GENOR BIOPHARMA

嘉和生物藥業(開曼)控股有限公司

GENOR BIOPHARMA HOLDINGS LIMITED

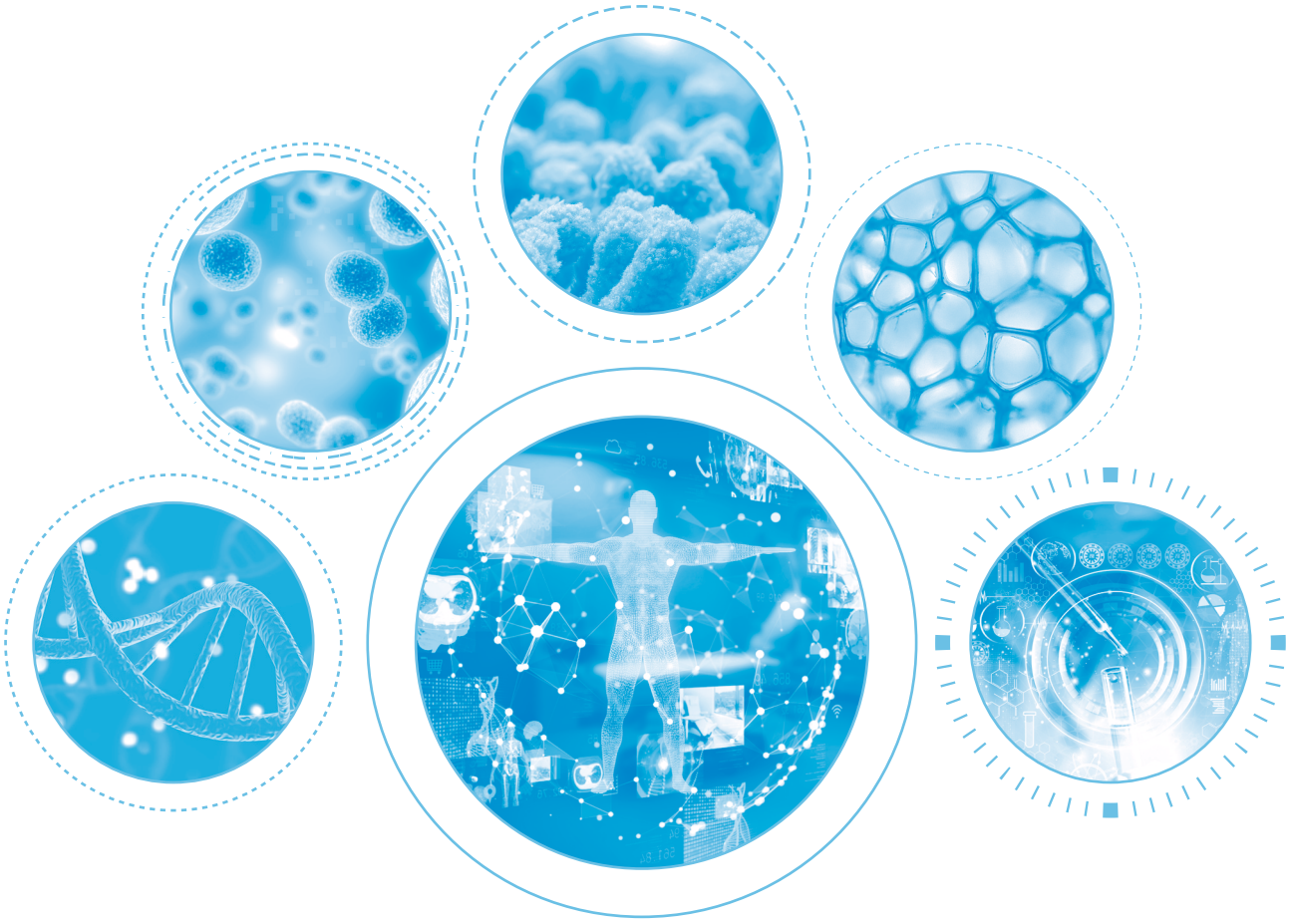
(incorporated in the Cayman Islands with limited liability)

Stock Code: 6998

2024

Interim Report

CONTENTS



COMPANY PROFILE

OUR MISSION

Our mission is to become a biopharmaceutical engine in discovery, research, development, manufacturing and commercialisation of innovative therapeutics initially for patients in China and gradually for patients globally.

OVERVIEW

Since its establishment in 2007, the Group is committed to becoming an innovative company capable of drugs innovation, research and development, pre-clinical study, clinical development, registration, and CMC development.

Since the successful implementation of the development strategy of "focus, optimization, acceleration, expansion" in 2022 and the achievement of initial results in 2023, the Group has consistently pushed forward the execution of this strategy in 2024, with a view to achieving stable development and efficient operation as well as creating opportunities under the challenging economic and industry environment.

Highly focused on accelerating the development of its core pipeline, the Group has further optimized its structure and adopted various flexible modes of external cooperation during the Reporting Period, successfully achieving the transformation into an enterprise adopting the asset-light model. As the Company reduces its costs and increases its efficiency, the Company continues to develop in technology, research and development, processes, management and other areas.

The Group has actively engaged in external collaborations, the Group has entered into the License Agreement and the Stock Purchase Agreement with the Licensee on 2 August 2024 to co-develop, use, manufacture, commercialize and otherwise exploit GB261 (CD20/CD3, BsAb), and jointly explore the potential of GB261 (CD20/CD3, BsAb) in autoimmune diseases. This is a recognition for the Company's independent research and development capabilities. It is also expected that this potential BIC CD20/CD3 bi-specific antibody will be validated by more clinical trial data as soon as possible, which will ultimately demonstrate its promising efficacy and favorable safety profile. The Company expects GB261 (CD20/CD3, BsAb) to become an "innovative therapeutic for patients in China and globally" and support the Company to achieve its mission.

In addition to GB261 (CD20/CD3, BsAb), in terms of external collaboration and expansion, the Group has also entered into a technology transfer agreement with Zhongmei Huadong in January 2024, under which the Group's FGFR2b-related molecular sequences, technical data and related IP rights were transferred to the latter.

During the Reporting Period, phase III clinical study for the first-line advanced cancer of the Group's core product, Lerociclib (GB491), has completed patient enrolment and reached the primary endpoint in the interim analysis. The NDA was officially submitted to the NMPA on 28 February 2024 and was officially accepted on 13 March 2024. This, following the official acceptance from the NMPA on 28 March 2023 for the NDA of Lerociclib (GB491) in combination with Fluvestran as the treatment of HR+/HER2- locally advanced or metastatic breast cancer patients with disease progression following previous endocrine therapy, was another milestone for this core product. Meanwhile, supplementary materials for NDA were also submitted in March 2024 and the drug testing at the NIFDC was also completed in May 2024 for the NDA of the second line of Lerociclib (GB491). Currently, the preparatory work for the launch of both new drugs is progressing smoothly.

Developed independently by the Group as the world's first EGFR/cMET/cMET TsAb, GB263T has shown promising efficacy at the therapeutic dose range (1,260-1,680 mg). It has also shown a favorable safety profile. The updated clinical study data have been accepted by the ESMO Congress 2024.

In terms of early-stage research and development, the Group focused on molecules with potential to be the global FIC and BIC products featuring the best potential to become clinically beneficial and commercially viable drugs. Currently, five PCC molecules have been developed, all of which are FIC/BIC bi-specific/multi-specific antibody projects. Abstracts of two of the tri-specific antibody molecules developed independently by the Company have been accepted for publication at the 2024 Annual Meeting of the AACR. Among them, GB268 (TsAb), which targets PD-1, CTLA-4 and VEGF, represents a significant innovation and has the potential to become an upgraded immune checkpoint inhibitor.

The Shareholders possess abundant resources and industry expertise, including global and Chinese biotechnology-focused specialist funds and biopharma platforms experienced in supporting and developing biopharmaceutical companies. The core management team members of the Group have more than 20 years of industry experience on average with a proven track record and a well-balanced combination of expertise.

With a clear objective and strategy, the passion and motivation to tackle difficulties and its profound expertise accumulated, the Company has achieved rapid progress in key projects during the Reporting Period, which laid a solid foundation for the continuous achievement of the Group's development goals in the subsequent periods.

THE GROUP'S DRUG CANDIDATES

As at the date of this interim report, the Group has built up rich innovative drug product pipelines. Relying on the highly specialised departments and the close collaboration between different departments, the Company has accelerated the application for clinical trials of pipeline innovative drugs and rapidly advanced clinical progress, including focusing on Chinese and Asia Pacific products.

COMPANY PROFILE

PRODUCT PIPELINE

The following chart shows our robust pipeline of drug candidates that are currently under development in China and worldwide across various therapeutic areas and the development status of antibody drug candidates in clinical stage as at the date of this interim report:

A Robust Pipeline-Development Stage Assets Focusing on Global Opportunities

Product	Target/MoA (reference drug)	Indication	Classification	Commercial Rights	Discovery	Pre-Clinical	IND Enabling	Phase I	Phase II	Phase III	NDA
GB491 (Lerociclib)	CDK4/6+AI (combo w/ letrozole)	1L HR+/HER2 - BC	Novel (In-license)	APAC ex-JP [1]							
	CDK4/6+SERD (combo w/ fulvestrant)	2L HR+/HER2 - BC									
								By G1 Therapeutics			
GB261	CD20×CD3	NHL	Novel (In-house)	Worldwide				Phase I / II			
GB263 T	EGFR ×c-Met×c-Met	NSCLC	Novel (In-house)	Worldwide				Phase I / II			
GB242 (Infliximab)	TNF-α (infliximab)	RA, AS, Ps, CD, UC	Biosimilar (In-house)	Worldwide							NDA Approved
GB226+GB492 (Geptanolimab+ IMSA101)	PD-1 (combo w/ GB226*^)+STING[3]	Solid Tumours	Novel (In-license)	APAC ex-JP [2]							
								By ImmuneSensor Therapeutics			
GB221 (Coprelotamab)	HER2[3]	HER2+ 1L/2L+ mBC	Novel (In-house)	Worldwide							
GB22 3	RANKL	GCTB, PMO	Novel (Co-develop)	Worldwide							
GB241 (Rituximab)	CD20 (rituximab)	1L DLBCL	Biosimilar (In-house)	Co-development							
GB251	HER2 ADC	HER2+ 1L/2L+ mBC	Novel (Co-develop)	Worldwide							
GB268	PD-1/CTLA-4/VEGF	Cancers	Novel (In-house)	Worldwide							
GB262	PD-L1/CD55	Cancers	Novel (In-house)	Worldwide							
GB264	Claudin 18.2 /CD3	GI Cancers	Novel (In-house)	Worldwide							
GB266	PD-L1/L.AG3/LAG3	Cancers	Novel (In-house)	Worldwide							
GB267	CD3/BCMA/GPRC5D	Cancers	Novel (In-house)	Worldwide							
***	Undisclosed	Cancers	Novel (In-house)	Worldwide							

Notes:

(1) Clinical trials are sponsored by G1 Therapeutics, Inc. (NASDAQ: GTHX)

(2) Clinical trial is sponsored by ImmuneSensor Therapeutics;

(3) Continued internal development of GB226 PD-1 and GB221, have been paused and pending further assessment of development strategy and resource allocation.

*** five undisclosed candidate molecules in discovery stage

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Director

Dr. Guo Feng (郭峰)
(Chief Executive Officer and Chairman of the Board) (Resigned as executive Director and Chairman of the Board on 12 September 2024 and remain as the Chief Executive Officer)
Mr. Weng Chengyi (翁承毅) *(Chief Financial Officer) (Appointed on 12 September 2024)*

Non-Executive Directors

Dr. Lyu Dong (呂東)
Mr. Chen Yu (陳宇) *(Resigned on 2 January 2024)*
Mr. Yu Tieming (于鐵銘) *(Appointed on 2 January 2024)*
Mr. Liu Yi (劉逸)

Independent Non-Executive Directors

Mr. Zhou Honghao (周宏灝)
(Resigned on 18 September 2024)
Mr. Fung Edwin (馮冠豪)
Mr. Chen Wen (陳文)

AUDIT COMMITTEE

Mr. Fung Edwin (馮冠豪) *(Chairman)*
Mr. Liu Yi (劉逸)
Mr. Zhou Honghao (周宏灝)
(Resigned on 18 September 2024)

COMPENSATION COMMITTEE

Mr. Chen Wen (陳文) *(Chairman)*
Mr. Chen Yu (陳宇) *(Resigned on 2 January 2024)*
Mr. Yu Tieming (于鐵銘) (*Appointed on 2 January 2024*)
Mr. Fung Edwin (馮冠豪)

NOMINATION COMMITTEE

Mr. Chen Wen (陳文) *(Chairman)*
Dr. Lyu Dong (呂東)
Mr. Fung Edwin (馮冠豪)

COMPANY SECRETARY

Mr. Ip Tak Wai (葉德偉)

AUTHORISED REPRESENTATIVES

Mr. Chen Yu (陳宇) *(Resigned on 2 January 2024)*
Mr. Yu Tieming (于鐵銘) (*Appointed on 2 January 2024*)
Mr. Ip Tak Wai (葉德偉)

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CORPORATE INFORMATION

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Shanghai
PRC

STOCK CODE

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COMPANY WEBSITE

www.genorbio.com

FINANCIAL HIGHLIGHTS

- **Total revenue** was approximately RMB14.5 million for the Reporting Period, mainly attributable to the provision of research and manufacturing services to our customers under fee-for-service contracts, as compared with nil for the six months ended 30 June 2023.

- **Research and development expenses** were approximately RMB109.7 million for the Reporting Period, as compared with approximately RMB224.8 million for the six months ended 30 June 2023. The decrease was mainly attributable to (i) the decrease in employee benefits expenses for research and development personnel; and (ii) the decrease in our new drugs development fee and clinical trial expenses.

