenicity and preliminary efficacy of CM313 injection in subjects with SLE.

In June 2024, a research paper titled "A Novel Anti-CD38 Monoclonal Antibody for Treating Immune Thrombocytopenia" was published in The New England Journal of Medicine. This is an investigator-initiated, single-arm, open-label, exploratory clinical study to evaluate the safety and preliminary efficacy of CM313 in adult patients with primary immune thrombocytopenia. A total of 22 patients were enrolled in the study, with 21 patients completing both the 8 doses and 16-week follow-up periods, while one patient dropped out after the first infusion. In terms of efficacy, results showed that 95.5% of patients (21/22) achieved a platelet count of $\geq 50 \times 10^9$/L within 8 weeks upon the first acceptance of CM313 infusion, with a median cumulative duration for a platelet count of $\geq 50 \times 10^9$/L of 23 weeks (interquartile range: 17-24). The median time to first platelet count of $\geq 50 \times 10^9$/L was 1 week (range: 1-3), and the median time to first platelet count of $\geq 30 \times 10^9$/L with a $\geq$ 2-fold increase from baseline was 1 week. Additionally, the durable platelet count response rate (defined as a platelet count of $\geq 50 \times 10^9$/L observed six or more times among the final eight platelet counts) was 63.6% (14/22). Throughout the entire study, overall response (complete or partial response) was observed in 21 patients, with 20 patients achieving complete response. The proportion of patients with bleeding decreased from 68.2% (15/22) at baseline to 4.8% (1/21) at week 8. Most patients discontinued concomitant medications due to the restoration of platelet counts to normal or safe levels upon CM313 treatment. In summary, CM313 demonstrated rapid and sustained efficacy in 95.5% of patients with primary immune thrombocytopenia who had previously received multiple therapies, with a favorable safety profile.

In June 2024, we have submitted an IND application to further assess the safety, tolerability, pharmacokinetics, pharmacodynamics, immunogenicity, and preliminary efficacy of CM313 in patients with primary immune thrombocytopenia.

CM326 (TSLP antibody)

In March 2024, we completed a randomized, double-blinded, placebo-controlled, dose-escalation Phase Ib/IIa clinical study to evaluate the safety, tolerability, pharmacokinetics, pharmacodynamics, immunogenicity, and preliminary efficacy of CM326 injection administered subcutaneously multiple times in subjects with CRSwNP. This study preliminarily validated the safety and efficacy of CM326 in the CRSwNP population.

In May 2024, we initiated a randomized, double-blinded, placebo-parallel Phase II clinical study to evaluate the efficacy and safety of CM326 recombinant humanized monoclonal antibody injection in patients with CRSwNP, further exploring the optimal dosage. As of the date of this announcement, we are conducting patient enrollment for this clinical study.

JMT-Bio, a wholly-owned subsidiary of CSPC, holds the exclusive license to develop and commercialize CM326 for the treatment of moderate-to-severe asthma, COPD and other respiratory diseases in China (excluding Hong Kong, Macau, or Taiwan). As of the date of this announcement, CSPC has initiated the Phase II clinical study for the treatment of moderate-to-severe asthma.

Progress of other pipeline products:

CM355/ICP-B02 (CD20xCD3 bispecific antibody)

We continuously proceeded with a Phase I/II clinical trial in the first half of 2024 to assess the safety, tolerability, pharmacokinetics, and the preliminary anti-tumor activity of CM355 in relapsed or refractory non-Hodgkin's lymphoma (NHL). As of the date of this announcement, dose escalation of the intravenous infusion formulation (IV) was completed and the subcutaneous formulation (SC) is in the process of patient evaluation. Our preliminary data of both IV and SC formulations has shown good efficacy of CM355 in patients with follicular lymphoma (FL) and diffuse large B-cell lymphoma (DLBCL).

CM336 (BCMAxCD3 bispecific antibody)

We continuously proceeded with a Phase I/II clinical study in the first half of 2024 to assess the safety, tolerability, pharmacokinetics, and the anti-tumor activity of CM336 in RRMM. As of the date of this announcement, the product is currently in the dose-expansion of Phase I/II clinical study.

CM350 (GPC3xCD3 bispecific antibody)

We continuously proceeded with a Phase I/II clinical study in the first half of 2024 to assess the safety, tolerability, pharmacokinetics, and preliminary efficacy of CM350 in patients with advanced solid tumors. As of the date of this announcement, the product is currently in the dose-escalation of Phase I/II clinical study.

CM369/ICP-B05 (CCR8 antibody)

We continuously proceeded with a Phase I clinical study in the first half of 2024 to evaluate the safety, tolerability, pharmacokinetic characteristics, and efficacy of CM369 in subjects with advanced solid tumors and relapsed or refractory non-Hodgkin's lymphoma (NHL).

CM383 (Aβ protofibrils antibody)

As of the date of this announcement, we initiated a Phase I clinical study of the safety, tolerability, pharmacokinetics, pharmacodynamics and immunogenicity of single dose-escalation administration of CM383 in healthy subjects. The enrollment of the first subject was completed in June 2024.

CM380 (GPRC5DxCD3 bispecific antibody)

As of the date of this announcement, we submitted IND application, and planned to conduct a multi-center, open-label Phase I/II clinical study for evaluation of CM380 in treatment of patients with relapsed or refractory multiple myeloma.

- **Actively carry out the out-licensing collaboration**

  In July 2024, Chengdu Keymed and Belenos entered into an out-license agreement, which grants Belenos an exclusive right to develop, manufacture and commercialize the Group's drug candidates, CM512 and CM536, globally excluding the Greater China region. In return, Chengdu Keymed shall receive an upfront and nearterm payment of US$15 million, and iBridge HK Holdings Limited, a wholly-owned subsidiary of the Group, shall receive approximately 30.01% of the equity interest in Belenos as consideration. Subject to achievement of certain development, regulatory and commercial milestones, Chengdu Keymed may also receive additional payments of up to US$170 million. Chengdu Keymed is also entitled to receive tiered royalties from Belenos on net sales for a specified period of time commencing after the first commercial sale of CM512 and CM536.

- **Rapid expansion of workforce and production facilities**

  As of June 30, 2024, the Company had 1,116 full-time employees in total, including over 140 employees engaging in commercialization and nearly 400 employees engaging in drug discovery and clinical operations. We will continue to recruit talents to meet the growing needs of commercialization, research and development, clinical, production and operation of the Company.

  As of the date of this announcement, the production capacity of our production base has reached 18,600 litres in total, and all the designs thereof are in compliance with the requirements of cGMP of the NMPA and FDA.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

We are a biotechnology company focused on the in-house discovery and development of innovative biological therapies in the autoimmune and oncology therapeutic areas. We have multiple clinical-stage assets, each of them being the leading contender within its respective competitive landscape.

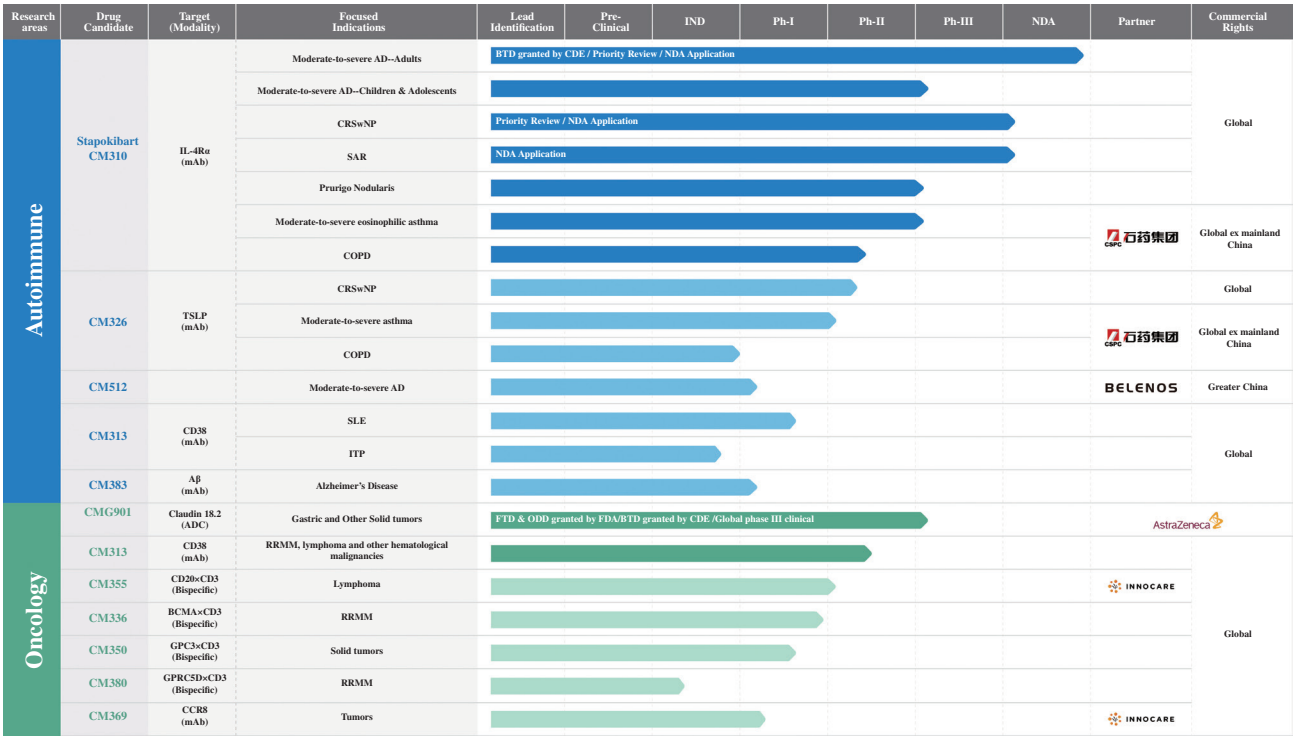
Based on a solid foundation in biomedical research, we have built in-house drug discovery and development technologies that are complemented by our collaboration with other pharmaceutical and biotechnology companies. These comprise an innovative antibody discovery platform and a proprietary novel T cell engager (nTCE) bispecific antibody platform. As of the date of this announcement, we have 11 clinical stage and IND-enabling drug candidates in our internally-developed pipeline.