- **Total comprehensive loss** was approximately RMB132.3 million for the Reporting Period, as compared with approximately RMB276.4 million for the six months ended 30 June 2023. The decrease was primary due to the decrease in expenses.

- Under **Non-HKFRS measures**, our adjusted loss(1) was approximately RMB121.4 million for the Reporting Period, as compared with approximately RMB237.9 million for the six months ended 30 June 2023.

  (1) Adjusted loss is calculated as loss for the Reporting Period excluding share-based payment expenses. For details of the reconciliation of the loss for the Reporting Period to the adjusted loss of the Group, please refer to the section headed "Financial Review" in this interim report.

BUSINESS HIGHLIGHTS

During the Reporting Period, we have continued to make remarkable progress in the development of our drug candidates in pipeline and business operations. The major milestones for our pipeline products and corporate achievements are as follows:

Updates on Pipeline

GB491 (Lerociclib) – a differential oral CDK4/6 inhibitor which is developed for breast cancer patients with better safety and excellent efficacy

- The Company has completed its patient enrolment for the advanced first-line phase III clinical study of GB491 (Lerociclib) and its interim analysis has reached the primary endpoint. The Company submitted the NDA to the NMPA officially on 28 February 2024, which was officially accepted on 13 March 2024.

- The IDMC has conducted an evaluation of the efficacy and safety data from the interim analysis of the advanced first-line phase III clinical trial of the Lerociclib in combination with letrozole. The IDMC recommended that this clinical trial had met the prespecified requirement of statistical significance in efficacy for the interim analysis with positive safety and tolerance. The interim analysis results are as follows:

    - PFS based on the investigator assessment: HR (95% CI) and p-value, 0.464 (0.293, 0.733), p=0.0004.

    - PFS based on the IRC assessment: HR (95% CI) and p-value, 0.457 (0.274, 0.761), p=0.0011.

- The results of the interim analysis were presented in the poster discussion session at the ASCO annual meeting held in June 2024.

- The NMPA has previously officially accepted the NDA of GB491 (Lerociclib) in combination with Fluvestran for use in the treatment of HR+/HER2- locally advanced or metastatic breast cancer patients with disease progression following previous endocrine therapy in March last year and the Company has successfully completed the clinical inspection in August last year. In March 2024, the Company has submitted the supplementary materials for the NDA of GB491 (Lerociclib), and subsequently completed the drug testing at the NIFDC in May 2024.

GB263T (EGFR/cMET/cMET, TsAb)

- As of 31 December 2023, a total of 15 patients received at least one GB263T treatment. All patients had received previous third-generation EGFR-TKI and platinum-based chemotherapy and the median number of prior lines of systemic therapy was 3.
    - GB263T has shown promising efficacy at the therapeutic dose range (1,260-1,680 mg).
        - ➢ The ORR of patients with EGFR-sensitive mutations and resistant to the third-generation TKI treatment at the therapeutic dose range was about 30%;
        - ➢ An apparent benefit has been observed in three patients who have developed drug-resistant cMET changes after a third-generation TKI treatment.
    - At the same time, an advantage of safety profile has also been demonstrated.
        - ➢ The infusion reaction rate was relatively low and mild;
        - ➢ The incidence rates of nail groove and rash were mild (grade 1/2) with only grade 1 diarrhea;
        - ➢ No MET target-related peripheral edema toxicity has been reported.
    - These updated research data have been accepted by the ESMO Congress 2024 and will be published on 14 September 2024.

Research and Development of the Global Innovative New Drugs

- The Company's R&D team focused on the development of targets and projects with FIC potential.
- As at 30 June 2024,
    - Five PCC molecules have been developed, all of which are FIC/BIC bi-specific/multi-specific antibody projects;
        - ➢ GB268 (TsAb) has entered the IND enabling stage. Certain CMC developments and the PK/ADA and 4-week pre-toxicological experiments in cynomolgus monkeys have been completed. The preliminary results suggest that the tri-specific antibody molecule has a good drug developability and stability, and no significant drug-related toxicity has been observed in the high, medium and low dose groups.

BUSINESS HIGHLIGHTS

- Abstracts of two tri-specific antibody molecule projects have been accepted for publication at the 2024 Annual Meeting of the AACR.

    - Among them, GB268 (TsAb) is a significantly innovative tri-specific antibody that specifically targets PD-1, CTLA-4 and VEGF, with a novel molecular design that balances the activity of different arms of the antibody. The pre-clinical results show that GB268 (TsAb) can substantially enhance the antitumor effect with a better safety profile compared to the combination of three monoclonal antibodies, namely PD-1, CTLA-4 and VEGF, or PD-1/VEGF and PD1/CTLA-4 bsAb. It has the potential to become an upgraded immune checkpoint inhibitor.

Strategic Cooperation and Commercialization

- On 19 January 2024, the Company entered into an antibody molecules and technology transfer agreement with Zhongmei Huadong, under which an antibody drug and the related IP rights of the Company were transferred to Zhongmei Huadong.

Drive continuous optimization of CMC quality and efficiency

In accordance with the Company's strategy of "focus and optimization", the CMC team of the Company continued to promote the platform-based construction of the internal and external cooperation workflow of the project.

- Through the domestic exploration of culture medium, chromatographic filler, disposable products (dispensing bags, storage bags, filling bags and filters) and auxiliary materials, we, without affecting the quantity and quality of products, have significantly reduced production costs, improved the stability of the supply chain, reduced storage costs, and enhanced liquidity efficiency.

- We continued to promote the establishment and optimization of a molecular developable assessment platform for rapid protein expression, high-throughput purification, full range of characterization and process applicability assessment, and also facilitate the development and application of high-concentration preparation development platform in line with the demand of projects.

- We further improved the quality control and study platform. We strengthened the construction of applicable quality system and MAH-related quality system and initiated the establishment of the drug variety archive. We supervised the conformity of CDMO's process and method development methods, production process and testing process according to the quality manual formulated by GMP which was released according to the conformity of the final product, and further optimized the working mode and cooperation efficiency.

- In addition to solving the industry pain points such as low heterologous pairing rate, high polymer content, removal of homodimer impurities, unstable intermediates, difficulty in activity analysis methods and difficulty in the development of formulations, especially high-concentration formulations, the CMC team of the Company also demonstrated industry-leading strength and rapid execution in the process technology development of GB261 (CD20/CD3, BsAb), GB263T (EGFR/cMET/cMET, TsAb), GB268 (TsAb) and other products.

BUSINESS REVIEW

During the Reporting Period, we have continued to make remarkable progress in the development of our drug candidates in pipeline and business operations, including the following major milestones for our pipeline products and corporate achievements:

1. Events during the Reporting Period

During the Reporting Period, the Company achieved rapid application, approval and promotion of clinical trials of product pipelines in China and Australia, which were attributable to the high specialization of and close cooperation across departments:

- Based on in-depth perception of product science, mechanisms and features, the Group has developed registration and clinical development strategies, and continuously enhanced communication with industry leaders in relevant treatment fields, drug regulatory authorities, drug review agencies, and clinical research centres.

- Relying on plentiful experience and extensive resources, efficient, quality and speedy accomplishment was made in the layout and establishment of the research centres, project initiating and management, selection and recruitment of, and the entering of agreements with patients and subjects.

During the Reporting Period, the Group has speedily achieved the completion of advanced patient enrollment in the first-line phase III clinical study of GB491 (Lerociclib) and the acceptance of the NDA from the NMPA.

During the Reporting Period, we have continued our efforts in promoting the clinical pipelines development and achieved milestones as follows:

1) The NDA of GB491 (Lerociclib) in combination with letrozole for use in the treatment of locally advanced or metastatic HR+/HER2- breast cancer that had not received prior systemic antitumor therapy, has been accepted in March 2024.

2) Regarding the NDA of GB491 (Lerociclib) combined with Fulvestrant for the treatment of HR+/HER2- patients with locally advanced or metastatic breast cancer that have disease progression following previous endocrine therapy, the Company has completed the submission of NDA supplementary materials and drug testing at the NIFDC in March and May 2024 respectively.

3) GB263T (EGFR/cMET/cMET, TsAb) Phase I/II clinical trial results have been accepted by ESMO Congress 2024 and will be published on 14 September 2024.

GB491 (Lerociclib) – a differentiated oral CDK4/6 inhibitor which is developed for breast cancer patients with better safety and excellent efficacy

GB491 (Lerociclib), is a novel, potent, selective oral bioavailable CDK4/6 inhibitor co-developed by the Group and G1 Therapeutics Inc. for use in combination with endocrine therapy in advanced breast cancer.

The NMPA has previously officially accepted the NDA of GB491 (Lerociclib) in combination with Fluvestran for use in the treatment of HR+/HER2- locally advanced or metastatic breast cancer patients with disease progression following previous endocrine therapy in March last year and the Company has successfully completed the clinical inspection in August last year. In March 2024, the Company has submitted the supplementary materials for the NDA of GB491 (Lerociclib), and subsequently completed the drug testing at the NIFDC in May 2024.

The Company has completed its patient enrolment for the advanced first-line phase III clinical study of GB491 (Lerociclib) and its interim analysis has reached the primary endpoint. The Company submitted the NDA to the NMPA officially on 28 February 2024, which was officially accepted on 13 March 2024.

- The IDMC has conducted efficacy and safety data monitoring over the interim analysis of the advanced first-line phase III clinical trial of Lerociclib in combination with letrozole. The IDMC recommended that this clinical trial had met the prespecified requirement of statistical significance in efficacy for the interim analysis with positive safety and tolerance. The interim analysis results are as follows:
    - PFS based on the investigator assessment: HR (95% CI) and p-value, 0.464 (0.293, 0.733), p=0.0004.
    - PFS based on IRC assessment: HR (95% CI) and p-value, 0.457 (0.274, 0.761), p=0.0011.
- The results of the interim analysis were presented in the poster discussion session at the ASCO annual meeting in June 2024.

The superior efficacy and safety profile of GB491 (Lerociclib) will provide a better treatment option for patients with HR+/HER2-advanced breast cancer:

- HR+/HER2- is the most common subtype of advanced breast cancer, and its treatment has entered the era of targeted therapy. The combination therapy with CDK4/6 inhibitors has been recommended in multiple guidelines as the preferred regimen for patients with advanced breast cancer following previously-failed endocrine therapy.
- The innovative molecular structure, targeting specificity and high efficacy, with its unique PK/PD, has allowed for continuous oral administration of Lerociclib without the need for treatment breaks. It achieves sustained target inhibition and antitumor effects while significantly reduces the common adverse effects of CDK4/6 inhibitors, such as severe myelosuppression and diarrhea.

- The LEONARDA-1 clinical study has demonstrated that the combination therapy of Lerociclib with Fluvestran could significantly reduce the risk of disease progression and death as compared to using Fluvestran as a monotherapy. The investigator-assessed HR was 0.451 and the BICR-assessed HR was 0.353. The mPFS (months) assessed by the investigator and BICR were 11.07 vs. 5.49 and 11.93 vs. 5.75, respectively. Furthermore, the results of all predefined subgroups were consistent with the overall efficacy.

- The LEONARDA-1 clinical study showed that, in comparison with other marketed CDK4/6 inhibitors, Lerociclib had significant comprehensive advantages in terms of safety and tolerance profile. It recorded a low incidence rate of diarrhea at 19.7%, which was a relatively low percentage of grade 3/4 myelosuppression, and only a 5.1% incidence rate of grade 4 neutropenia.

- The LEONARDA-1 clinical study enrolled a high proportion of refractory patients, including patients with liver metastasis, treated with primary resistance, with four or more metastatic organs, and received first-line chemotherapy at an advanced stage. The use of Lerociclib substantially improved the PFS of the refractory patients, indicating a superior efficacy with advantages in terms of safety and tolerance profile and hence fully demonstrating the differentiation advantage of Lerociclib for clinical purposes.

- The LEONARDA-2 clinical study also demonstrated superior efficacy and safety profile in combination with letrozole for the treatment of HR+/HER2- locally advanced or metastatic breast cancer patients who had not received prior systemic antitumor therapy.

    - The interim analysis showed that Lerociclib significantly reduced the risk of disease progression in patients by more than 50%, based on investigator-assessed PFS: HR (95% CI) and p-value of 0.464 (0.293, 0.733), p=0.0004, respectively; mPFS was in the Lerociclib group. PFS based on IRC assessment: HR (95% CI) and p-value of 0.457 (0.274, 0.761), p=0.0011, respectively.

    - The safety advantage was reaffirmed: the overall incidence rate of gastrointestinal AEs was low and mild, with grade 3 diarrhea occurred in only one patient (0.7%). No grade ≥3 nausea or vomiting has occurred, and grade 4 neutropenia occurred in only 5.1% of the patients.

Currently, the Company is actively pushing forward the commercial cooperation in respect of GB491 (Lerociclib). As at 30 June 2024, the Company has received several term sheets on sales cooperation from various local pharmaceutical companies.

The transfer of technology for local production of GB491 (Lerociclib) has been initiated.

GB261 (CD20/CD3, BsAb)

GB261 (CD20/CD3, BsAb) is the first TCE with low affinity to bind CD3 and has Fc functions (ADCC and CDC). GB261 (CD20/CD3, BsAb) significantly inhibits rituximab-resistant cancer cell proliferation in both in vitro assays and in vivo models; meanwhile with T-cell activation, GB261 (CD20/CD3, BsAb) induces less cytokine release compared with compound in the same class. Thus, GB261 (CD20/CD3, BsAb) is a highly potent bispecific therapeutic antibody for B-cell malignancies. It has potential to be a better and safer TCE with competitive advantages over other CD3/CD20 agents.

A number of clinical centres for GB261 (CD20/CD3, BsAb) have been opened in Australia and China. We obtained the preliminary clinical POC data in the FIH clinical trial of GB261 (CD20/CD3, BsAb) in Australia in the process of a dose escalation up to 3 mg, which were consistent with the molecular design mechanism of GB261 (CD20/CD3, BsAb), indicating a good safety, pharmacokinetic profile and clinical antitumor activities. As at October 2023, the dose-escalation was completed in the phase I/II clinical trial of GB261, which demonstrated promising efficacy and a favorable safety profile.

In accordance with the preliminary clinical safety and efficacy results of phase I/II study of GB261 (CD20/CD3, BsAb) led by Beijing Cancer Hospital, which was presented at the annual meeting of the 65th American Society of Hematology in the poster discussion session:

- GB261 is a novel and highly differentiated CD20/CD3 bispecific antibody and is the first clinical stage Fc+ CD20/CD3 TCE. In heavily pretreated BNHL patients, GB261 showed a highly advantageous safety/efficacy balance. The safety profile of GB261 is excellent especially for the CRS which is very mild, transient and less frequent as compared with other CD20/CD3 bispecific antibodies. The response after GB261 treatment was early, deep and durable. Additionally, clinical benefit is still seen in other CD20/CD3 failed patients, which provides clinical support to the unique and differentiated mechanism of action of GB261.

The CSR of phase I/II clinical trial of GB261 (CD20/CD3, BsAb) for lymphoma is about to be completed.

GB263T (EGFR/cMET/cMET, TsAb)

GB263T (EGFR/cMET/cMET, TsAb) is the first tri-specific antibody of EGFR/cMET/cMET in the world, targeting EGFR and two different cMET epitopes, so designed to enhance its safety and efficacy profile. With highly differentiated design, GB263T (EGFR/cMET/cMET, TsAb) exhibits multiple mechanisms of action to inhibit primary and secondary EGFR mutations and cMET signaling pathway simultaneously.

In pre-clinical studies, GB263T (EGFR/cMET/cMET, TsAb) effectively thwarted ligand-induced phosphorylation of EGFR and cMET compared to its Amivantamab (JNJ-372) analogue, and demonstrated better dual inhibition of EGFR and cMET signaling pathways. Meanwhile, GB263T (EGFR/cMET/cMET, TsAb) effectively induced the endocytosis of EGFR and cMET, and significantly reduced the protein expression levels of EGFR and cMET. GB263T (EGFR/cMET/cMET, TsAb) played a significant dosage-dependent role in tumor suppression in several different tumor models including EGFR exon 20 insertions, EGFR exon 19 deletions, C797S mutations and various cMET expression abnormalities. In toxicology studies in cynomolgus monkeys, no significant toxic side effects were observed after 4 weeks of observation, even in the highly-dosed group.

- As of 31 December 2023, a total of 15 patients had received at least one GB263T treatment. All patients had received previous third-generation EGFR-TKI and platinum-based chemotherapy and the median number of prior lines of systemic therapy was 3.
    - GB263T has shown promising efficacy at the therapeutic dose range (1,260-1,680 mg).
        - ➢ The ORR of patients with EGFR-sensitive mutations and resistance to the third-generation TKI treatment at the therapeutic dose range was about 30%;
        - ➢ An apparent benefit was observed in three patients who have developed drug-resistant cMET changes after a third-generation TKI treatment.
    - At the same time, an advantage of safety profile was also demonstrated.
        - ➢ The infusion reaction rate was relatively low and mild;
        - ➢ The incidence rates of nail groove and rash were mild (grade 1/2) with only grade 1 diarrhea;
        - ➢ No MET target-related peripheral edema toxicity has been reported.
    - These updated research data have been accepted by the ESMO Congress 2024 and will be published on 14 September 2024.

Research and Development of the Global Innovative New Drug
The Company's R&D team focused on developing targets and projects with FIC potential.

- As at 30 June 2024,
    - Five PCC molecules have been developed, all of which are the FIC/BIC bi-specific/multi-specific antibody projects;
        - ➢ GB268 (TsAb) has entered the IND enabling stage. Certain CMC developments and PK/ADA and 4-week pre-toxicological experiments in cynomolgus monkeys have been completed. The preliminary results suggest that the tri-specific molecule has a good drug developability and stability, and no significant drug-related toxicity has been observed in the high, medium and low dose groups.

- Abstracts of two TsAb molecule projects have been accepted for publication at the 2024 Annual Meeting of the AACR.

  - Topic of "Single Target and Bispecific Antibodies", Number: PO.IM01.06

    Title: "Development of GB268, a tri-specific antibody targeting PD-1/CTLA-4/VEGF, with enhanced efficacy and reduced toxicity in pre-clinical studies"

    Abstract

    ➢ Research background:

    Immunotherapy using immune checkpoint modulators such as anti-PD1/PD-L1 have been widely used in cancer therapy. Combination use of anti-PD1 and anti-CTLA4 inhibitors may improve therapeutic efficacy but is also accompanied by severe immune related adverse events (irAEs) which limited their clinical use. Bi-specific antibody targeting PD-1/CTLA-4 such as cadonilimab has shown improved clinical benefits with reduced irAEs in cervical cancer. Vascular endothelial growth factor ("**VEGF**") is overexpressed in various solid tumors and anti-VEGF agents inhibit neovascularization. Combined application of bevacizumab and PD-1/PD-L1 blockade displays durable and significant antitumor effects. GB268 is a tri-specific molecule that specifically targets PD-1, CTLA-4 and VEGF. The pre-clinical results show the combined effect of triple targets and good safety.

    ➢ Methods:

    GB268 is a hexavalent antibody with symmetrical structure, composed of anti-PD-1 VHH antibody, anti-CTLA-4 VHH antibody, and anti-VEGF conventional antibody. The design of molecule and the activity of each arm have been adjusted and explored based on the biological characteristics in order to achieve functional balance. L234A/L235A mutations have been introduced to the FC part.

    ➢ Results:

    GB268 specifically bound to PD-1, VEGF, and CTLA-4 effectively blocked PD-1 and VEGF pathways. To reduce the CTLA4 inhibition-induced AEs, the CTLA-4 arm only partially blocked the interaction of CTLA4 to its ligands CD80/CD86, and furthermore, the combination of CTLA-4 arm was highly dependent on PD-1 arm. GB268 displayed robust antitumor efficacy with attenuated toxicity in murine models. In multiple PBMC-humanized models including A375 melanoma model, HT29 colorectal cancer model, and NCI-H460 NSCLC model, etc., GB268 exhibited better antitumor efficacy, compared to PD-1/CTLA-4 bsAb and PD-1/VEGF bsAb, or in the combination of the three monoclonal antibodies, namely PD-1, CTLA-4 and VEGF. In arthritis induction model using hPD1/hCTLA4 KI mice, GB268 had improved tolerance than cadonilimab and at least 20-fold better safety profile than ipilimumab combined with OPDIVO.

➢ Conclusions:

GB268 is a FIC anti-PD-1/CTLA-4/VEGF tri-specific antibody with innovative design. Preclinical data demonstrated the efficient antitumor responses of GB268. At the meantime, immune-related AEs are alleviated. Thus, GB268 may emerge as a promising novel therapeutics for cancer treatment.

- Topic of "Late-Breaking Research: Immunology 2", Number: LBPO.IM02

Title: "GBD218 – A tri-specific T cell engager (TCE) targeting BCMA and GPRC5D for treatment of multiple myeloma"

Abstract

➢ Research background:

Multiple myeloma ("**MM**") accounts for 10% of all hematologic cancers. Recent advances in MM therapy have greatly increased the overall response and survival rate. However, most of the patients eventually relapse. The prognosis still remains poor. Although CAR-T and T cell engager ("**TCE**") targeting BCMA or GPRC5D have been highly efficacious in treating MM patients, resistance still occurs. Since the expression of BCMA and GPRC5D in MM are heterogeneous, to further improve the overall response and survival, the Company has generated a tri-specific TCE, GBD218, targeting both BCMA and GPRC5D.

➢ Methods:

Anti-BCMA and GPRC5D nanobodies were screened from alpaca immune libraries. The format of the tri-specific antibodies was optimized by multiple rounds of in vitro activity and drug physicochemical properties evaluation. The in vivo tumor growth inhibition effects were evaluated in PBMC-humanized xenograft mouse models.

➢ Results:

GBD218 is able to potently bind hBCMA (KD=0.4nM) and hGPRC5D (cell binding EC50 ~ 2nM). To reduce CRS and other potential AEs associated with TCEs, anti-CD3 with relatively low affinity was used. In cell-based functional assays, GBD218 showed efficient killing effect against single and double positive MM cell lines with various expression levels of BCMA and GPRC5D. Cell activation and cytokine release are nicely balanced for great killing efficacy and the low risk of CRS. The vitro results showed that GBD218 exhibited superior in vitro killing activity compared to benchmarks, including teclistamab, talquetamab, the combination of teclistamab and talquetamab, suggesting a synergistic effect of GBD218 by targeting both BCMA and GPRC5D. In xenograft models, GBD218 showed excellent antitumor activity, indicating potential for GBD218 as a promising therapeutics for MM.

➢ Conclusions:

GBD218 is a tri-specific antibody that showed potent in vitro and in vivo antitumor activity. GBD218 efficiently kills both BCMA and/or GPRC5D expressing MM cells, which may hold promise to increase response rate and improve survival in MM patients in clinic.

Strategic Cooperation and Commercialization

On 19 January 2024, the Company entered into an antibody molecules and technology transfer agreement with Zhongmei Huadong, under which FGFR2b, an antibody drug and related IP rights of the Company were transferred to Zhongmei Huadong.

Drive continuous optimization of CMC quality and efficiency

In accordance with the Company's strategy of "focus and optimization", the CMC team of the Company continued to promote the platform-based construction of the internal and external cooperation workflow of the project.

- Through the domestic exploration of culture medium, chromatographic filler, disposable products (dispensing bags, storage bags, filling bags and filters) and auxiliary materials, we, without affecting the quantity and quality of products, have significantly reduced production costs, improved the stability of the supply chain, reduced storage costs, and enhanced liquidity efficiency.

- We continued to promote the establishment and optimization of a molecular developable assessment platform for rapid protein expression, high-throughput purification, full range of characterization and process applicability assessment, and also facilitate the development and application of high-concentration preparation development platform in line with the demand of projects.

- We further improved the quality control and study platform. We strengthened the construction of applicable quality system and MAH-related quality system and initiated the establishment of the drug variety archive. We supervised the conformity of CDMO's process and method development methods, production process and testing process according to the quality manual formulated by GMP which was released according to the conformity of the final product, and further optimized the working mode and cooperation efficiency.

- In addition to solving the industry pain points such as low heterologous pairing rate, high polymer content, removal of homodimer impurities, unstable intermediates, difficulty in activity analysis methods and difficulty in the development of formulations, especially high-concentration formulations, the CMC team of the Company also demonstrated industry-leading strength and rapid execution in the process technology development of GB261 (CD20/CD3, BsAb), GB263T (EGFR/cMET/cMET, TsAb), GB268 (TsAb) and other products.

2. Events after the Reporting Period

- On 2 August 2024, the Group has entered into the License Agreement and the Stock Purchase Agreement with the Licensee. Under the License Agreement, the Group has agreed, among others, to grant the Licensee an exclusive worldwide license to develop, use, manufacture, commercialize and otherwise exploit GB261, excluding mainland China, Hong Kong, Macau and Taiwan. The collaboration between both parties will mainly focus on exploring the potential of GB261 (CD20/CD3, BsAb) in autoimmune diseases.

    - As a consideration of the License, the Group shall receive (1) a significant equity participation in the Licensee; (2) a double digit million US dollars upfront payment; (3) up to 443 million US dollars in milestone payments; and (4) tiered single to double digits royalty payments on net sales.

- Dr. Guo tendered his resignation as the chairman of the Board and an executive Director with effect from 12 September 2024 due to his other business commitments. Dr. Guo will remain as the chief executive officer of the Company. For further details of Dr. Guo's resignation, please refer to the announcement of the Company dated 12 September 2024.

- Mr. Weng Chengyi ("**Mr. Weng**") was appointed as an executive Director and the chief financial officer of the Company with effect from 12 September 2024. For further details of Mr. Weng's appointment, please refer to the announcement of the Company dated 12 September 2024.

- Mr. Zhou Honghao ("**Mr. Zhou**") tendered his resignation as an independent non-executive Director and a member of the Audit Committee with effect from 18 September 2024 since Mr. Zhou could no longer serve as an independent non-executive Director under the Administrative Measures for Part-time Work of Academicians of the Chinese Academy of Engineering (Trial Implementation) (中國工程院院士兼職管理辦法(試行)). Following the resignation of Mr. Zhou with effect from 18 September 2024, the Company only has two independent non-executive Directors and the Audit Committee comprises only two members. Accordingly, since 18 September 2024, the Company fails to meet the requirements set out in (i) Rule 3.10(1) of the Listing Rules that the Company must have at least three independent non-executive Directors and (ii) Rule 3.10A of the Listing Rules that the Company must appoint independent non-executive Directors representing at least one-third of the Board. The Board will make its best endeavors to identify suitable candidate to fill the vacancy as soon as practicable and within three months from 18 September 2024 in order to ensure compliance by the Company with the requirements under the Listing Rules. For further details of Mr. Zhou's resignation, please refer to the announcement of the Company dated 23 September 2024.

Cautionary Statement required by Rule 18A.08(3) of the Listing Rules: Apart from Jiayoujian 佳佑健® (GB242, Infliximab Biosimilar), the Company cannot guarantee that it will be able to develop, or ultimately market, any of the other drug candidates successfully. Shareholders and potential investors of the Company are advised to exercise due care when dealing in the Shares.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OUTLOOK

The Group will further concentrate its efforts on potential global FIC and BIC innovation pipelines for tumors and autoimmune diseases, optimize and maximize its existing product portfolio by developing and executing a comprehensive strategy to conduct research on molecules with the best potential to become clinically beneficial and commercially viable drugs, with a view to achieving the mission of addressing unmet medical needs in China and globally.