To accelerate the efficiency of our research and discovery, we have established a fully-integrated platform encompassing all of the key functions in the biologic drug development. These include target validation, lead molecule discovery and optimization, preclinical evaluation, process development, translational research, clinical development and manufacturing. This integrated platform has enabled us to rapidly and cost-effectively identify, build, expand and advance our diversified pipeline of innovative and differentiated antibody-based therapies, including monoclonal antibodies, antibody drug conjugates (ADCs) and bispecific antibodies.

Product Pipeline

Our proprietary product pipeline reflects our market insight and employs the most recent scientific findings. To complement our in-house R&D efforts, we also collaborate with third parties on the development and commercialization of our drug candidates through joint venture or out-licensing arrangements.

The following chart illustrates our pipeline and summarizes the development status of our clinical-stage drug candidates and selected IND-enabling stage candidates as of the end of the Reporting Period and up to the date of this announcement:



Abbreviations: AD = atopic dermatitis; ADC = antibody drug conjugate; AR = allergic rhinitis; CRS = chronic rhinosinusitis; CRSwNP = chronic rhinosinusitis with nasal polyposis; COPD = chronic obstructive pulmonary disease; GEJ = gastroesophageal junction; ITP = primary immune thrombocytopenia; mAb = monoclonal antibody; MM = multiple myeloma; Ph = Phase; RRMM = relapsed or refractory multiple myeloma; SAR = seasonal allergic rhinitis

BUSINESS REVIEW

- **Stapokibart (CM310) (IL-4Rα antibody)**

  Stapokibart (CM310), our core product as defined under Chapter 18A of the Listing Rules, is a humanized and highly potent antibody against interleukin-4 receptor α-subunit (IL-4Rα). It is the first domestically-developed IL-4Rα antibody that received IND approval from the NMPA. By targeting IL-4Rα, Stapokibart (CM310) can lead to dual-blockade of interleukin-4 (IL-4) and interleukin-13 (IL-13) signaling. IL-4 and IL-13 are two critical cytokines for initiating type II inflammation. CM310 can potentially be effective for treating various type II immunological diseases in adults, adolescents and children, such as moderate-to-severe atopic dermatitis (AD), moderate-to-severe asthma, chronic rhinosinusitis with nasal polyposis (CRSwNP), allergic rhinitis, and potentially chronic obstructive pulmonary disease (COPD). It has demonstrated favorable safety and encouraging efficacy in multiple clinical studies.

In June 2024, the long-term efficacy and safety data from the Phase III clinical trial of Stapokibart injection for the treatment of moderate-to-severe AD were presented by way of oral presentation at the European Academy of Allergy and Clinical Immunology (EAACI) Congress 2024. This clinical trial is a multi-center, randomized, double-blinded, placebo-controlled Phase III clinical trial designed to evaluate the efficacy and safety of Stapokibart in subjects with moderate-to-severe atopic dermatitis, as well as to observe its PK characteristics, PD effects, and immunogenicity. A total of 500 adult subjects with moderate-to-severe AD were randomly assigned in a 1:1 ratio to receive either 300 mg of Stapokibart (initial dose: 600 mg) or a placebo, administered every two weeks for 16 weeks (double-blind treatment period). Following this, all subjects received 300 mg of Stapokibart (placebo-to-Stapokibart initial dose: 600 mg), administered every two weeks for 36 weeks (maintenance treatment period). Combination of topical treatments for AD were allowed during the maintenance treatment period. The two primary endpoints of this trial were met by achieving the rate of standards of at least 75% improvement from baseline in the Eczema Area and Severity Index (EASI-75) and an Investigator Global Assessment (IGA) score of 0 or 1 point with a reduction of ≥ 2 points from baseline at week 16. Other efficacy indicators included the EASI score, IGA score, and the Peak Pruritus Numerical Rating Scale (PP-NRS), among others. A total of 476 subjects entered the maintenance treatment period, with 238 subjects in each group. At week 52, the rates of achieving EASI-75 for the Stapokibart group and the placebo-to-Stapokibart group were 92.5% and 88.7%, respectively. The EASI-90 response rates were 77.1% and 65.6%, respectively. The rates of achieving an IGA score of 0 or 1 point with a reduction of ≥ 2 points from baseline were 67.3% and 64.2%, respectively. Additionally, the rates of achieving a weekly average reduction of ≥ 4 points from baseline in the daily PP-NRS score were 67.3% and 60.5%, respectively. Long-term treatment with Stapokibart can consistently improve dermatitis symptoms and quality of life in subjects with moderate-to-severe AD. During the maintenance period, only one subject (0.9%) experienced a relapse. In terms of safety, Stapokibart was safe and well-tolerated after 52 weeks of administration, with safety profiles consistent with those observed at week 16 and no new safety signals identified. Overall, long-term Stapokibart treatment provides sustained clinical benefits for adult subjects with moderate-to-severe AD and has a good safety profile, with no new safety signals identified.

In the first half of 2024, we advanced and completed the 52-week treatment and safety follow-up of the Phase III clinical study of Stapokibart injection in the treatment of chronic rhinosinusitis with nasal polyps (CRSwNP). The overall study results showed that after treatment with Stapokibart, patients experienced rapid and significant reduction in nasal polyps, relief of nasal obstruction symptoms, and effective improvement in olfaction. Long-term treatment lasting more than six months provided sustained clinical benefits, achieving almost clinical remission and comprehensively improving patients' quality of life. In June 2024, the new drug application of Stapokibart injection for the treatment of chronic rhinosinusitis with nasal polyps was accepted by the NMPA and granted priority review.

In the first half of 2024, we completed the data unblinding and statistical analysis for the Phase III clinical study of Stapokibart injection for the treatment of seasonal allergic rhinitis (SAR), with clinical data meeting the primary endpoints. This clinical trial is a multi-center, randomized, double-blind, placebo-parallel Phase III study aimed at confirming the efficacy and safety of Stapokibart injection in adult patients with SAR who have inadequate control with nasal glucocorticoids or other treatments. In this Phase III clinical study conducted during the pollen season, 108 subjects were enrolled. Stratified by study center, subjects

were randomly assigned in a 1:1 ratio to receive Stapokibart 600 mg (initial dose) + 300 mg or placebo, administered every two weeks for a total of two doses. Safety was observed for 8 weeks. The primary endpoint of the study was the average change from baseline in the daily retrospective nasal symptoms score (rTNSS) over the 2-week treatment period. The results of the Phase III clinical trial were positive, with the primary endpoint being fully met. Stapokibart demonstrated significant superiority over the placebo group with a high level of statistical significance and showed good safety. In April 2024, the new drug application of Stapokibart injection for the treatment of seasonal allergic rhinitis was accepted by the NMPA.

In February 2024, we launched a randomized, double-blinded, placebo-controlled Phase III clinical study to evaluate the efficacy and safety of Stapokibart injection in adolescent subjects with moderate-to-severe AD. As of the date of this announcement, the patient enrollment for this clinical study is in progress. Additionally, in May 2024, we initiated a randomized, double-blinded, placebo-controlled Phase III clinical study to evaluate the efficacy and safety of Stapokibart injection in subjects with nodular prurigo. As of the date of this announcement, the patient enrollment for this clinical study is in progress.