With a focus on high-quality and original innovation, the Group is actively exploring its highly differential research and development platforms, technologies and development projects for early discovery on an ongoing basis. After successfully realizing the enterprise's transformation into asset-light model, not only will the Group reduce costs and enhance efficiency, but also allow the Company to continue to focus on promoting key projects of tumors and autoimmune diseases and exploration of FIC potential in multi-dimensions to achieve an effective balance between efficiency and costs. Meanwhile, the Company will further push forward global innovation by expanding strategic cooperation and actively exploring collaboration with different forms of advanced technologies.

With regards to concentration and optimization, we will continuously seek to accelerate the clinical advancement and diversification of market expansion, so as to obtain the NDA approval for GB491 (Lerociclib) in combination with Fluvestran as the treatment of HR+/HER2- locally advanced or metastatic breast cancer patients with disease progression following previous endocrine therapy, and GB491 (Lerociclib) combined with Letrozole for the treatment of HR+/HER2- patients with advanced breast cancer who have not previously undergone systemic antitumor therapy. The Group will also enter into agreements with local pharmaceutical companies for the sales of GB491 (Lerociclib), with a view to introducing safe, effective and well-tolerated novel therapies to address the treatment needs of the large number of patients with breast cancer in China and around the world. The transfer of technology for local production of GB491 (Lerociclib) has also been initiated simultaneously. It is expected that pharmaceutic preparation local production of GB491 (Lerociclib) will commence in 2027.

Through the close collaboration with partners, the Group will promote the clinical development of GB261 in the field of autoimmune diseases, and push forward the research and development of GB268 and multi-specific TCE at the pre-clinical stage. On the basis of the global clinical concept validation data for GB263T (EGFR/cMET/cMET, TsAb), the Group will actively expand external partnership in its clinical programs.

FINANCIAL REVIEW

The Reporting Period compared to the six months ended 30 June 2023

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Revenue	**14,470**	–
Cost of revenue	**(349)**	–
Gross profit	**14,121**	–
Administrative expenses	**(38,548)**	(72,643)
Research and development expenses	**(109,682)**	(224,776)
Other income	**3,750**	3,018
Other gains/(losses) – net	**282**	(1,383)
Operating loss	**(130,077)**	(295,784)
Finance income	**11,490**	20,286
Finance costs	**(8,979)**	(662)
Finance income – net	**2,511**	19,624
Loss before income tax	**(127,566)**	(276,160)
Income tax credit	**1,281**	1,117
Loss for the six months ended 30 June	**(126,285)**	(275,043)

Revenue

Our revenue for the Reporting Period was approximately RMB14.5 million, mainly attributable to the provision of research and manufacturing services to our customers under fee-for-service contracts. Our revenue for the six months ended 30 June 2023 was nil.

Cost of Revenue

Our cost of revenue for the Reporting Period was approximately RMB0.3 million, and that for the six months ended 30 June 2023 was nil. The change was primarily due to the increase in revenue.

Administrative Expenses

Our administrative expenses decreased by 47.0% from approximately RMB72.6 million for the six months ended 30 June 2023 to approximately RMB38.5 million for the Reporting Period, primarily due to the decrease in employee benefits expenses.

Research and Development Expenses

Our research and development expenses decreased by 51.2% from approximately RMB224.8 million for the six months ended 30 June 2023 to approximately RMB109.7 million for the Reporting Period, primarily due to (i) the decrease in employee benefits expenses for research and development personnel; and (ii) the decrease in our new drugs development fee and clinical trial expenses.

The following table summarizes the components of our research and development expenses for the Reporting Period and the six months ended 30 June 2023 respectively:

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Development fee and clinical trial expenses	**52,801**	83,452
Employee benefits expenses	**29,907**	71,299
Impairment of non-current assets	**9,277**	9,401
Depreciation and amortization	**5,893**	24,051
Professional and technical service fee	**5,075**	4,589
Traveling and transportation expenses	**3,575**	5,767
Raw material and consumables used	**2,490**	10,620
Utilities	**56**	2,382
Write down of inventories	**–**	10,902
Others	**608**	2,313
Total	**109,682**	224,776

Loss for the Reporting Period

As a result of the foregoing, our losses decreased from approximately RMB275.0 million for the six months ended 30 June 2023 to approximately RMB126.3 million for the Reporting Period.

Liquidity and Source of Funding and Borrowing

Our management monitors and maintains a level of cash and bank balances deemed adequate to finance our operations and to mitigate the effects of fluctuations in cash flow. We rely on equity financing as the major source of liquidity. Historically, we had borrowed loans from banks. As at 30 June 2024, the short-term borrowings from banks was nil.

The Group's cash and bank balances decreased from approximately RMB1,165.5 million as at 31 December 2023 to approximately RMB1,026.6 million as at 30 June 2024. The decrease was mainly due to the operating loss for the Reporting Period.

Capital Structure and Treasury Policies

The business activities of the Group are mainly financed by equity. The Directors will continue to follow a prudent policy in managing the Group's financial resources such as cash with the objective of maintaining a strong and healthy liquidity position to ensure that the Group is placed to seize future growth opportunities as and when such opportunities appear. We did not use any financial instruments for hedging purposes during the Reporting Period. However, our management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise. For details, please refer to the section headed "Foreign Exchange Exposure" in this interim report below.

Non-HKFRS Measure

To supplement the Group's consolidated interim financial statements which are prepared in accordance with the HKFRS, the Company also uses adjusted loss as an additional financial measure, which is not required by, or presented in accordance with HKFRS. The Company believes that this non-HKFRS financial measure is useful for understanding and assessing underlying business performance and operating trends. The Company also believes that the Company's management and investors may benefit from referring to this non-HKFRS financial measure in assessing the Group's financial performance by eliminating the impact of certain items that the Group does not consider indicative of the performance of the Group's business. However, the presentation of this non-HKFRS financial measure is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with HKFRS. The use of this non-HKFRS measure has limitations as an analytical tool, and investors should not view the non-HKFRS financial results on a stand-alone basis or as a substitute for results under HKFRS, or as being comparable to results reported or forecasted by other companies.

The following table reconciles our Adjusted Loss for the Reporting Period to the most directly comparable financial measure calculated and presented in accordance with HKFRS:

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
HKFRS Loss for the six months ended 30 June	**(126,285)**	(275,043)
Add:		
Share-based payment expense	**4,903**	37,138
Adjusted Loss for the six months ended 30 June	**(121,382)**	(237,905)

MANAGEMENT DISCUSSION AND ANALYSIS

Key Financial Ratios

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

	As at 30 June 2024	As at 31 December 2023
Current ratio[1]	**5.76**	5.41
Quick ratio[2]	**5.59**	5.25
Gearing ratio[3]	**0.17**	0.18

1. Current ratio is calculated using current assets divided by current liabilities as at the same date.

2. Quick ratio is calculated using current assets less inventories and prepayments and divided by current liabilities as at the same date.

3. Gearing ratio is calculated using total liabilities divided by total assets as at the same date.

Significant Investments

The Group did not make or hold any significant investments (including any investment in an investee company with a value of 5 percent or more of the Company's total assets as at 30 June 2024) during the Reporting Period.

Material Acquisitions and Disposals

The Group did not have any material acquisitions or disposals of subsidiaries, joint ventures, consolidated affiliated entities or associated companies during the Reporting Period.

Charge on Group Assets

As at 30 June 2024, none of the Group's assets were charged.

Contingent Liabilities

On 15 April 2024, Genor Biopharma, an indirectly wholly-owned subsidiary of the Company, was notified that it has been named as a defendant in the lawsuit brought by NewBio Therapeutics, Inc. in the Pudong New Area People's Court of Shanghai, for an alleged breach of the cooperation agreement entered into between the two parties on 30 December 2013 and its supplemental agreements. The claim amounted to RMB15 million.

The Directors, based on the advice from the Group's legal counsel, believe that Genor Biopharma has a valid defence against the claim and accordingly, the Group has not provided for any claim arising from the litigation, other than the related legal and other costs.

Save as disclosed above, the Group had no significant contingent liabilities as at 30 June 2024 (as at 31 December 2023: nil).

Foreign Exchange Exposure

During the Reporting Period, we operated in the PRC with most of the transactions settled in Renminbi. Our presentation and functional currency is Renminbi. There were no significant financial assets or liabilities of us denominated in the currencies other than Renminbi, except for the cash at bank in USD, which were primarily received from the investors as capital contributions and the proceeds obtained from the IPO.

As at 30 June 2024, if RMB weakened or strengthened by 10% against USD, with all other variables held constant, loss for the Reporting Period would have been approximately RMB95.44 million lower or higher (for the year ended 31 December 2023: RMB18.46 million lower or higher).

We did not use any derivative contracts to hedge against our exposure to currency risk during the Reporting Period. However, our management monitors foreign exchange exposure and will consider hedging against significant foreign currency exposure should the need arise.

Employees and Remuneration

As at 30 June 2024, the Group had a total of 28 (as at 31 December 2023: 104) employees including 27 employees in Shanghai, and 1 employee in San Francisco, United States. The following table sets forth the total number of employees by function as at 30 June 2024:

	Number of employees	% of total
Function		
Research and Development	7	25%
Clinical Development	11	39%
General and Administration	10	36%
Total	**28**	**100%**

The total remuneration cost incurred by the Group for the Reporting Period was approximately RMB53.0 million, as compared to approximately RMB128.3 million for the six months ended 30 June 2023.

Our employees' remuneration comprises salaries, bonuses, social security contributions and other welfare payments. In accordance with applicable Chinese laws, we have made contributions to social security insurance funds (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds for our employees. As at 30 June 2024, we had complied with all statutory social security insurance fund and housing fund obligations applicable to us under Chinese laws in all material aspects.

The Company has also adopted the Pre-IPO Share Option Plan, the Post-IPO Share Option Plan, the 2021 RSU Plan, the 2023 Share Option Plan and the 2023 RSU Plan to provide incentives or rewards to eligible participants for their contribution to the Group. The Post-IPO Share Option Plan and the 2021 RSU Plan were terminated on 27 October 2023. All outstanding share options (to the extent not already exercised) granted under the Post-IPO Share Option Plan shall continue to be valid and exercisable in accordance with the terms of the Post-IPO Share Option Plan and the relevant grant agreements. All unvested RSUs granted under the 2021 RSU Plan shall continue to be valid and shall vest in accordance with the terms of the 2021 RSU Plan and the relevant grant agreements.

Please refer to the section headed "Statutory and General Information – D. Share Option Schemes" in Appendix IV to the Prospectus for further details of the Pre-IPO Share Option Plan and the Post-IPO Share Option Plan and the announcements of the Company dated 3 June 2021, dated 27 August 2021, dated 5 October 2022 for further details of the 2021 RSU Plan, and the circular of the Company dated 12 October 2023 for further details of the 2023 Share Option Plan and 2023 RSU Plan.

During the Reporting Period, the Group did not experience significant labour disputes or difficulties in recruiting employees.

Interim Dividend

The Board does not recommend the distribution of an interim dividend for the Reporting Period.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As at 30 June 2024, the interests and short positions of the Directors or chief executives in any of the Shares, underlying Shares and debentures of our Company or its associated corporation (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Name of Director	Capacity/Nature of interest	Number of ordinary shares	Approximate percentage of holding[1]	Long position/ Short position
Dr. Guo Feng	Beneficial owner	21,158,108[2]	4.12%	Long position

Notes:

(1) The calculation is based on the total number of 514,063,591 Shares in issue as at 30 June 2024.

(2) These Shares include Dr. Guo's entitlement to receive, subject to the conditions of those options and RSUs, (i) up to 4,920,095 Shares pursuant to the exercise of options held by MaplesFS (BVI) Limited under the Pre-IPO Share Option Scheme on behalf of AKQM Partner Trust, of which 4,442,416 options were exercised by Dr. Guo on 10 April 2024; (ii) up to 5,000,000 Shares pursuant to the exercise of Options under the Post-IPO Share Option Scheme; (iii) up to 5,579,054 Shares pursuant to the exercise of options under the 2023 Share Option Plan and (iv) up to 4,210,000 Shares pursuant to the vesting of RSUs under the 2023 RSU Plan. For further details of these Options and RSUs, please refer to the section headed "EQUITY PLANS" in this interim report below.

Save as disclosed above, as at 30 June 2024, none of the Directors or chief executives had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2024, so far as the Directors are aware, the following persons (other than the Directors or chief executives) had interests or short positions in the Shares or underlying Shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name of Shareholder	Capacity/Nature of interest	Number of ordinary shares	Approximate percentage of holding[1]	Long position/ Short position
HHJH Holdings Limited[2]	Beneficial owner	126,239,103	24.56%	Long position
HH BIO Investment Fund L.P.[2]	Interest in a controlled corporation	126,239,103	24.56%	Long position
Hillhouse Fund IV, L.P.[2]	Interest in a controlled corporation	126,239,103	24.56%	Long position
Hillhouse Investment Management, Ltd.[2]	Investment manager	127,989,103	24.90%	Long position
Walga Biotechnology Limited[3]	Beneficial owner	37,560,998	7.31%	Long position
Shanghai Walga Biotechnology Co., Ltd. 上海沃嘉生物技術有限公司[3]	Interest in a controlled corporation	37,560,998	7.31%	Long position
Yunnan Walvax Biotechnology Co., Ltd. 雲南沃森生物技術股份有限公司[3]	Interest in a controlled corporation	37,560,998	7.31%	Long position
Aranda Investments Pte. Ltd.[4]	Beneficial owner	29,157,348	5.67%	Long position
Seletar Investments Pte Ltd[4]	Interest in a controlled corporation	29,157,348	5.67%	Long position
Temasek Capital (Private) Limited[4]	Interest in a controlled corporation	29,157,348	5.67%	Long position
Temasek Holdings (Private) Limited[4]	Interest in a controlled corporation	31,157,348	6.06%	Long position

Notes:

1. The calculation is based on the total number of 514,063,591 Shares in issue as at 30 June 2024.

2. HHJH Holdings Limited is wholly-owned by HH BIO Investment Fund, L.P. ("**HH BIO**"). While the general partner of HH BIO is HH BIO Holdings GP, Ltd., all investment related decisions of HH BIO, including but not limited to acquisition and disposition of the investments, requires prior approval of its sole limited partner, Hillhouse Fund IV, L.P. ("**Hillhouse Fund IV**"), pursuant to a limited partnership agreement governing HH BIO. Hillhouse Investment Management, Ltd. acts as the sole management company of Hillhouse Fund IV. Besides, Hillhouse Investment Management, Ltd. also holds about 0.34% of the Shares in issue indirectly through other entities.

3. Walga is wholly-owned by Shanghai Walga Biotechnology Co., Ltd. (上海沃嘉生物技術有限公司), which is in turn wholly-owned by Walvax, a company listed on the Shenzhen Stock Exchange (stock code: 300142). As such, under the SFO, Shanghai Walga Biotechnology Co., Ltd. and Walvax are deemed to be interested in the 37,560,998 Shares held by Walga. Walga is an indirect wholly-owned subsidiary of Yunnan Walvax Biotechnology Co., Ltd. (雲南沃森生物技術股份有限公司).

4. Aranda Investments Pte. Ltd. ("**Aranda Investments**") is a company incorporated in Singapore and its principal activity is investment trading and investment holding. Aranda Investments is wholly-owned by Seletar Investments Pte Ltd, which in turn is wholly-owned by Temasek Capital (Private) Limited. Temasek Capital (Private) Limited is a wholly-owned subsidiary of Temasek Holdings (Private) Limited. Besides, Temasek Holdings (Private) Limited also holds about 0.40% of the Shares in issue indirectly through other entities.

Save as disclosed above, as at 30 June 2024, no persons other than the Directors or chief executives whose interests are set out in the section headed "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or Any of Its Associated Corporations" above had any interests or short positions in the Shares or underlying Shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

EQUITY PLANS

1. Pre-IPO Share Option Plan

The following is a summary of the principal terms of the Pre-IPO Share Option Plan of the Company as adopted on 19 August 2019 and amended and restated on 16 April 2020 and 31 July 2020.

(a) Purpose

The purpose of the Pre-IPO Share Option Plan is to advance the interests of the Company by providing for the grant to participants of the options, and to motivate the selected participants to contribute to the Company's growth and development. The Pre-IPO Share Option Plan, which will be in the form of options, will enable the Company to recruit, incentivize and retain key employees.

(b) Participants

The Administrator will select Eligible Persons from among employees, directors, consultants and advisors of the Company and its affiliates, or any other persons approved by the Administrator to participate in the Pre-IPO Share Option Plan. Such Eligible Persons will become participants with the approval of the Administrator, and upon entering into a grant agreement with the Company. Unless otherwise approved by the Administrator, "Eligible Person" means such person who maintains an active employment relationship (employees and directors) or contract (consultants and advisors) with the Company, and the employment or contractual relationship is not terminated, whether on the grounds that he has been guilty of misconduct pursuant to the rules and regulations promulgated by the Company, or has committed an act of bankruptcy or has become insolvent or has made an arrangement or composition with creditors generally, or has been convicted of a criminal offence involving his integrity or honesty, or on any other grounds on which an employer would be entitled to terminate his employment or contractual relationship forthwith pursuant to applicable laws or under the participant's employment or other contracts, provided that a person who is on long term medical leave shall be deemed to have failed to maintain an active employment relationship with the Company.

(c) Total Number of Shares Available for Issue

The total number of Shares available for issue under the Pre-IPO Share Option Scheme at any time shall not exceed 58,573,872 Shares, representing approximately 11.38% of the Shares in issue (i.e. 514,714,829 Shares) as at the date of this interim report (i.e. 28 August 2024).

(d) Maximum Entitlement of Each Participant

There is no maximum entitlement of each Eligible Person under the Pre-IPO Share Option Plan.

(e) Exercise Period and Vesting Period of the Options Granted

Any vested part of an option shall be eligible to be exercised only after the completion of the Global Offering, except as otherwise agreed and set forth in the grant agreement. Any exercise of an option shall be at all times subject to the terms and provisions of the grant agreement, the trading policy as adopted or amended by the Company from time to time and any applicable laws.

The Administrator may determine the time or times at which an option will vest or become exercisable and the terms on which an option will remain exercisable. Such terms and conditions should be set out in the grant agreement.

(f) Consideration for Application or Acceptance of the Options

Nil consideration was required to be paid by the grantees for the application or acceptance of the options granted under the Pre-IPO Share Option Plan.

(g) Exercise Price

The exercise price of options was determined by the Administrator. Options, once granted, may be repriced only in accordance with the applicable requirements of the Pre-IPO Share Option Plan and the grant agreement. There is no basis in determining the exercise price under the Pre-IPO Share Option Plan.

(h) Remaining Life of the Pre-IPO Share Option Plan

The Pre-IPO Share Option Plan will expire on 19 August 2029. The remaining life of the Pre-IPO Share Option Plan is approximately 5.0 years from the date of this interim report (i.e. 28 August 2024).

(i) Outstanding Share Options under the Pre-IPO Share Option Plan

The tables below show the details of the movement of the outstanding options granted to all grantees under the Pre-IPO Share Option Plan during the Reporting Period. No further options were granted since the Listing Date.

Name	Role	Date of Grant	Vesting Period[2]	Exercise Period	Exercise Price (per Share)	Outstanding as at 1 January 2024	Exercised during the Reporting Period[4]	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as at 30 June 2024
Dr. GUO Feng[3]	Executive Director, Chief Executive Officer and Chairman of the Board[5]	30 April 2020	Date of Grant-4 years from Date of Grant	10 years from Date of Grant	US$0.0002	3,343,754	3,343,754	-	-	-
		30 April 2020	Date of Grant-4 years from Date of Grant	10 years from Date of Grant	US$2	-	-	-	-	-
		30 April 2020	Milestone Achievement	10 years from Date of Grant	US$0.0002	1,576,341	1,098,662	-	-	477,679
		30 April 2020	Milestone Achievement	10 years from Date of Grant	US$2	-	-	-	-	-
Total:						**4,920,095**	**4,442,416**	**-**	**-**	**477,679**

Date of Grant	Vesting Period[2]	Exercise Period	Exercise Price (per Share)	Outstanding as at 1 January 2024	Exercised during the Reporting Period[4]	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as at 30 June 2024
Employees Group A (MaplesFS(BVI) Limited on behalf of AKQM Partner Trust)[3]								
16 September 2019	Date of Grant-4.5 years from Date of Grant	10 years from Date of Grant	US$0.0002	72,889	–	–	–	72,889
16 September 2019	Milestone Achievement	10 years from Date of Grant	US$0.0002	125	–	–	–	125
16 September 2019	Date of Grant-4.5 years from Date of Grant	10 years from Date of Grant	US$2	694,779	–	–	–	694,779
16 April 2020	Date of Grant-4 years from Date of Grant	10 years from Date of Grant	US$0.0002	2,755,021	2,755,021	–	–	–
16 April 2020	Milestone Achievement	10 years from Date of Grant	US$0.0002	518	–	–	–	518
16 April 2020	Milestone Achievement	10 years from Date of Grant	US$2	331,000	–	–	–	331,000
31 July 2020	Date of Grant-4 years from Date of Grant	10 years from Date of Grant	US$0.0002	650,000	487,500	–	–	162,500
31 July 2020	Date of Grant-4 years from Date of Grant	10 years from Date of Grant	US$2	1,500,000	–	–	–	1,500,000
Employees Group B								
16 September 2019	Date of Grant-4.5 years from Date of Grant	10 years from Date of Grant	US$0.0002	109,500	7,500	–	–	102,000
16 September 2019	Milestone Achievement	10 years from Date of Grant	US$0.0002	27,212	–	–	–	27,212
16 September 2019	Date of Grant-4.5 years from Date of Grant	10 years from Date of Grant	US$2	270,000	–	–	–	270,000
16 September 2019	Milestone Achievement	10 years from Date of Grant	US$2	62,500	–	–	6,875	55,625
29 February 2020	Date of Grant-4 years from Date of Grant	10 years from Date of Grant	US$0.0002	91,000	34,250	–	16,250	40,500
29 February 2020	Date of Grant-4 years from Date of Grant	10 years from Date of Grant	US$2	292,000	–	–	37,500	254,500
16 April 2020	Milestone Achievement	10 years from Date of Grant	US$0.0002	59,965	59,500	–	96	369
16 April 2020	Milestone Achievement	10 years from Date of Grant	US$2	112,000	–	–	34,100	77,900

Date of Grant	Vesting Period[2]	Exercise Period	Exercise Price (per Share)	Outstanding as at 1 January 2024	Exercised during the Reporting Period[4]	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as at 30 June 2024
30 April 2020	Date of Grant-4 years from Date of Grant	10 years from Date of Grant	US$0.0002	31,750	6,500	–	6,250	19,000
30 April 2020	Date of Grant-4 years from Date of Grant	10 years from Date of Grant	US$2	100,000	–	–	12,500	87,500
31 July 2020	Date of Grant-4 years from Date of Grant	10 years from Date of Grant	US$0.0002	130,000	97,500	–	32,500	–
31 July 2020	Date of Grant-4 years from Date of Grant	10 years from Date of Grant	US$2	260,000	–	–	65,000	195,000
31 August 2020	Date of Grant-4 years from Date of Grant	10 years from Date of Grant	US$0.0002	277,500	202,500	–	45,000	30,000
31 August 2020	Date of Grant-4 years from Date of Grant	10 years from Date of Grant	US$2	555,000	–	–	225,000	330,000
Total				**8,382,759**	**3,650,271**	**–**	**481,071**	**4,251,417**

Notes:

(1) Save as disclosed above, none of the grantees were (i) directors, chief executive or substantial Shareholders of the Company, or their respective associates; (ii) participants with options granted and to be granted in excess of the 1% individual limit; (iii) related entity participant or service provider with options and Awards granted and to be granted in any 12-month period exceeding 0.1% of the relevant class of Shares in issue as set out in Rule 17.07 of the Listing Rules.

(2) The options are vested based on the grantees' performance or milestone achievement. For those options vested based on grantees' performance, the respective vesting period is listed in the above table. For those options vested based on milestone achievement, the options shall vest upon achievement of the relevant milestones with respect to the clinical development status, launching status, business development partnering status and/or manufacturing status of the Company's drug candidates.

(3) The outstanding options granted to these grantees are held by MaplesFS (BVI) Limited on behalf of AKQM Partner Trust.

(4) The weighted average closing price of the Shares immediately before the dates on which the options were exercised was HK$1.13667 per share.

(5) Dr. Guo tendered his resignation as the chairman of the Board and an executive Director with effect from 12 September 2024. Dr. Guo will remain as the chief executive officer of the Company.

2. Post-IPO Share Option Plan

The Post-IPO Share Option Plan was adopted on 18 September 2020 and terminated with effect from the adoption of the 2023 Share Option Plan and 2023 RSU Plan (i.e. 27 October 2023). Upon the termination of the Post-IPO Share Option Plan, no option was available for grant but all outstanding options (to the extent not already exercised) granted under the Post-IPO Share Option Plan shall continue to be valid and exercisable in accordance with the terms of the Post-IPO Share Option Plan and the relevant grant agreements. The following is a summary of the principal terms of the Post-IPO Share Option Plan:

(a) Purpose

The purpose of the Post-IPO Share Option Plan is to advance the interests of the Company by motivating the selected participants to contribute to the Company's growth and development. The Post-IPO Share Option Plan will enable the Company to recruit, incentivize and retain key employees.

(b) Participants

The Administrator will select Eligible Persons from among employees, directors, consultants and advisors of the Company and its affiliates, or any other persons approved by the Administrator to participate in the Post-IPO Share Option Plan. The basis of eligibility of any Eligible Persons to the grant of the options shall be determined by the Administrator from time to time on the basis of their contribution to the development and growth of the Group.

Such Eligible Person will become participants with the approval of the Administrator and upon entering into a grant agreement with the Company. Unless otherwise approved by the Administrator, "Eligible Person" means such person who maintains an active employment relationship (employees and directors) or contract (consultants and advisors) with the Company, and the employment or contractual relationship is not terminated, whether on the grounds that he has been guilty of misconduct pursuant to the rules and regulations promulgated by the Company, or has committed an act of bankruptcy or has become insolvent or has made an arrangement or composition with creditors generally, or has been convicted of a criminal offence involving his integrity or honesty, or on any other grounds on which an employer would be entitled to terminate his employment or contractual relationship forthwith pursuant to applicable laws or under the participant's employment or other contracts. Provided that, a person who is on long term medical leave shall be deemed to have failed to maintain an active employment relationship with the Company.

The Administrator shall comply with the requirements under Chapter 17 of the Listing Rules when selecting the consultants and advisors of the Company and its affiliates as Eligible Persons.

(c) Total Number of Shares Available for Issue

The maximum number of Shares in respect of which options might be granted under the Post-IPO Share Option Plan is 48,109,150, representing approximately 9.35% of the Shares in issue (i.e. 514,714,829 Shares) as at the date of this interim report (i.e. 28 August 2024). As at the date of this interim report, no further option could be granted under the Post-IPO Share Option Plan.