JMT-Bio, a wholly-owned subsidiary of CSPC, has the exclusive license to develop and commercialize Stapokibart (CM310) for the treatment of moderate-to-severe asthma, COPD and other respiratory diseases in China (excluding Hong Kong, Macau, or Taiwan). As of the date of this announcement, CSPC has initiated the critical Phase II/III clinical study for the treatment of moderate-to-severe asthma and moderate-to-severe COPD.

- **CMG901/AZD0901 (Claudin 18.2 antibody drug conjugate)**

CMG901 is a Claudin 18.2-targeting ADC comprising of a Claudin 18.2-specific antibody, a cleavable linker and a toxic payload, monomethyl auristatin E (MMAE). It is the first Claudin 18.2 ADC to have received IND approval in China and the U.S.. Claudin 18.2 is selectively and widely expressed in gastric cancer, pancreatic cancer and other solid tumors, which makes it an ideal tumor target for therapeutic development. Previously, CMG901 was granted the Fast Track Designation and the Orphan Drug Designation by the FDA for the treatment of relapsed/refractory gastric cancer and GEJ adenocarcinoma, and was granted breakthrough therapy designation by the CDE for the treatment of Claudin 18.2-positive advanced gastric cancer that has failed or cannot be tolerated by first-line treatment or above.

As of the date of this announcement, AstraZeneca AB has conducted multiple clinical studies regarding CMG901 (AZD0901) for the treatment of advanced solid tumors.

Among these, an international multi-center Phase III study comparing CMG901 (AZD0901) monotherapy versus investigator's choice as second-line or later-line treatment in patients with advanced or metastatic gastric and gastroesophageal junction (G/GEJ) cancer expressing Claudin 18.2 was publicly announced on the drug clinical trial registration and information publicity platform in March 2024. The first patient received the initial dose in April 2024.

In June 2024, the latest data from a Phase I clinical study of CMG901 (AZD0901) in the treatment of advanced G/GEJ cancer were presented by way of oral presentation at the American Society of Clinical Oncology (ASCO) Annual Meeting 2024. This report updated the data previously presented at the ASCO Plenary Series in November 2023, with a median follow-up time of 10.1 months.

The study results indicated that as of February 24, 2024, totally 113 patients with G/GEJ cancer received CMG901 (AZD0901) at doses of 2.2mg/kg, 2.6mg/kg, and 3.0 mg/kg (n=44, 50, and 19, respectively). The median line of prior therapy of subjects was two. 74% of subjects previously received anti-PD-1/PD-L1 therapy. Among 89 evaluable patients with Claudin 18.2-high expressing (defined as Claudin 18.2 staining intensity ≥2+ in ≥20% of tumor cells) G/GEJ cancer in three cohorts, confirmed objective response rate (ORR) and confirmed disease control rate (DCR) were 35% and 70%, respectively. In the 2.2 mg/kg dose group, the confirmed ORR was 48%. The median progression free survival (mPFS) for all 93 patients with Claudin 18.2-high expressing G/GEJ cancer was 4.8 months, and the median overall survival (mOS) was 11.8 months. In terms of safety, among the 113 subjects with G/GEJ cancer across the three dose groups, the incidence of drug-related grade ≥3 treatment-emergent adverse events (TEAEs) was 55%, the incidence of drug-related serious AEs was 32%, and 8% of subjects had discontinued treatment due to TEAEs. Overall, CMG901 had a manageable safety and tolerability profile, with most TEAEs being well controlled through preventive medication or standard treatment management during continued dosing.

- **CM313 (CD38 antibody)**

CM313 is a humanized monoclonal antibody that targets CD38. It can induce target cell apoptosis through antibody-dependent cell-mediated cytotoxicity (ADCC), complement-dependent cytotoxicity (CDC), and antibody-dependent cell-mediated phagocytosis (ADCP), as well as under Fc cross-linking conditions. We believe that CM313 has the potential to become an innovative treatment option for relapsed or refractory multiple myeloma (RRMM) and other hematological malignancies, and it may also bring new breakthroughs in the field of autoimmune disease treatment.

In the first half of 2024, we continued to advance a multi-center, open-label, dose-escalation and dose-expansion Phase I clinical study to evaluate the safety, tolerability, pharmacokinetics, and preliminary efficacy of CM313 injection in patients with RRMM, lymphoma, and other hematological malignancies. Additionally, we initiated a multi-center, open-label Phase I/II clinical study to assess the safety, tolerability, pharmacokinetics, pharmacodynamics, and preliminary efficacy of CM313 (subcutaneous formulation) injection as a monotherapy and in combination with other anti-tumor therapies in patients with RRMM.

In addition, given the observed outstanding clearance effect of CM313 on plasma cells in multiple myeloma (MM) and lymphoma indications, we believe that CM313 has the potential to become an innovative treatment option for systemic lupus erythematosus (SLE). We continuously proceeded with a randomized, double-blinded, placebo-controlled, dose-escalation, multiple-dose Phase Ib/IIa clinical study in the first half of 2024 to evaluate the safety, tolerability, pharmacokinetics, pharmacodynamics, immunogenicity and preliminary efficacy of CM313 injection in subjects with SLE.

In June 2024, a research paper titled "A Novel Anti-CD38 Monoclonal Antibody for Treating Immune Thrombocytopenia" was published in The New England Journal of Medicine. This is an investigator-initiated, single-arm, open-label, exploratory clinical study to evaluate the safety and preliminary efficacy of CM313 in adult patients with primary immune thrombocytopenia. A total of 22 patients were enrolled in the study, with 21 patients completing both the 8 doses and 16-week follow-up periods, while one patient dropped out after the first infusion. In terms of efficacy, results showed that 95.5% of patients (21/22) achieved a platelet count of $\geq 50 \times 10^9$/L within 8 weeks upon the first acceptance of CM313 infusion, with a median cumulative duration for a platelet count of $\geq 50 \times 10^9$/L of 23 weeks (interquartile range: 17-24). The median time to first platelet count of $\geq 50 \times 10^9$/L was 1 week (range: 1-3), and the median time to first platelet count of $\geq 30 \times 10^9$/L with a ≥ 2-fold increase from baseline was 1 week. Additionally, the durable platelet count response rate (defined as a platelet count of $\geq 50 \times 10^9$/L observed six or more times among the final eight platelet counts) was 63.6% (14/22). Throughout the entire study, overall response (complete or partial response) was observed in 21 patients, with 20 patients achieving complete response. The proportion of patients with bleeding decreased from 68.2% (15/22) at baseline to 4.8% (1/21) at week 8. Most patients discontinued concomitant medications due to the restoration of platelet counts to normal or safe levels upon CM313 treatment. In summary, CM313 demonstrated rapid and sustained efficacy in 95.5% of patients with primary immune thrombocytopenia who had previously received multiple therapies, with a favorable safety profile.

We have submitted an IND application in June 2024 to further assess the safety, tolerability, pharmacokinetics, pharmacodynamics, immunogenicity, and preliminary efficacy of CM313 in patients with primary immune thrombocytopenia.

- **CM326 (TSLP antibody)**

CM326 is a humanized and highly potent monoclonal antibody targeting thymic stromal lymphopoietin (TSLP). It is the first domestically-developed TSLP-targeting antibody in China, to have received IND approval. TSLP plays a critical role as an upstream cytokine mediating multiple inflammatory pathways, which provides a strong scientific rationale for the development of TSLP antibody to treat COPD and various allergic diseases, including moderate-to-severe asthma and CRSwNP.

In March 2024, we completed a randomized, double-blind, placebo-controlled, dose-escalation Phase Ib/IIa clinical study to assess the safety, tolerability, pharmacokinetics, pharmacodynamics, immunogenicity, and preliminary efficacy of CM326 injection administered subcutaneously multiple times in subjects with chronic rhinosinusitis with nasal polyposis (CRSwNP). This study provided initial validation for the safety and efficacy of CM326 in the population with CRSwNP. Following this, in May 2024, we initiated a randomized, double-blind, placebo-parallel Phase II clinical study to evaluate the efficacy and safety of the CM326 recombinant humanized monoclonal antibody injection in patients with CRSwNP, aiming to identify the optimal dose. As of the date of this announcement, we are enrolling patients for this clinical study.

JMT-Bio, a wholly-owned subsidiary of CSPC, holds the exclusive license to develop and commercialize CM326 for the treatment of moderate-to-severe asthma, COPD and other respiratory diseases in China (excluding Hong Kong, Macau, or Taiwan). As of the date of this announcement, CSPC has initiated the Phase II clinical study for the treatment of moderate-to-severe asthma.