(d) *Maximum Entitlement of Each Participant*

Unless approved by Shareholders in a general meeting, the maximum number of Shares underlying the options granted to each eligible participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the Shares in issue for the time being.

(e) *Exercise Period and Vesting Period of the Options granted*

Unless the Administrator otherwise determined and stated in the grant agreement, a participant is not required to achieve any performance targets before any options granted under the Post-IPO Share Option Plan can be exercised and there is no minimum period for which any option must be held before it can be exercised. The exercise period is from the relevant date of vesting of the option to ten (10) years from the date of grant. Any exercise of an option shall be at all times subject to the terms and provisions of the grant agreement, the trading policy as adopted or amended by the Company from time to time and any applicable laws.

The Administrator may determine the time or times at which an option will vest or become exercisable and the terms on which an option will remain exercisable. Such terms and conditions shall be set out in the grant agreement. The Administrator shall comply with the requirements under Chapter 17 of the Listing Rules when determining the vesting period of the Options.

(f) *Consideration for Application or Acceptance of the Options*

Nil consideration was required to be paid by the grantees for the application or acceptance of the options granted under the Post-IPO Share Option Plan.

(g) *Exercise Price*

The exercise price of options was determined by the Administrator, in compliance with Chapter 17 of the Listing Rule. The exercise price of options must be at least the higher of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Shares. Options, once granted, may be repriced only in accordance with the applicable requirements of the Post-IPO Share Option Plan and the grant agreement.

(h) *Remaining Life of the Post-IPO Share Option Plan*

The Post-IPO Share Option Plan was terminated with effect from the adoption of the 2023 Share Option Plan and 2023 RSU Plan (i.e. 27 October 2023).

(i) *Outstanding Share Options under the Post-IPO Share Option Plan*

The tables below show the details of the movement of the outstanding options granted to all grantees under the Post-IPO Share Option Plan during the Reporting Period. No further options were granted since 27 October 2023.

Name	Role	Date of Grant	Vesting Period[2]	Exercise Period	Exercise Price (per Share)	Outstanding as at 1 January 2024	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as at 30 June 2024
Dr. GUO Feng	Executive Director, Chief Executive Officer and Chairman of the Board[3]	25 May 2023	25 May 2024 – 25 May 2027	10 years from Date of Grant	HKD1.808	3,250,000	–	–	–	3,250,000
		25 May 2023	Milestone Achievement	10 years from Date of Grant	HKD1.808	1,750,000	–	–	–	1,750,000
Total:						**5,000,000**	**–**	**–**	**–**	**5,000,000**

Date of Grant	Vesting Period[2]	Exercise Period	Exercise Price (per Share)	Outstanding as at 1 January 2024	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as at 30 June 2024
Employees									
3 June 2021	Date of entry-4 years from Date of entry	10 years from Date of Grant	HKD17.080	1,233,700	–	–	–	314,000	919,700
27 August 2021	Date of entry-4 years from Date of entry	10 years from Date of Grant	HKD10.848	815,000	–	–	–	389,500	425,500
5 October 2022	Date of entry-4 years from Date of entry	10 years from Date of Grant	HKD1.728	2,086,500	–	–	–	398,250	1,688,250
25 May 2023	25 May 2024 – 30 July 2024	10 years from Date of Grant	HKD1.808	1,300,000	–	–	–	–	1,300,000
25 May 2023	25 May 2024 – 25 May 2025	10 years from Date of Grant	HKD1.808	1,140,000	–	–	–	570,000	570,000
25 May 2023	25 May 2024 – 25 May 2026	10 years from Date of Grant	HKD1.808	682,500	–	–	–	–	682,500
25 May 2023	25 May 2024 – 25 May 2027	10 years from Date of Grant	HKD1.808	2,021,500	–	–	–	663,000	1,358,500
25 May 2023	Milestone Achievement	10 years from Date of Grant	HKD1.808	1,456,000	–	–	–	476,000	980,000
31 August 2023	2 September 2024 – 2 September 2027	10 years from Date of Grant	HKD1.500	9,578,867	–	–	–	6,188,307	3,390,560
Total				**20,314,067**	**–**	**–**	**–**	**8,999,057**	**11,315,010**

Notes:

(1) Save as disclosed above, none of the grantees were (i) directors, chief executive or substantial Shareholders of the Company, or their respective associates; (ii) participants with options granted and to be granted in excess of the 1% individual limit; (iii) related entity participant or service provider with options and Awards granted and to be granted in any 12-month period exceeding 0.1% of the relevant class of Shares in issue as set out in Rule 17.07 of the Listing Rules.

(2) The options are vested based on the grantees' performance or milestone achievement. For those options vested based on grantees' performance, the respective vesting period is listed in the above table. For those options vested based on milestone achievement, the options shall vest upon the first anniversary of the date of grant or achievement of the relevant milestones with respect to the clinical development status, launching status, business development partnering status and/or manufacturing status of the Company's drug candidates, whichever is later.

(3) Dr. Guo tendered his resignation as the chairman of the Board and an executive Director with effect from 12 September 2024. Dr. Guo will remain as the chief executive officer of the Company.

(j) Further Information in relation to the Options granted under the Post-IPO Share Option Plan

The grants of options under the Post-IPO Share Option Plan consist of (i) performance grants; and (ii) milestone grants.

The options granted under performance grants shall vest conditional upon the relevant grantee having fulfilled the performance evaluation conducted under the Company's employee performance evaluation system; and the options to be vested on the relevant vesting date shall be adjusted based on the grantee's annual performance results for the preceding fiscal year prior to the relevant vesting date as follows:

i. 100% of the options can be vested on the relevant vesting date shall vest, if annual performance of the grantee is rated "B+" or above;

ii. 60% of the options can be vested on the relevant vesting date shall vest, if annual performance of the grantee is rated "B";

iii. none of the options shall vest, if the probation review is failed or annual performance of the grantee is rated under "B"; and

iv. the Administrator shall determine at its discretion the grantee's level of performance with respect to each fiscal year under the Company's employee performance evaluation system and such determination shall be binding and conclusive upon the grantee.

The options granted under milestone grants shall vest conditional upon fulfillment of milestones with respect to the clinical development status, launching status, business development partnering status and/or manufacturing status of the Company's drug candidates as set out in the relevant granting agreement entered into between the relevant grantee and the Company.

The Post-IPO Share Option Plan was terminated with effect from the adoption of the 2023 Share Option Plan and 2023 RSU Plan (i.e. 27 October 2023). Accordingly, no option was available for grant under the Post-IPO Share Option Plan at the beginning and at the end of the Reporting Period.

3. 2021 RSU Plan

The 2021 RSU Plan was adopted on 3 June 2021 and terminated with effect from the adoption of the 2023 Share Option Plan and 2023 RSU Plan (i.e. 27 October 2023). Upon the termination of the 2021 RSU Plan, no RSU was available for grant but all unvested RSUs granted under the 2021 RSU Plan shall continue to be valid and shall vest in accordance with the terms of the 2021 RSU Plan and the relevant grant agreements. The following is a summary of the principal terms of the 2021 RSU Plan:

(a) Purpose

The purpose of the 2021 RSU Plan was to (i) advance the interests of the Company by motivating the selected participants to contribute to the Company's growth and development; (ii) recruit, incentivize and retain key employees; (iii) recognize the contributions by the participants with an opportunity to acquire a proprietary interest in the Company; and (iv) motivate the participants to maximize the value of the Company for the benefits of both the participants and the Company, with a view to achieving the objectives of increasing the value of the Group and aligning the interests of the participants directly to the Shareholders through ownership of Shares.

(b) Participants

The Administrator would select Eligible Persons from among employees, directors, consultants and advisors of the Company and its Affiliates, or any other persons approved by the Administrator to participate in the 2021 RSU Plan. The basis of eligibility of any Eligible Persons to the grant of the award should be determined by the Administrator from time to time on the basis of their contribution to the development and growth of the Group.

The Administrator shall comply with the requirements under Chapter 17 of the Listing Rules when selecting the consultants and advisors of the Company and its affiliates as Eligible Persons.

(c) Total Number of Shares Available for Issue

The maximum number of Shares in respect of which RSUs might be granted under the 2021 RSU Plan is 14,730,911, representing approximately 2.86% of the Shares in issue (i.e. 514,714,829 Shares) as at the date of this interim report (i.e. 28 August 2024). As at the date of this interim report, no further RSU could be granted under the 2021 RSU Plan.

(d) Maximum Entitlement of Each Participant

Unless approved by Shareholders in a general meeting, the maximum number of Shares underlying the RSUs granted to each eligible participant in any 12-month period shall not exceed 1% of the Shares in issue for the time being.

(e) Vesting Period of the RSUs granted

The Administrator might determine the time or terms and conditions at which a RSU will vest, including without limitation, the granting date, the number of RSUs, the vesting dates and other conditions and rules. Such terms and conditions shall be set out in the grant agreement. The Administrator shall comply with the requirements under Chapter 17 of the Listing Rules when determining the vesting period of the RSUs.

(f) *Consideration for Application or Acceptance of the RSUs*

Nil consideration was required to be paid by the grantees for the application or acceptance of the RSUs granted under the 2021 RSU Plan.

(g) *Purchase Price of the RSUs*

Nil purchase price was required to be paid by the grantees for the RSUs granted under the 2021 RSU Plan.

(h) *Remaining Life of the 2021 RSU Plan*

The 2021 RSU Plan was terminated with effect from the adoption of the 2023 Share Option Plan and 2023 RSU Plan (i.e. 27 October 2023).

(i) *RSUs Granted under the 2021 RSU Plan*

The table below shows the details of the movement of the RSUs granted to all grantees under the 2021 RSU Plan during the Reporting Period. No further RSUs were granted since 27 October 2023.

Date of Grant	Vesting Period[2]	Unvested as at 1 January 2024	Vested during the Reporting Period[3]	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Unvested as at 30 June 2024
Employees						
3 June 2021	Date of entry-4 years from Date of entry	777,450	309,350	–	441,000	27,100
27 August 2021	Date of entry-4 years from Date of entry	205,500	–	–	196,500	9,000
5 October 2022	Date of entry-4 years from Date of entry	525,250	4,500	–	191,250	329,500
25 May 2023	25 May 2024 – 25 May 2026	682,500	204,750	–	–	477,750
25 May 2023	25 May 2024 – 25 May 2027	1,371,500	342,875	–	663,000	365,625
25 May 2023	Milestone Achievement	2,206,000	831,925	–	333,200	1,040,875
31 August 2023	2 September 2024 – 2 September 2027	4,739,893	–	–	3,134,613	1,605,280
Total		**10,508,093**	**1,693,400**	**–**	**4,959,563**	**3,855,130**

Notes:

(1) None of the grantees were (i) directors, chief executive or substantial Shareholders of the Company, or their respective associates; (ii) participants with options granted and to be granted in excess of the 1% individual limit; (iii) related entity participant or service provider with options and Awards granted and to be granted in any 12-month period exceeding 0.1% of the relevant class of Shares in issue as set out in Rule 17.07 of the Listing Rules.

(2) The RSUs are vested based on the grantees' performance or milestone achievement. For those RSUs vested based on grantees' performance, the respective vesting period is listed in the above table. For those RSUs vested based on milestone achievement, the RSUs shall vest upon the first anniversary of the date of grant or achievement of the relevant milestones with respect to the clinical development status, launching status, business development partnering status and/or manufacturing status of the Company's drug candidates, whichever is later.

(3) The weighted average closing price of the Shares immediately before the dates on which the RSUs were vested during the Reporting Period was HK$1.13667 per share.

(j) Further Information in relation to the RSUs granted under the 2021 RSU Plan

The grants of RSUs under the 2021 RSU Plan consist of (i) performance grants; and (ii) milestone grants.

The RSUs granted under performance grants shall vest conditional upon the relevant grantee having fulfilled the performance evaluation conducted under the Company's employee performance evaluation system; and the RSUs to be vested on the relevant vesting date shall be adjusted based on the grantee's annual performance results for the preceding fiscal year prior to the relevant vesting date as follows:

i. 100% of the RSUs can be vested on the relevant vesting date shall vest, if annual performance of the grantee is rated "B+" or above;

ii. 60% of the RSUs can be vested on the relevant vesting date shall vest, if annual performance of the grantee is rated "B";

iii. none of the RSUs shall vest, if the annual performance of the grantee is rated under "B"; and

iv. the Administrator shall determine at its discretion the grantee's level of performance with respect to each fiscal year under the Company's employee performance evaluation system and such determination shall be binding and conclusive upon the grantee.

The RSUs granted under milestone grants shall vest conditional upon fulfillment of milestones with respect to the clinical development status, launching status, business development partnering status and/or manufacturing status of the Company's drug candidates as set out in the relevant granting agreement entered into between the relevant grantee and the Company.

The 2021 RSU Plan was terminated with effect from the adoption of the 2023 Share Option Plan and 2023 RSU Plan (i.e. 27 October 2023). Accordingly, no RSU was available for grant under the 2021 RSU Plan at the beginning and at the end of the Reporting Period.

4. 2023 Share Option Plan

The following is a summary of the principal terms of the 2023 Share Option Plan which was adopted on 27 October 2023:

(a) Purpose

The purposes of the 2023 Share Option Plan are (i) to advance the interests of the Company by motivating the Eligible Participants of the 2023 Share Option Plan to contribute to the Company's growth and development; and (ii) to enable the Company to recruit, incentivize and retain key employees.

(b) Participants

Eligible Participants are persons eligible to participate in the 2023 Share Option Plan and shall comprise director(s) (including executive director(s), non-executive director(s) and independent non-executive director(s)) and employee(s) (whether full-time or part-time) of any member of the Group, including any person who was granted options under the 2023 Share Option Plan as an inducement to enter into employment contracts with any members of the Group.

In determining the eligibility of an Eligible Participant, the Administrator may take into account various factors that it in its sole and absolute discretion considers relevant in assessing his contribution to the long-term development and growth of the Group, including (i) individual performance; (ii) time commitment; (iii) responsibilities or employment conditions according to the prevailing market practice and industry standard; (iv) the length of engagement with the Group; and (v) the actual and/or potential contribution to the development and growth of the Group.

(c) Total Number of Shares Available for Issue

The total number of Shares which may be issued in respect of all options to be granted under the 2023 Share Option Plan shall not exceed 21,449,808 Shares, representing approximately 4.17% of the Shares in issue (i.e. 514,724,829 Shares) as at the date of this interim report (i.e. 28 August 2024).

(d) Maximum Entitlement of Each Participant

Unless approved by Shareholders in a general meeting with such Eligible Participant and his close associates (or associates if such Eligible Participant is a connected person of the Company) abstaining from voting, the maximum number of Shares underlying the options granted to each eligible participant (excluding any options and awards lapsed in accordance with the terms of all effective share plans of the Company which are governed by Chapter 17 of the Listing Rules) in any 12-month period shall not exceed 1% of the Shares in issue for the time being.

(e) Exercise Period and Vesting Period of the Options granted

The Administrator may in its sole and absolute discretion determine the exercise period of the option(s), but in all circumstances the exercise period shall not be more than ten (10) years from the grant date.

The vesting period of the options shall not be less than twelve (12) months, save and except that options to be granted to an Eligible Participant may be subject to a vesting period of less than twelve (12) months (or no vesting period) in the following circumstances:

a. grants of "make-whole" options to a new joiner to replace the options he forfeited when leaving his previous employers;

b. grants to an Eligible Participant whose employment is terminated due to death or disability or occurrence of any out of control event;

c. grants with performance-based vesting conditions in lieu of time-based vesting criteria;

d. grants that are made in batches during a year for administrative and compliance reasons. They may include options that should have been granted earlier but had to wait for a subsequent batch. In such cases, the vesting periods may be shorter to reflect the time from which the options would have been granted; and

e. grants with a mixed or accelerated vesting schedule such as where the options may vest evenly over a period of 12 months.

(f) Consideration for Application or Acceptance of the Options

The grantee shall not be required to pay for the application or acceptance of the grant of options.

(g) Exercise Price

The exercise price of the options granted under the 2023 Share Option Plan shall be at least the higher of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the grant date; and (ii) the average closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five (5) Business Days immediately preceding the grant date.

(h) Remaining Life of the 2023 Share Option Plan

Subject to any early termination as determined by the Board, the 2023 Share Option Plan shall be valid and effective for a period of ten (10) years commencing from its effective date (i.e. 27 October 2023). The 2023 Share Option Plan will expire on 27 October 2033. The remaining life of the 2023 Share Option Plan is approximately 9.2 years from the date of this interim report (i.e. 28 August 2024).

(i) Outstanding Share Options under the 2023 Share Option Plan

The table below shows the details of the movement of the outstanding options granted to all grantees under the 2023 Share Option Plan during the Reporting Period. No further option was granted during the Reporting Period.

Name	Role	Date of Grant	Vesting Period[2]	Exercise Period	Exercise Price (per Share)	Outstanding as at 1 January 2024	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as at 30 June 2024
Dr. GUO Feng	Executive Director, Chief Executive Officer and Chairman of the Board[4]	31 August 2023[3]	2 September 2024 – 2 September 2027	10 years from the relevant date of vesting of the options	HK$1.50	3,626,385	-	-	-	-	3,626,385
		31 August 2023[3]	Milestone Achievement	10 years from the relevant date of vesting of the options	HK$1.50	1,952,669	-	-	-	-	1,952,669
Total:						**5,579,054**	**-**	**-**	**-**	**-**	**5,579,054**

Notes:

(1) Save as disclosed above, none of the grantees were (i) directors, chief executive or substantial Shareholders of the Company, or their respective associates; (ii) participants with options granted and to be granted in excess of the 1% individual limit; (iii) related entity participant or service provider with options and Awards granted and to be granted in any 12-month period exceeding 0.1% of the relevant class of Shares in issue as set out in Rule 17.07 of the Listing Rules.

(2) The options are vested based on the grantees' performance or milestone achievement. For those options vested based on the grantees' performance, the respective vesting period is listed in the above table. For those options vested based on milestone achievement, the options shall vest upon achievement of the relevant milestones with respect to the clinical development status, launching status, business development partnering status and/or manufacturing status of the Company's drug candidates.

(3) The grant of the share options were approved by the Board on 31 August 2023 and approved by the Shareholders at the extraordinary general meeting held on 27 October 2023.

(4) Dr. Guo tendered his resignation as the chairman of the Board and an executive Director with effect from 12 September 2024. Dr. Guo will remain as the chief executive officer of the Company.

(j) Further information in relation to the Options granted and to be granted under the 2023 Share Option Plan

The grants of options under the 2023 Share Option Plan consist of (i) performance grants; and (ii) milestone grants.

The options granted under performance grants shall vest conditional upon the relevant grantee having fulfilled the performance evaluation conducted under the Company's employee performance evaluation system; and the options to be vested on the relevant vesting date shall be adjusted based on the grantee's annual performance results for the preceding fiscal year prior to the relevant vesting date as follows:

i. 100% of the options can be vested on the relevant vesting date shall vest, if annual performance of the grantee is rated "B+" or above;

ii. 60% of the options can be vested on the relevant vesting date shall vest, if annual performance of the grantee is rated "B";

iii. none of the options shall vest, if the annual performance of the grantee is rated under "B"; and

iv. the Administrator shall determine at its discretion the grantee's level of performance with respect to each fiscal year under the Company's employee performance evaluation system and such determination shall be binding and conclusive upon the grantee.

The options granted under milestone grants shall vest conditional upon fulfillment of milestones with respect to the clinical development status, launching status, business development partnering status and/or manufacturing status of the Company's drug candidates as set out in the relevant granting agreement entered into between the relevant grantee and the Company.

The respective number of options available for grant under the 2023 Share Option Plan was 15,870,754 on 1 January 2024 and 15,870,754 on 30 June 2024.

5. 2023 RSU Plan

The following is a summary of the principal terms of the 2023 RSU Plan which was adopted on 27 October 2023:

(a) Purpose

The purposes of the 2023 RSU Plan are (i) to advance the interests of the Company by motivating the Eligible Participants of the 2023 RSU Plan to contribute to the Company's growth and development; (ii) to recruit, incentivise and retain key employees; (iii) to recognise the contributions by the Eligible Participants with an opportunity to acquire a proprietary interest in the Company; and (iv) to motivate the Eligible Participants to maximise the value of the Company for the benefits of both the Eligible Participants and the Company, with a view to achieving the objectives of increasing the value of the Group and aligning the interests of the Eligible Participants directly to the Shareholders through ownership of Shares.

(b) Participants

Eligible Participants are persons eligible to participate in the 2023 RSU Plan and shall comprise director(s) (including executive director(s), non-executive director(s) and independent non-executive director(s)) and employee(s) (whether full-time or part-time) of any member of the Group, including any person who is granted Awards under the 2023 RSU Plan as an inducement to enter into employment contracts with any member of the Group.

In determining the eligibility of an Eligible Participant, the Administrator may take into account various factors that it in its sole and absolute discretion considers relevant in assessing his contribution to the long-term development and growth of the Group, including (i) individual performance; (ii) time commitment; (iii) responsibilities or employment conditions according to the prevailing market practice and industry standard; (iv) the length of engagement with the Group; and (v) the actual and/or potential contribution to the development and growth of the Group.

(c) Total Number of Shares Available for Issue

The total number of Shares which may be issued in respect of all RSUs to be granted under the 2023 RSU Plan shall not exceed 5,964,556 Shares, representing approximately 1.16% of the Shares in issue (i.e. 514,724,829 Shares) as at the date of this interim report (i.e. 28 August 2024).

(d) Maximum Entitlement of Each Participant

Unless approved by Shareholders in a general meeting with such Eligible Participant and his close associates (or associates if such Eligible Participant is a connected person of the Company) abstaining from voting, the maximum number of Shares underlying the Awards granted to each eligible participant (excluding any options and awards lapsed in accordance with the terms of all effective share plans of the Company which are governed by Chapter 17 of the Listing Rules) in any 12-month period shall not exceed 1% of the Shares in issue for the time being.

(e) *Vesting Period of the Awards granted*

The vesting period of the Awards shall not be less than twelve (12) months, save and except that Awards to be granted to an Eligible Participant may be subject to a vesting period of less than twelve (12) months (or no vesting period) in the following circumstances:

a. grants of "make-whole" awards to a new joiner to replace the Awards he forfeited when leaving his previous employers;

b. grants to an Eligible Participant whose employment is terminated due to death or disability or occurrence of any out of control event;

c. grants with performance-based vesting conditions in lieu of time-based vesting criteria;

d. grants that are made in batches during a year for administrative and compliance reasons. They may include Awards that should have been granted earlier but had to wait for a subsequent batch. In such cases, the vesting periods may be shorter to reflect the time from which the Awards would have been granted; and

e. grants with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of 12 months.

(f) *Consideration for Application or Acceptance of the Awards*

The grantee shall not be required to pay any amount for the application or acceptance of the grant of Awards.

(g) *Purchase Price of RSUs*

No purchase price is to be paid by the grantee upon the vesting of the RSUs under the 2023 RSU Plan.

(h) *Remaining Life of the 2023 RSU Plan*

Subject to any early termination as determined by the Board, the 2023 RSU Plan shall be valid and effective for a period of ten (10) years commencing from its effective date (i.e. 27 October 2023). The 2023 RSU Plan will expire on 27 October 2033. The remaining life of the 2023 RSU Plan is approximately 9.2 years from the date of this interim report (i.e. 28 August 2024).

(i) Unvested RSUs granted under the 2023 RSU Plan

The table below shows the details of the movement of the unvested RSUs granted to all grantees under the 2023 RSU Plan during the Reporting Period. No further RSU was granted during the Reporting Period.

Name	Role	Date of Grant	Vesting Period[2]	Unvested as at 1 January 2024	Granted during the Reporting Period	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Unvested as at 30 June 2024
Dr. GUO Feng	Executive Director, Chief Executive Officer and Chairman of the Board[4]	31 August 2023[3]	2 September 2024 – 2 September 2027	2,736,500	–	–	–	–	2,736,500
		31 August 2023[3]	Milestone Achievement	1,473,500	–	–	–	–	1,473,500
Total:				**4,210,000**	**–**	**–**	**–**	**–**	**4,210,000**

Notes:

(1) Save as disclosed above, none of the grantees were (i) directors, chief executive or substantial Shareholders of the Company, or their respective associates; (ii) participants with options granted and to be granted in excess of the 1% individual limit; (iii) related entity participant or service provider with options and Awards granted and to be granted in any 12-month period exceeding 0.1% of the relevant class of Shares in issue as set out in Rule 17.07 of the Listing Rules.

(2) The RSUs are vested based on the grantees' performance or milestone achievement. For those RSUs vested based on the grantees' performance, the respective vesting period is listed in the above table. For those RSUs vested based on milestone achievement, the RSUs shall vest upon achievement of the relevant milestones with respect to the clinical development status, launching status, business development partnering status and/or manufacturing status of the Company's drug candidates.

(3) The grant of RSUs were approved by the Board on 31 August 2023 and approved by the Shareholders at the extraordinary general meeting held on 27 October 2023.

(4) Dr. Guo tendered his resignation as the chairman of the Board and an executive Director with effect from 12 September 2024. Dr. Guo will remain as the chief executive officer of the Company.

(j) Further information in relation to the RSUs granted and to be granted under the 2023 RSU Plan

The grants of RSUs under the 2023 RSU Plan consist of (i) performance grants; and (ii) milestone grants.

The RSUs granted under performance grants shall vest conditional upon the relevant grantee having fulfilled the performance evaluation conducted under the Company's employee performance evaluation system; and the RSUs to be vested on the relevant vesting date shall be adjusted based on the grantee's annual performance results for the preceding fiscal year prior to the relevant vesting date as follows:

i. 100% of the RSUs can be vested on the relevant vesting date shall vest, if annual performance of the grantee is rated "B+" or above;

ii. 60% of the RSUs can be vested on the relevant vesting date shall vest, if annual performance of the grantee is rated "B";

iii. none of the RSUs shall vest, if the annual performance of the grantee is rated under "B"; and

iv. the Administrator shall determine at its discretion the grantee's level of performance with respect to each fiscal year under the Company's employee performance evaluation system and such determination shall be binding and conclusive upon the grantee.

The RSUs granted under milestone grants shall vest conditional upon fulfillment of milestones with respect to the clinical development status, launching status, business development partnering status and/or manufacturing status of the Company's drug candidates as set out in the relevant granting agreement entered into between the relevant grantee and the Company.

The respective number of RSUs available for grant under the 2023 RSU Plan was 1,754,556 on 1 January 2024 and 1,754,556 on 30 June 2024.

The number of shares that may be issued in respect of options and RSUs granted under all schemes of the Company (i.e the Pre-IPO Share Option Plan, the 2023 Share Option Plan and the 2023 RSU Plan) during the Reporting Period divided by the weighted average number of the Shares in issue for the Reporting Period is 3.32%.

OTHER INFORMATION

LOAN ARRANGEMENTS GRANTED TO ENTITIES

During the Reporting Period, the Group did not grant any loan to any entity which is subject to disclosure requirements under Rules 13.13 and 13.20 of the Listing Rules.