- **CM355/ICP-B02 (CD20 x CD3 bispecific antibody)**

  CM355 is a CD20xCD3 bispecific antibody co-developed by us and InnoCare for the treatment of B-cell non-Hodgkin's lymphoma (NHL). In preclinical studies, it demonstrated stronger T-cell directed cellular cytotoxicity (TDCC) activities with less cytokine release as compared to its leading competitive products.

  In August 2024, the escalation study of the intravenous infusion (IV) formulation has been completed and the patient evaluation of the subcutaneous (SC) formulation is undergoing. Our preliminary data of both IV and SC formulations have shown good efficacy of CM355 in patients with follicular lymphoma (FL) and diffuse large B-cell lymphoma (DLBCL). The ORR of all the 15 patients who were treated with CM355 (dose ≥6 mg) was 100%, among 11 patients who were evaluable in SC group, the ORR was 100% (11/11), with complete response rate (CRR) of 63.6% (7/11), including 2 DLBCL patients with complete response (CR). Most of the responders are still under treatment with maintained response. Based on the encouraging results of CM355 as monotherapy, we are planning to conduct dose expansion study in CM355 in combination with other immunochemotherapies in earlier lines of treatment for NHL patients, and the IND for the combination therapies has been approved by CDE in June 2024.

  In clinical studies, CM355 induced a rapid and profound depletion of B cells in peripheral blood and tissues. CM355 (SC and IV formulations) induced a profound and sustained depletion of peripheral B cells after first infusion in our Phase I/II clinical trial in relapsed or refractory NHL patients. Two patients with bone marrow involvement at baseline were re-evaluated after achieving CR and had complete depletion of CD19- or CD20-positive B cells in the bone marrow, indicating a profound depletion of B cells in the tissues. Given the critical role of B cells in a variety of severe autoimmune diseases, CM355 may have wider applications in severe autoimmune diseases.

- **CM336 (BCMA x CD3 bispecific antibody)**

  CM336 is a BCMAxCD3 bispecific antibody that can simultaneously target and identify and specifically bind both BCMA on the surface of target cells and the CD3 receptor on the surface of T cells to recruit immune T cells to the vicinity of the target cells, thereby inducing T-cell dependent cellular cytotoxicity (TDCC) to eliminate the target cells. In the first half of 2024, we continuously proceeded with a multi-center, open-label Phase I/II clinical study to assess CM336 injection in treating patients with relapsed or refractory multiple myeloma. As of the date of this announcement, the product is currently in the dose-expansion phase of Phase I/II clinical study.

Furthermore, based on the clinical effects observed in multiple myeloma indication, we believe that CM336 could represent a promising new therapeutic option for autoimmune diseases by eliminating plasma cells that secrete pathogenic antibodies.

- **CM350 (GPC3 x CD3 bispecific antibody)**

  CM350 is a GPC3xCD3 bispecific antibody for the treatment of solid tumors, especially for hepatocellular carcinoma (HCC). CM350 can simultaneously bind GPC3-positive tumor cells and T cells, thereby activating T cells to eliminate tumor cells.

  We continuously proceeded with a Phase I/II clinical study in the first half of 2024 to assess the safety, tolerability, pharmacokinetics, and preliminary efficacy of CM350 in patients with advanced solid tumors. As of the date of this announcement, the product is currently in the dose-escalation of Phase I/II clinical study.

- **CM369/ICP-B05 (CCR8 antibody)**

  CM369 is an anti-C-C motif chemokine receptor 8 (CCR8) monoclonal antibody, a potential first-in-class drug co-developed by our Company and InnoCare as a monotherapy or in combination with other therapies for the treatment of various cancers. The studies have found that as a chemokine receptor with specificity overexpressed on tumor-infiltrating regulatory T cells (Tregs), CM369 binds to specificity of CCR8 on Tregs and eradicates immunosuppressive Tregs through antibody-dependent cell-mediated cytotoxicity (ADCC) action to relieve tumor suppression in the tumor microenvironment (TME) without affecting peripheral tissues. CM369 has potential to selectively remove Tregs from tumor microenvironment, which has more specificity than other immunotherapies and is expected to enhance our strength in the area of solid tumors by synergizing with our existing pipeline.

  We are conducting a Phase I clinical trial to evaluate the safety, tolerability, pharmacokinetic characteristics, and efficacy of CM369 in subjects with advanced solid tumors and relapsed or refractory NHL. As of the date of this announcement, for solid tumors, dosage of CM369 has been escalated up to 150 mg, which is also the initial dose for NHL indication. CM369 was well tolerated with no dose-limiting toxicity (DLT) and grade 3 or above treatment-related adverse events (TRAEs) observed. The preliminary data demonstrated a favorable PK profile with sufficient exposure for target coverage, and regulatory T-cell depletion was observed. As of August 1, 2024, we have initially observed efficacy in patients with NHL, where 6 patients underwent at least one primary lesion evaluation, and the follow-up evaluations confirmed that, 3 patients (50%) of which had the primary lesion achieved partial response (PR). The Company will explore the combination of CM369 with other immunotherapies for the treatment of various oncology indications after collecting the safety data of monotherapy.

- **CM383 (Aβ protofibrils antibody)**

  CM383 is a humanized monoclonal antibody for the treatment of early Alzheimer's disease (Alzheimer's Disease). The amyloid cascade hypothesis postulates that excessive β-amyloid protein (Aβ) in the brain is a trigger of Alzheimer's Disease. In addition, Aβ protofibrils are considered to be more toxic which are associated with the Alzheimer's Disease progression in the patients. CM383 selectively binds to soluble Aβ protofibrils and plaque. On one hand, CM383 reduces the deposition of Aβ. On the other hand, CM383 promotes the clearance of Aβ plaque.

  Preclinical studies indicated that CM383 demonstrated a favorable safety profile. As of the date of this announcement, we initiated a Phase I clinical study of the safety, tolerability, pharmacokinetics, pharmacodynamics and immunogenicity of single dose-escalation administration of CM383 in healthy subjects. The enrollment of the first subject was completed in June 2024.

- **CM380 (GPRC5D×CD3 bispecific antibody)**

  CM380 is a GPRC5DxCD3 bispecific antibody that can simultaneously target and identify and specifically bind to GPRC5D on the surface of multiple myeloma cells and the CD3 receptor on T cells. It recruits immune T cells to the vicinity of target cells, inducing T-cell dependent cellular cytotoxicity (TDCC) to eliminate myeloma cells.

  Preclinical studies indicated that CM380 had favorable antitumor effects and was well tolerated. As of the date of this announcement, we submitted IND application, and planned to conduct a multi-center, open-label Phase I/II clinical study for evaluation of CM380 in treatment of patients with relapsed or refractory multiple myeloma.

Cautionary Statement required by Rule 18A.08(3) of the Listing Rules: The Company may not be able to ultimately develop and market CM310, CMG901, CM313, CM326, CM355, CM336, CM350, CM369, CM383, CM380 or any other product candidates successfully. As of the date of this announcement, no material adverse changes had occurred with respect to the regulatory approvals we had received in relation to our drug candidates.

OUR R&D AND MANUFACTURING

Leveraging the expertise of our clinical development team, we are able to efficiently design and execute our clinical trials and demonstrate the advantages of our innovative drugs through outstanding clinical results. Our clinical development team achieves this goal through well-designed trial protocols and excellent trial execution. The team coordinates clinical development strategies and trial protocols for our drug candidates, and manages the trial implementation with the assistance of reputable CROs in a cost-effective manner. Our medical and translational research staff identify and validate biomarkers, direct patient selection, and analyze clinical data to guide clinical studies and preclinical evaluations. As our clinical-stage drug candidates are each among the first three domestically-developed for its target or in its class to have obtained IND approval in China and/or the U.S., we have attracted first-tier hospitals and leading principal investigators (PIs) to join our clinical trials.

To ensure production and supply of high-quality and affordable antibody drugs, we have always been committed to enhancing our in-house manufacturing capabilities. We have internally developed high-expressing cell lines to ensure high yield and low costs for our antibody manufacturing. As of the end of the Reporting Period, the production capacity of the production base in Chengdu has reached 18,600 litres in total, and all the designs thereof are in compliance with the requirements of cGMP of the NMPA and FDA.

R&D PLATFORMS

We have built fully-integrated platforms to enable our in-depth R&D in the areas of immunology and oncology. Our platforms are integrated seamlessly to support key drug development functionalities, including antibody screening, functional evaluation, in vivo preclinical studies and biomarker identification. We have the expertise and capability to independently complete the entire drug development process from drug discovery to preclinical research to clinical development and to NDA/BLA application. Our core platforms are as follows:

- **Novel T Cell Engager (nTCE) Platform**

  Our nTCE platform enables us to develop bispecific T cell engagers that are potent and highly tumor specific. In recent years, T cell engaging bispecific antibodies have attracted particular interest as a promising class of immunotherapies for the treatment of non-immunogenic tumors. Our technology is designed to overcome these limitations by maximizing T cell-mediated cell killing effects with minimal cytokine release syndrome, and high stability and productivity.

  Leveraging the nTCE platform, we are developing multiple T-cell engaging bispecific antibodies, including CM355, CM336, CM350 and CM380, which have entered the clinical/clinical application submission stage as of the date of this announcement. In preclinical studies, the above drug candidates have demonstrated encouraging T cell-mediated cell killing effects with low possibility of cytokine release syndrome.

- **Innovative Antibody Discovery Platform**

  Our innovative antibody discovery platform is a versatile platform for the discovery and evaluation of antibody drugs. This platform includes the following main functionalities: antibody screening, engineering and optimization. With these functions and technologies, we are able to develop antibody-based therapies with new modalities and new mechanisms of action, which potentially increase the efficacy and specificity of the therapies. Based on this platform, we have developed multiple drug candidates with different modalities in our pipeline, including bispecific antibodies, ADCs and fragment crystallizable region (Fc) engineered antibodies. This platform is also empowered by enhanced automatic antibody screening and discovery techniques, leading to cost-efficient discovery of drug candidates with high affinity, cross-species activity and improved developability.

- **Bio-evaluation Platform**

  Our bio-evaluation platform is responsible for effective assessment of antibody drug candidates. We have developed multiple cell-based assays using primary and engineered reporter cells, which enable us to quickly screen and select highly potent antibodies with desired biological activities. Building on our experience and expertise, we are also able to establish a variety of immunoassays to facilitate our immunology and oncology pipeline development. To further evaluate the efficacies of antibody drugs in vivo, we have developed a number of animal models in different species in collaboration with our CROs to support our target validation and lead molecule selection.

- **High-throughput Screening Platform for High Yield Antibody-expressing Cells**

  Leveraging the experience and know-how of our chemistry, manufacturing and controls (CMC) and manufacturing team, we have developed our high-throughput screening platform to identify high-yielding cell lines that have desirable characteristics for further cost-efficient development. With this platform, we have successfully identified the cell lines to produce drug candidates in three months. This allows us to rapidly advance our assets to the preclinical and clinical evaluation stage and accelerate the drug development process.

- **Novel Antibody Drug Conjugate (ADC) Platform**

  Our ADC platform has the comprehensive capabilities to develop novel ADCs with diverse combinations of novel payloads with different mechanisms of action, new types of hydrophilic linkers, and various novel antibodies by multi-conjugation techniques, which generates ADCs with full independent intellectual property rights, strong in vivo stability, excellent efficacy, and good safety. Based on this platform, in addition to the MMAE payload and linker used in CMG901 (also known as AZD0901), we have successfully developed several new types of payloads of new topoisomerase inhibitors and novel linkers. A series of new ADCs with the above payloads and linkers showed good in vivo stability, strong efficacy and good safety, and are currently in the research or the pre-clinical development stage. In addition, we have also developed novel synthetic methods, which could effectively reduce the manufacturing cost of ADCs and potentially benefit more patients.

FUTURE DEVELOPMENT

We will continue to rapidly advance both ongoing and planned clinical programs for our pipeline products both in China and globally, including in the U.S., and prepare for the commercialization of our late-stage pipeline products. In the meantime, to expedite the commercialization of our drug candidates and maximize the commercial value, we will actively explore value-accretive strategic partnerships such as co-development, collaboration, and licensing both in China and globally.

In anticipation of increased production demands for our drug candidates, we plan to further expand our cGMP-compliant manufacturing capacity to improve the cost-effectiveness of our production. We are very pleased to see the rapid progress we achieved so far and the detailed development plan ahead of us. In line with our Company's vision, we are committed to developing, manufacturing and commercializing innovative biological therapies for patients worldwide.

FINANCIAL REVIEW

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue	**54,682**	327,124
Cost of sales	**(3,736)**	(15,017)
GROSS PROFIT	**50,946**	312,107
Other income and gains	**73,481**	79,981
Research and development expenses	**(331,026)**	(249,757)
Administrative expenses	**(89,948)**	(82,372)
Selling and distribution expenses	**(23,248)**	–
Other expenses	**(168)**	(381)
Finance costs	**(8,863)**	(9,336)
Share of losses of a joint venture	**(1,698)**	(2,097)
(LOSS)/PROFIT BEFORE TAX	**(330,524)**	48,145
Income tax expense	**(6,079)**	–
(LOSS)/PROFIT FOR THE PERIOD	**(336,603)**	48,145
Attributable to:		
Owners of the parent	**(336,745)**	46,967
Non-controlling interests	**142**	1,178
	(336,603)	48,145

1. Revenue and Cost of Sales

During the Reporting Period, the Group's revenue primarily consisted of the 1st milestone revenue from AZ on the CMG901 license transaction. Cost of sales mainly represented costs incurred under the out-licensing arrangements.

2. Other Income and Gains

During the Reporting Period, the Group's other income and gains primarily consisted of government grants of RMB23 million, interest income of RMB41 million and exchange gain of RMB6 million.

3. R&D Expenses

During the Reporting Period, the Group's R&D expenses primarily consisted of (i) expenses incurred in connection with preclinical and clinical studies, including third-party contracting costs with respect to the engagement of CROs, clinical trial sites and other service providers in connection with our R&D activities; (ii) staff costs for our R&D employees; (iii) expenses for procuring raw materials and consumables used in the R&D of our drug candidates; and (iv) depreciation and amortization of property, plant and equipment and other intangible assets related to R&D activities. For the six months ended June 30, 2024, the R&D expenses of the Group increased by RMB81 million to RMB331 million, from RMB250 million for the six months ended June 30, 2023. The increase was primarily attributable to increased staff costs, number of clinical trials and equipment used in the R&D activities.

4. Administrative Expenses

During the Reporting Period, the Group's administrative expenses primarily consisted of (i) staff costs for our administrative employees; (ii) depreciation and amortization of property, plant and equipment and other intangible assets related to administrative activities; and (iii) professional services fees paid to legal counsel, agents, auditor, and other professional service providers. For the six months ended June 30, 2024, the administrative expenses of the Group increased by RMB8 million to RMB90 million, from RMB82 million for the six months ended June 30, 2023. The increase was primarily attributable to the increase in staff costs as a result of business expansion.

5. Selling and distribution expenses

During the Reporting Period, the Group's selling and distribution expenses primarily consisted of staff costs of commercialization department.

6. Finance Costs

During the Reporting Period, the Group's finance costs primarily consisted of interest expenses on bank borrowings.

7. Income Tax Expense

During the Reporting Period, the income tax expense primarily consisted of withholding tax on the milestone payment from AZ.

8. Selected Data from Interim Condensed Consolidated Statement of Financial Position

	As at June 30, 2024 ***RMB'000*** **(Unaudited)**	As at December 31, 2023 *RMB'000* (Audited)
Total current assets	**2,788,339**	2,939,531
Total non-current assets	**1,017,107**	943,391
Total assets	**3,805,446**	3,882,922
Total current liabilities	**559,659**	314,180
Total non-current liabilities	**608,631**	581,929
Total liabilities	**1,168,290**	896,109
Net current assets	**2,228,680**	2,625,351

9. Liquidity and Capital Resources

As at June 30, 2024, our time deposits, cash and cash equivalents and bank wealth management products decreased by RMB142 million to RMB2,577 million from RMB2,719 million as at December 31, 2023. The decrease was primarily attributable to cash used in the daily operation.

As at June 30, 2024, the current assets of the Group were RMB2,788 million, including cash and bank balances of RMB710 million, time deposits of RMB1,730 million, bank wealth management products of RMB137 million and other current assets of RMB211 million. As at June 30, 2024, the current liabilities of the Group were RMB560 million, including trade payables of RMB30 million, other payables and accruals of RMB165 million, interest-bearing bank borrowings of RMB344 million and other current liabilities of RMB21 million.

For the six months ended June 30, 2024, our net cash flows used in operating activities amounted to RMB366 million, while net cash flows from operating activities amounted to RMB40 million for the six months ended June 30, 2023. The decrease was primarily attributable to the one-time upfront payment received from AZ on CMG901 license transaction in 2023.

For the six months ended June 30, 2024, our net cash flows used in investing activities amounted to RMB40 million, while net cash flows from investing activities amounted to RMB444 million for the six months ended June 30, 2023. The decrease was primarily attributable to less time deposits withdrawal during the Reporting Period.

For the six months ended June 30, 2024, our net cash flows from financing activities amounted to RMB264 million, while net cash flows used in financing activities amounted to RMB4 million for the six months ended June 30, 2023. The increase was primarily attributable to more bank loans borrowed during the Reporting Period.

As part of our treasury management, we invest in certain wealth management products to better utilize excess cash when our cash sufficiently covers 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 of our investment activities. Under our investment policy, we generally limit our purchases to low-risk, short-term products from reputable commercial banks which must not interfere with our daily operation and business prospects.

We recorded these investments as financial assets at FVTPL of RMB137 million as of June 30, 2024. We manage and evaluate the performance of these investments on a fair value basis in accordance with our risk management and investment strategy. Therefore, these investments in wealth management products were designated as financial assets at FVTPL as of June 30, 2024.

10. Indebtedness

As at June 30, 2024, our interest-bearing bank borrowings amounted to RMB692 million, of which RMB311 million are borrowed at fixed interest rate. The unutilized credit facilities amounted to RMB388 million.

As at June 30, 2024, the lease liabilities decreased by RMB9 million to RMB32 million as the result of the lease payments.

The gearing ratio (calculated by total liabilities divided by total assets) of the Group as of June 30, 2024 was 31%, representing an increase of 8 percentage points from the gearing ratio of 23% as at December 31, 2023.

11. Significant Investments, Material Acquisitions and Disposals

The Group did not have material acquisitions or disposals of subsidiaries, associates and joint ventures for the six months ended June 30, 2024, and the Group also did not hold any significant investments for the six months ended June 30, 2024. The Group did not have plans for significant investments or capital assets as at the date of the announcement.

12. Contingent Liabilities

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

13. Capital Commitments

As of June 30, 2024, the Group had capital commitments contracted, but not yet provided, of RMB223 million, which were related to the purchase or construction of property, plant and equipment for the manufacture plant.

14. Pledge of Assets

As of June 30, 2024, the Group pledged machinery equipment with costs of RMB441 million and construction in progress and land use right with a total net carrying amount of RMB80 million, and committed to pledge the buildings with total net carrying amount of RMB185 million to secure its bank borrowings.

15. Foreign Exchange Exposure

During the Reporting Period, the Group mainly operated in China and a majority of our transactions were settled in Renminbi, the functional currency of the Company's primary subsidiaries. The Group's borrowing is made in Renminbi, while cash and cash equivalents are primarily held in Renminbi, Hong Kong dollars and U.S. dollars. The Group is exposed to foreign currency risk as a result of certain cash and bank balances, time deposits and financial assets at FVTPL denominated in non-functional currency. We currently do not have a foreign currency hedging policy. However, our management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

HUMAN RESOURCES

As of June 30, 2024, we had 1,116 full-time employees in total, including eight employees who were employed overseas and the remaining in Mainland China. In strict compliance with the relevant labor laws, we enter into individual employment contracts with our employees covering matters such as terms, wages, bonuses, employee benefits, workplace safety, confidentiality obligations and grounds for termination.

To remain competitive in the labor market, we provide various incentives and benefits to our employees. We invest in continuing education and training programs, including internal and external training, for our management staff and other employees to upgrade their skills and knowledge. We also provide competitive salaries and opportunity to participate in share incentive schemes to our employees. We believe our benefits, working environment and development opportunities for our employees have contributed to good employee relations and employee retention.

Our Company has adopted the 2021 RSU Scheme on April 5, 2021 (for further details, please refer to our Prospectus) and the 2022 RSU Scheme on January 21, 2022 (for further details, please refer to the Company's announcements dated January 21, 2022 and January 28, 2022). During the Reporting Period, restricted share units underlying 821,981 Shares and 0 Share had been awarded under the 2021 RSU Scheme and 2022 RSU Scheme, respectively.

SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

In July 2024, Keymed Biosciences (Chengdu) Co., Ltd. (康諾亞生物醫藥科技(成都)有限公司) ("**Chengdu Keymed**"), a wholly-owned subsidiary of the Group, and Belenos Biosciences, Inc. ("**Belenos**") entered into an out-license agreement (the "**License Agreement**"). The License Agreement grants Belenos the exclusive right to develop, manufacture and commercialize the Group's drug candidates, CM512 and CM536, globally excluding the Greater China region. In return, Chengdu Keymed shall receive an upfront and nearterm payment of US$15 million, and iBridge HK Holdings Limited, a wholly-owned subsidiary of the Group, shall receive approximately 30.01% of the equity interest in Belenos as consideration. Subject to achievement of certain development, regulatory and commercial milestones, Chengdu Keymed may also receive additional payments up to US$170 million. Chengdu Keymed is also entitled to receive tiered royalties from Belenos on net sales during a specified time period beginning after the first commercial sales of CM512 and CM536. Please refer to the announcement of the Company dated July 9, 2024 for further information.

Save as disclosed above, there is no significant subsequent event undertaken by the Company or by the Group after the Reporting Period and up to the date of this announcement.

INTERIM DIVIDEND

The Board did not propose any 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 of the Company and to enhance corporate value and accountability. The Company has adopted the CG Code contained in Appendix C1 to the Listing Rules as its own code of corporate governance.

Under code provision C.2.1 of part 2 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Dr. Chen is the chairman of the Board and the chief executive officer of the Company. With extensive experience in the pharmaceutical industry and having served in the Company since its establishment, Dr. Chen is in charge of overall strategic planning, business direction and operational management of the Group. The Board considers that vesting the roles of the chairman of the Board and the chief executive officer in the same person is beneficial to the management of the Group. The balance of power and authority is ensured by the operation of the Board and our senior management, which comprises experienced and diverse individuals. The Board currently comprises three executive Directors (including Dr. Chen), three non-executive Directors and three independent non-executive Directors, and therefore has a strong independence element in its composition.

Save as disclosed above, in the opinion of the Directors, the Company has complied with the relevant code provisions contained in the CG Code during the Reporting Period.

Code provision F.2.2 of part 2 of the CG code provides that the chairman of the Board should attend the annual general meeting and that the chairmen of the audit, remuneration, nomination and any other committees should be invited to attend the annual general meeting and, in their absence, the chairman of the Board should invite other members of the committee or other duly appointed delegate to attend. Dr. Chen (being the chairman of the Board and chairman of the nomination committee), Dr. Changyu WANG (being a member of the remuneration committee) and Dr. Gang XU (for the purpose of code provision F.2.2 of the CG Code, as the duly appointed delegate of Mr. Qi Chen, a member of the audit committee) attended the Company annual general meeting on June 25, 2024.

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

MODEL CODE FOR SECURITIES TRANSACTIONS

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

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

REVIEW OF INTERIM RESULTS BY THE AUDIT COMMITTEE

The Board has established the Audit Committee which comprises one non-executive Director and two independent non-executive Directors, namely Mr. Qi CHEN, Mr. Cheuk Kin Stephen LAW (chairman) and Prof. Yang KE. The primary duties of the Audit Committee are to review and supervise the Company's financial reporting process and internal controls.

The Audit Committee has reviewed the unaudited interim condensed financial information of the Group for the six months ended June 30, 2024 and confirmed that it has complied with all applicable accounting principles, standards and requirements, and made sufficient disclosures. The Audit Committee has also discussed the matters of audit and financial reporting.

In addition, the Company's external auditor, Ernst & Young, has performed an independent review of the Group's interim financial information for the Reporting Period in accordance with the Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. Based on their review, Ernst & Young confirmed that nothing has come to their attention that causes them to believe that the interim financial information is not prepared, in all material respects, in accordance with the International Accounting Standard 34 "Interim Financial Reporting".

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

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any) during the Reporting Period.

USE OF PROCEEDS FROM GLOBAL OFFERING

In connection with the Global Offering, 67,004,000 Shares were issued at a price of HK$53.3 per share for a total cash consideration, after deduction of the underwriting fees and expenses, of approximately RMB2,841 million. Dealings in the shares of the Company on the Stock Exchange commenced on July 8, 2021. The Group will apply such proceeds in a manner consistent with the intended use of proceeds as set out in the Prospectus.

The table below sets forth the utilisation of the net proceeds from the Global Offering and the unused amount as at June 30, 2024:

Business objective as stated in the Prospectus	**Planned applications** *RMB million*	**Balance as at December 31, 2023** *RMB million*	**Actual utilisation during the Reporting Period** *RMB million*	**Balance as at June 30, 2024** *RMB million*	**Expected timeline for unutilized amount**
R&D and commercialization of the Company's core product and key drug candidates	1,705	934	191	743	By the end of 2025
Preclinical evaluation and clinical development of the Company's other pipeline products	426	35	35	–	–
Payment of lease for the Company's new manufacturing and R&D facilities and procurement of machinery and equipment	426	–	–	–	–
General corporate and working capital purposes	284	66	56	10	By the end of 2024
Total	2,841	1,035	282	753	

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.keymedbio.com). The interim report of the Company for the Reporting Period containing all the information required by the Listing Rules will be dispatched to Shareholders and published on the above websites in due course.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended June 30, 2024

	Notes	**2024** ***RMB'000*** **(Unaudited)**	2023 *RMB'000* (Unaudited)
Revenue	*4*	**54,682**	327,124
Cost of sales		**(3,736)**	(15,017)
GROSS PROFIT		**50,946**	312,107
Other income and gains	*5*	**73,481**	79,981
Research and development expenses		**(331,026)**	(249,757)
Administrative expenses		**(89,948)**	(82,372)
Selling and distribution expenses		**(23,248)**	–
Other expenses		**(168)**	(381)
Finance costs	*6*	**(8,863)**	(9,336)
Share of losses of a joint venture		**(1,698)**	(2,097)
(LOSS)/PROFIT BEFORE TAX	*7*	**(330,524)**	48,145
Income tax expense	*8*	**(6,079)**	–
(LOSS)/PROFIT FOR THE PERIOD		**(336,603)**	48,145
Attributable to:			
Owners of the parent		**(336,745)**	46,967
Non-controlling interests		**142**	1,178
		(336,603)	48,145
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic		**(RMB1.29)**	RMB0.18
Diluted		**(RMB1.29)**	RMB0.18

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2024

	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
(LOSS)/PROFIT FOR THE PERIOD	**(336,603)**	48,145
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	**1,930**	1
Exchange differences:		
Exchange differences on translation of foreign operations	**(192)**	–
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**1,738**	1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**(334,865)**	48,146
Attributable to:		
Owners of the parent	**(334,807)**	46,968
Non-controlling interests	**(58)**	1,178
	(334,865)	48,146

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	Notes	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**864,430**	803,347
Right-of-use assets		**81,949**	90,390
Other intangible assets		**2,511**	1,110
Prepayments, other receivables and other assets		**46,355**	26,914
Equity investments designated at fair value through other comprehensive income ("**FVTOCI**")		**17,738**	15,808
Investment in a joint venture		**4,124**	5,822
Total non-current assets		**1,017,107**	943,391
CURRENT ASSETS			
Trade receivables	*11*	**12,798**	16,091
Contract assets		**–**	11,000
Inventories		**83,930**	56,354
Prepayments, other receivables and other assets		**114,863**	135,125
Financial assets at fair value through profit or loss ("**FVTPL**")		**137,279**	174,374
Restricted cash		**–**	1,775
Time deposits		**1,729,557**	1,693,783
Cash and cash equivalents		**709,912**	851,029
Total current assets		**2,788,339**	2,939,531
CURRENT LIABILITIES			
Trade payables	*12*	**30,065**	29,488
Other payables and accruals		**165,395**	219,440
Interest-bearing bank borrowings		**343,762**	45,825
Lease liabilities		**15,450**	19,427
Tax payable		**4,987**	–
Total current liabilities		**559,659**	314,180
NET CURRENT ASSETS		**2,228,680**	2,625,351
TOTAL ASSETS LESS CURRENT LIABILITIES		**3,245,787**	3,568,742

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

As at 30 June 2024

	As at 30 June 2024 *RMB'000* (Unaudited)	As at 31 December 2023 *RMB'000* (Audited)
NON-CURRENT LIABILITIES		
Deferred income	**243,179**	228,194
Lease liabilities	**16,344**	21,623
Deferred tax liabilities	**463**	278
Interest-bearing bank borrowings	**348,645**	331,834
Total non-current liabilities	**608,631**	581,929
NET ASSETS	**2,637,156**	2,986,813
EQUITY		
Equity attributable to owners of the parent		
Share capital	**174**	169
Treasury shares	**(3)**	2
Reserves	**2,636,541**	2,986,140
	2,636,712	2,986,311
Non-controlling interests	**444**	502
TOTAL EQUITY	**2,637,156**	2,986,813

1. CORPORATE INFORMATION

Keymed Biosciences Inc. (the "**Company**") was incorporated in the Cayman Islands ("**Cayman**") on 23 April 2018 as a limited liability company. The registered office of the Company is located at the offices of 4th Floor, Willow House, Cricket Square, Grand Cayman KY1-9010, Cayman Islands.

The Company is an investment holding company. During the reporting period, the Group were involved in the research and development of biotechnology and pharmaceutical products.

The interim condensed financial information comprise the interim condensed consolidated statements of financial position as at 30 June 2024, the interim condensed consolidated statement of profit or loss, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The interim condensed financial information is presented in Renminbi ("**RMB**"), and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

2.1 BASIS OF PREPARATION

The interim condensed financial information has been prepared in accordance with International Accounting Standard ("**IAS**") 34 "Interim Financial Reporting". The interim condensed financial information does not include all of the information required for a complete set of financial statements prepared in accordance with the International Financial Reporting Standards ("**IFRSs**") and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2023.

2.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the following revised IFRSs for the first time for the current period's financial information.

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current (the "**2020 Amendments**")
Amendments to IAS 1	Non-current Liabilities with Covenants (the "**2022 Amendments**")
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The application of the amendments to IFRSs in the current period has had no material impact on the Group's financial positions and performance for the current and prior years.

3. OPERATING SEGMENT INFORMATION

Operating segment information

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

Geographical information

(a) Revenue from external customers

	For the six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Overseas	**54,261**	326,450
Chinese Mainland	**421**	674
Total segment revenue	**54,682**	327,124

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

(b) Non-current assets

Majority of the Group's non-current assets were located in Chinese Mainland as at 30 June 2024, geographical segment information in accordance with IFRS 8 Operation Segments is presented.

	As at	As at
	30 June	31 December
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Hong Kong	**472**	787
United States of America	**1,836**	2,061
Chinese Mainland	**1,014,799**	940,543
Total	**1,017,107**	943,391

Information about major customers

Revenue of RMB54,261,000 (six months ended 30 June 2023: RMB326,450,000) was derived from collaborations with a pharmaceutical company. Further details are set out in note 4.

4. REVENUE

An analysis of revenue is as follows:

Revenue from contracts with customers

(a) Disaggregated revenue information

	For the six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Type of services		
Collaboration revenue	**54,682**	327,124
Timing of revenue recognition		
Services transferred at a point in time	**50,320**	319,598
Services transferred overtime	**4,362**	7,526

(b) Performance obligations

Licensing out of CMG901

In February 2023, KYM Biosciences Inc. ("**KYM**"), a 70% non-wholly owned subsidiary of the Group (the remaining 30% ownership is held by affiliates of Lepu Biopharma Co., Ltd. ("**Lepu**")), entered into a global exclusive out-license agreement (the "**AZ Agreement**") with AstraZeneca AB ("**AZ**"), for research, development, registration, manufacturing, and commercialisation of Claudin 18.2-targeting antibody drug conjugate ("**CMG901**"). Pursuant to the AZ Agreement and subject to its terms and conditions, KYM was entitled to receive a one-time and non-refundable upfront payment of USD63,000,000 from AZ, USD44,100,000 of which was attributable to the Group and USD18,900,000 to Lepu. In March 2023, AZ paid KYM the one-time and non-refundable upfront payment of USD63,000,000. KYM will be also entitled to receive R&D support services, milestone and royalty payments for licensing and payments for clinical support when the relevant performance obligation is satisfied. In 2023, the Group recognised revenue related to upfront payment of RMB318,658,000.

The Group recognised collaboration revenue related to CMG901 of RMB54,261,000 (unaudited) during the six months ended 30 June 2024 (six months ended 30 June 2023: RMB326,450,000 (unaudited)) for the achievement of certain development milestone of CMG901.

5. OTHER INCOME AND GAINS

An analysis of other income and gains is as follows:

	For the six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Other income		
Interest income	**41,199**	37,558
Government grants	**23,060**	6,585
Interest income on financial assets at FVTPL	**423**	–
Others	**228**	204
Other gains		
Gain on exchange differences, net	**5,977**	31,110
Fair value gain on financial assets at FVTPL	**2,573**	4,524
Others	**21**	–
Total	**73,481**	79,981

6. FINANCE COSTS

	For the six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Implicit interest on other financial liabilities	**–**	4,487
Interest expense on bank borrowings	**8,030**	3,911
Interest on lease liabilities	**833**	938
Total	**8,863**	9,336

7. (LOSS)/PROFIT BEFORE TAX

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

	For the six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	**37,647**	18,498
Depreciation of right-of-use assets	**8,441**	8,114
Amortisation of other intangible assets	**248**	193
Lease payments not included in the measurement of lease liabilities	**581**	289
Government grants	**(23,060)**	(6,585)
Auditor's remuneration	**700**	640
Interest income	**(41,199)**	(37,558)
Finance costs	**8,863**	9,336
Foreign exchange gains, net	**(5,977)**	(31,110)
Interest income on financial assets at FVTPL	**(423)**	–
Fair value gain on financial assets at FVTPL	**(2,573)**	(4,524)
Employee benefit expenses (excluding directors' and chief executive's remuneration)		
– Wages and salaries	**138,953**	84,552
– Pension scheme contributions	**29,690**	21,645
– Staff welfare expenses	**5,387**	17,700
– Share-based payment expenses	**17,634**	15,683
Total	**191,664**	139,580

8. INCOME TAX

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

Cayman Islands

Pursuant to the rules and regulations of the Cayman Islands, the Company is not subject to any income tax.

British Virgin Islands

Pursuant to the rules and regulations of the British Virgin Islands ("**BVI**"), the subsidiaries incorporated in the BVI are not subject to any income tax.

United States of America (the "USA")

The subsidiaries incorporated in Delaware, the USA, are subject to the statutory federal corporate income tax at a rate of 21%, during the reporting period.

Pursuant to US Income Tax laws and regulations and the agreement between the government of the People's Republic of China and the USA for avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, a 10% US federal withholding tax is charged on milestone revenue pursuant to license and collaboration agreements entered between the Group and a US company, during the reporting period.

Chinese Mainland

Four subsidiaries incorporated in Chinese Mainland, including Keymed Biosciences (Chengdu) Co., Ltd. ("**Keymed Chengdu**"), Chengdu Kangnuo Xing Biosciences Co., Ltd. ("**Chengdu KNX**"), Beijing Lingyue Biomedical Technology Co., Ltd. ("**Beijing Lingyue**") and Shanghai KNY Biomedical Technology Co., Ltd., obtained the Certificate of High-tech Enterprise and are entitled to corporate income tax at a preferential rate of 15% on taxable profit determined in accordance with the PRC Corporate Income Tax Law which became effective on 1 January 2008.

The rest of the subsidiaries that are incorporated in Chinese Mainland are subject to corporate income tax at the statutory rate of 25% on taxable profit determined in accordance with the PRC Corporate Income Tax Law.

Hong Kong

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

	For the six months ended 30 June 2024 *RMB'000* **(Unaudited)**
Current	**5,894**
Corporate income tax	**907**
Withholding tax	**4,987**
Deferred	**185**
Total	**6,079**

9. DIVIDENDS

No dividends have been declared and paid by the Company during the reporting period.

10. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic (loss)/earnings per share amount is based on the (loss)/earnings for the period attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue (excluding treasury shares reserved under the restricted share units scheme) during each reporting period.

The calculation of the basic and diluted (loss)/earnings per share attributable to ordinary equity holders of the parent is based on the following data:

	For the six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
(Loss)/earnings		
(Loss)/earnings for the period attributable to ordinary equity holders of the parent	**(336,745)**	46,967
Shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**261,553,290**	261,285,620
Effect of dilution		
– Restricted share units	**–***	4,236,241
Number of shares		
Weighted average number of ordinary shares outstanding for the computation of diluted earnings per share	**261,553,290**	265,521,861

* The computation of diluted loss per share for the six months ended 30 June 2024 was made without the assumption of the exercise of restricted share units since their assumed exercise or conversion of such shares would result in a decrease in loss per share.

11. TRADE RECEIVABLES

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

	30 June 2024	31 December 2023
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 months	**12,798**	16,091

12. TRADE PAYABLES

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

	30 June 2024	31 December 2023
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 3 months	**27,117**	13,913
3 to 6 months	**1,651**	2,365
6 months to 1 year	**536**	10,342
Over 1 year	**761**	2,868
Total	**30,065**	29,488

Trade payables are not interest-bearing and are normally settled on terms of 30 to 60 days.

DEFINITIONS

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

"Audit Committee"	the audit committee of the Board
"BLA"	biologics license application
"Board of Directors" or "Board"	the board of Directors
"CDE"	the Center for Drug Evaluation of the National Medical Products Administration
"CG Code"	the "Corporate Governance Code" as contained in Appendix C1 to the Listing Rules
"China" or "PRC"	the People's Republic of China, which, for the purpose of this interim results announcement and for geographical reference only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"cGMP" or "Current Good Manufacturing Practice"	cGMP refers to the Current Good Manufacturing Practice regulations enforced by the FDA. cGMPs provide for systems that assure proper design, monitoring, and control of manufacturing processes and facilities. Adherence to the cGMP regulations assures the identity, strength, quality, and purity of drug products by requiring that manufacturers of medications adequately control manufacturing operations. This includes establishing strong quality management systems, obtaining appropriate quality raw materials, establishing robust operating procedures, detecting and investigating product quality deviations, and maintaining reliable testing laboratories
"Company", "our Company"	Keymed Biosciences Inc. (formerly known as 2Health Biosciences, Inc.), an exempted company with limited liability incorporated in the Cayman Islands on April 23, 2018
"Core Product"	Stapokibart (CM310), the designated "core product" as defined under Chapter 18A of the Listing Rules
"CRO(s)"	contract research organization, a company that provides support to the pharmaceutical, biotechnology, and medical device industries in the form of research services outsourced on a contract basis
"CSPC"	CSPC Pharmaceutical Group Limited, a company listed on the Stock Exchange (stock code: 1093), and, if the context requires, its affiliates

"Director(s)"	the director(s) of the Company or any one of them
"Dr. Chen"	Dr. Bo CHEN, the chairman of our Board, an executive Director and the chief executive officer of our Company
"EASI"	the Eczema Area and Severity Index is a validated scoring system that grades the physical signs of AD. An area score of 0-6 is assigned for each body region (total of four), depending on the percentage of AD-affected skin in that area: 0 (none), 1 (1% to 9%), 2 (10% to 29%), 3 (30% to 49%), 4 (50% to 69%), 5 (70% to 89%), or 6 (90% to 100%). The composite score, on a scale from 0 to 72, determines the severity of the signs of AD and the extent to which a patient is affected. EASI-75 indicates ≥75% improvement from baseline
"FDA"	the Food and Drug Administration of the United States
"FTD"	the Fast Track Designation, the obtainment of which for drug candidates would provide the opportunity to accelerate the review process in various forms, including but not limited to (1) more communications and meetings with the FDA, to obtain closer guidance in drug development, clinical trial design and so on; (2) having the qualification of priority review and accelerating approval after meeting the relevant criteria; (3) rolling review
"FVTPL"	fair value through profit and loss
"Global Offering	the offering of Shares for subscription as described in the Prospectus
"Group", "our Group", "our", "we", or "us"	the Company and 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
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars" or "HK dollars" or "HK$"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"IFRS"	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
"IGA"	Investigator's Global Assessment scale, a five-point scale that provides a global clinical assessment of AD severity ranging from 0 to 4, where 0 indicates clear, 2 is mild, 3 is moderate and 4 indicates severe AD

"IND"	investigational new drug or investigational new drug application, also known as clinical trial application in China or the U.S.
"Independent Third Party" or "Independent Third Parties"	a person or entity who is not a connected person of the Company under the Listing Rules
"InnoCare"	InnoCare Beijing InnoCare Pharma Tech Co., Ltd. (北京諾誠健華醫藥科技有限公司), a limited liability company incorporated under the laws of PRC on December 13, 2013, a subsidiary of InnoCare Pharma Limited (HKSE: 9969), and an Independent Third Party
"JMT-Bio"	Shanghai JMT-Bio Technology Co., Ltd. (上海津曼特生物科技有限公司), a wholly-owned subsidiary of CSPC
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
"Model Code"	the "Model Code for Securities Transactions by Directors of Listed Issuers" set out in Appendix C3 to the Listing Rules
"NDA"	new drug application
"NMPA"	the National Medical Products Administration of the PRC (國家藥品監督管理局), successor to the China Food and Drug Administration or CFDA (國家食品藥品監督管理總局)
"Prospectus"	the prospectus of the Company dated June 25, 2021
"R&D"	research and development
"Reporting Period"	the six months ended June 30, 2024
"RMB	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) with nominal value of US$0.0001 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"United States" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"USD"	United States dollars, the lawful currency of the U.S.
"2021 RSU Scheme"	the restricted share unit scheme adopted by the Board on April 5, 2021
"2022 RSU Scheme"	the restricted share unit scheme adopted by the Board on January 21, 2022
%	per cent

By order of the Board
Keymed Biosciences Inc.
Dr. Bo CHEN
Chairman

Hong Kong, August 27, 2024

As at the date of this announcement, the Board of Directors of the Company comprises Dr. Bo CHEN, Dr. Changyu WANG and Dr. Gang XU as executive Directors; Mr. Qi CHEN, Dr. Min Chuan WANG and Mr. Yilun LIU as non-executive Directors; Prof. Xiao-Fan WANG, Prof. Yang KE and Mr. Cheuk Kin Stephen LAW as independent non-executive Directors.