PLEDGE OF SHARES BY CONTROLLING SHAREHOLDERS

Hillhouse has ceased to be the Company's Controlling Shareholders immediately after the completion of the Global Offering. The Company has no Controlling Shareholders after the Listing Date. As such, during the Reporting Period, there was no pledge of Shares by the Controlling Shareholders of the Company.

LOAN AGREEMENTS WITH COVENANTS RELATING TO SPECIFIC PERFORMANCE OF THE CONTROLLING SHAREHOLDER

Hillhouse has ceased to be the Company's Controlling Shareholders immediately after the completion of the Global Offering. The Company has no Controlling Shareholders after the Listing Date. As such, during the Reporting Period, there was no loan agreement of the Group with covenants relating to specific performance of the controlling shareholder of the Company.

BREACH OF LOAN AGREEMENTS

During the Reporting Period, there was no breach of the loan agreements by the Company in which the loan involved would have a significant impact on the business operations of the Company.

FINANCIAL ASSISTANCE AND GUARANTEES TO AFFILIATED COMPANIES

During the Reporting Period, there was no financial assistance or guarantee to affiliated companies by the Company which is subject to disclosure under Rules 13.16 and 13.22 of the Listing Rules.

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

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

MATERIAL LITIGATION

Save as disclosed in the section headed "Contingent Liabilities", the Company was not involved in any material litigations or arbitrations and Directors are also not aware of any material litigations or claims that are pending or threatened against the Group during the Reporting Period and up to the date of this interim report.

USE OF NET PROCEEDS FROM GLOBAL OFFERING

The Company's shares were listed on the Stock Exchange on 7 October 2020 with a total of 129,683,500 offer shares (including shares issued as a result of the partial exercise of the over-allotment option) issued and the Net Proceeds were approximately HKD2,923 million (equivalent to approximately RMB2,536 million). As set out in the Company's announcement dated 28 October 2020, the Company shall utilise the additional Net Proceeds raised from the partial exercise of the over-allotment option on a pro-rata basis for the purposes set out in the Prospectus. There has been no issue for cash of equity securities or sale of treasury shares for cash by the Company during the Reporting Period.

As at 30 June 2024, the Company had utilised RMB1,794.1 million of Net Proceeds in accordance with the plan disclosed in the Prospectus, the change in use of net proceeds from the global offering allocated to the different stages of each of our Core Products, other key products and other pipeline products as disclosed in the interim results announcement of the Company for the six months ended 30 June 2022, and the further change in use of Net Proceeds as disclosed in the 2023 Interim Results Announcement.

As at 30 June 2024, approximately RMB741.9 million of the Net Proceeds remained unutilised and will be allocated and used in accordance with the purposes and proportions as set out in the 2023 Interim Results Announcement. The Company will gradually utilize the residual amount of the Net Proceeds in accordance with such intended purposes depending on actual business needs.

Details of the use of the Net Proceeds are set out as below.

	Revised Allocation of Net Proceeds[Note 1] RMB million	**Unutilised Net Proceeds as at 1 January 2024** RMB million	**Net Proceeds utilised during the six months ended 30 June 2024** RMB million	**Utilised Net Proceeds as at 30 June 2024** RMB million	**Unutilised Net Proceeds as at 30 June 2024** RMB million	**Expected timeline to fully utilise the remaining unutilised Net Proceeds**[Note 2]
Fund research and development activities of GB491, GB261 and GB263, including ongoing and planned clinical trials, indication expansion and preparation for registration filings, and commercialisation	1,329.2	591.5	99.7	837.4	491.8	On or before 31 December 2026
Fund the expansion of our drug pipeline	253.6	147.8	8.6	114.4	139.2	On or before 31 December 2026
Fund ongoing and planned clinical trials, preparation for registration filings, and commercialization of GB226 (including combination trials with GB492), GB242 and the other drug candidates in our pipeline	699.6	73.7	10.4	636.3	63.3	On or before 31 December 2026
General corporate purposes	253.6	51.8	4.2	206.0	47.6	On or before 31 December 2025
Total	**2,536.0**	**864.8**	**122.9**	**1,794.1**	**741.9**	

Notes:

1. The Net Proceeds figure has been translated to Renminbi for the allocation and the utilisation calculation, and has been adjusted slightly due to the fluctuation of the foreign exchange rates since the Listing.

2. The expected timeline for fully utilising the remaining unutilised Net Proceeds is based on the best estimation of the future market conditions made by the Group. It may be subject to change based on the current and future development of market conditions.

OTHER INFORMATION

The table below specifies further breakdown for the Net Proceeds to be allocated to different stages of our products and their utilisation during the six months ended 30 June 2024.

	Revised Allocation of Net Proceeds to Each Stage[Note 1]							
	Pre-clinical RMB million	Clinical RMB million	Commercialization (including registration) RMB million	Unutilised Net Proceeds as at 1 January 2024 RMB million	Net Proceeds utilised during the six months ended 30 June 2024 RMB million	Utilised Net Proceeds as at 30 June 2024 RMB million	Unutilised Net Proceeds as at 30 June 2024 RMB million	Expected timeline to fully utilise the remaining unutilised Net Proceeds[Note 2]
GB491	–	736.4	100	**273.8**	71.6	634.2	202.2	On or before 31 December 2026
GB261	55.8	277.1	–	**223.0**	24.9	134.8	198.1	On or before 31 December 2026
GB263	45.8	114.1	–	**94.7**	3.2	68.4	91.5	On or before 31 December 2026
GB242, GB226, GB492 and other products[Note 3]	23.9	549.7	126	**73.7**	10.4	636.3	63.3	On or before 31 December 2026
Total				**665.2**	**110.1**	**1,473.7**	**555.1**	

Notes:

1. The Net Proceeds figure has been translated to Renminbi for the allocation and the utilisation calculation, and has been adjusted slightly due to the fluctuation of the foreign exchange rates since the Listing.

2. The expected timeline for fully utilising the remaining unutilised Net Proceeds is based on the best estimation of the future market conditions made by the Group. It may be subject to change based on the current and future development of market conditions.

3. Other products include GB221, GB223, GB241, GB251, GB262, and GB264. The Company will make investment on those products according to the current and future development conditions and market competition environment.

There was no other issue of equity securities (including securities convertible into equity securities) or sale of treasury shares (as defined under the Listing Rules) for cash during the Reporting Period.

OTHER BOARD COMMITTEES

In addition to the Audit Committee, the Company has also established a nomination committee and a compensation committee.

FUTURE PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

The Group does not have any future plan for material investments and capital assets.

CHANGES TO DIRECTORS' INFORMATION

There is no change in the information of the Directors as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules as at 30 June 2024.

CORPORATE GOVERNANCE

The Board is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders and to enhance corporate value and accountability.

Compliance with the Corporate Governance Code

The Company is committed to maintaining and promoting stringent corporate governance standards. The principle of the Company's corporate governance is to promote effective internal control measures and to enhance the transparency and accountability of the Board to all Shareholders.

The Company has adopted the principles and code provisions of the CG Code as the basis of the Company's corporate governance practices.

During the Reporting Period, save for code provision C.2.1 of the CG Code, the Company has complied with all the code provisions set out in the CG Code where applicable.

Pursuant to 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. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. Dr. Guo, has performed both the roles as the chairman and the chief executive officer of the Company from 2 November 2021 to 12 September 2024. This deviates from code provision C.2.1 of the CG Code.

After evaluation of the current situation of the Company and taking into account of the experience and past performance of Dr. Guo, the Board is of the opinion that it is appropriate and in the best interests of the Company at the present stage for Dr. Guo to hold both positions as the chairman and the chief executive officer of the Company as it helps facilitate the execution of the Group's business strategies and boost effectiveness of its operation. Therefore, the Board considers that the deviation from code provision C.2.1 of the CG Code is appropriate in such circumstance. In addition, under the supervision of the Board which comprises one executive Director, three non-executive Directors and three independent non-executive Directors, the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and the Shareholders. With effect from 12 September 2024, Dr. Guo has resigned from his role of the executive Director and the chairman of the Board but continues to serve as the Chief Executive Officer. While there is a vacancy for the role of chairman, the roles of the chief executive officer and chairman have not been performed by the same individual since 12 September 2024.

The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the CG Code, and maintain a high standard of corporate governance practices of the Company.

OTHER INFORMATION

Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code to regulate all dealings by Directors and relevant employees in securities of the Company and other matters covered by the Model Code.

Specific enquiry has been made to all the Directors and they have confirmed that they have complied with the required standards as set out in the Model Code during the Reporting Period. No incident of non-compliance of the Model Code by the relevant employees was noted by the Company during the Reporting Period.

Audit Committee

During the Reporting Period, the Group has maintained the Audit Committee in compliance with Rule 3.21 of the Listing Rules and the CG Code, which comprises three members, being Mr. Fung Edwin, Mr. Liu Yi and Mr. Zhou Honghao, with Mr. Fung Edwin (being the Company's independent non-executive Director with the appropriate professional qualifications) as the chairman of the Audit Committee. Following the resignation of Mr. Zhou with effect from 18 September 2024, the Audit Committee comprises only two members. Accordingly, the Company fails to meet Rule 3.21 of the Listing Rules and paragraph 2.1 of the Audit Committee Terms of Reference that the Audit Committee shall comprise a minimum of three members and consist of a majority of independent non-executive Directors. The Board will make its best endeavors to identify suitable candidates to fill the vacancies as soon as practicable in order to ensure compliance by the Company with the requirements under the Listing Rules.

The Audit Committee has reviewed the unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2024 and this interim report. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control and financial reporting matters.

In addition, the independent auditor of the Company, PricewaterhouseCoopers, has reviewed the unaudited interim financial information of the Group for the six months ended 30 June 2024 in accordance with 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.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Board of Directors of Genor Biopharma Holdings Limited
(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 54 to 77, which comprises the interim condensed consolidated statement of financial position of Genor Biopharma Holdings Limited (the "Company") and its subsidiaries (together, the "Group") as at 30 June 2024 and the interim condensed consolidated statement of profit or loss and other 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 selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 28 August 2024

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Six months ended 30 June	
	Notes	**2024 RMB'000 (Unaudited)**	2023 RMB'000 (Unaudited)
Revenue	*4*	**14,470**	–
Cost of revenue	*5*	**(349)**	–
Gross profit		**14,121**	–
Administrative expenses	*5*	**(38,548)**	(72,643)
Research and development expenses	*5*	**(109,682)**	(224,776)
Other income		**3,750**	3,018
Other gains/(losses) – net		**282**	(1,383)
Operating loss		**(130,077)**	(295,784)
Finance income		**11,490**	20,286
Finance costs		**(8,979)**	(662)
Finance income – net		**2,511**	19,624
Loss before income tax		**(127,566)**	(276,160)
Income tax credit	*6*	**1,281**	1,117
Loss for the six months ended 30 June		**(126,285)**	(275,043)
Loss for the six months ended 30 June is attributable to:			
Owners of the Company		**(125,695)**	(274,552)
Non-controlling interests		**(590)**	(491)
Other comprehensive loss			
Items that may be reclassified to profit or loss			
– Exchange differences on translation of foreign operations		**(5,983)**	(1,364)
Total comprehensive loss for the six months ended 30 June		**(132,268)**	(276,407)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Six months ended 30 June	
	Notes	**2024 RMB'000 (Unaudited)**	2023 RMB'000 (Unaudited)
Total comprehensive loss for the six months ended 30 June is attributable to:			
Owners of the Company		**(131,678)**	(275,916)
Non-controlling interests		**(590)**	(491)
Loss per share attributable to the ordinary equity holders of the Company			
Basic loss per share (in RMB)	*7*	**(0.25)**	(0.54)
Diluted loss per share (in RMB)	*7*	**(0.25)**	(0.54)

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**38,813**	53,417
Right-of-use assets	*9*	**3,083**	6,720
Intangible assets	*10*	**104,458**	110,099
Other receivables, deposits and prepayments	*11*	**27,137**	27,168
Deferred income tax assets		**8,629**	8,350
Total non-current assets		**182,120**	205,754
Current assets			
Inventories		**5,501**	5,667
Contract cost		**1,341**	1,341
Other receivables, deposits and prepayments	*11*	**58,792**	68,634
Cash and bank balances		**1,026,567**	1,165,481
Total current assets		**1,092,201**	1,241,123
Total assets		**1,274,321**	1,446,877
EQUITY			
Equity attributable to the ordinary equity holders of the Company			
Share capital		**70**	69
Share premium		**9,472,253**	9,397,851
Treasury shares		**(747)**	(5,198)
Other reserves		**(1,493,499)**	(1,413,572)
Accumulated losses		**(6,916,031)**	(6,790,336)
		1,062,046	1,188,814
Non-controlling interests		**1,296**	1,886
Total equity		**1,063,342**	1,190,700

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
LIABILITIES			
Non-current liabilities			
Lease liabilities	*9*	**2,035**	3,924
Amounts due to related parties	*15*	**539**	559
Deferred income		**8,175**	10,574
Deferred income tax liabilities		**10,592**	11,595
Total non-current liabilities		**21,341**	26,652
Current liabilities			
Trade payables	*13*	**129,939**	141,661
Contract liabilities		**198**	4,893
Other payables and accruals	*14*	**54,536**	75,883
Lease liabilities	*9*	**1,113**	3,231
Amounts due to related parties	*15*	**160**	165
Deferred income		**3,692**	3,692
Total current liabilities		**189,638**	229,525
Total liabilities		**210,979**	256,177
Total equity and liabilities		**1,274,321**	1,446,877

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

The financial statements on pages 54 to 77 were approved by the Board of Directors on 28 August 2024 and were signed on its behalf.

Guo Feng
Director

Lyu Dong
Director

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company						
	Share capital RMB'000	Share premium RMB'000	Treasury shares RMB'000	Other reserves RMB'000	Accumulated losses RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
(Unaudited)							
Balance at 1 January 2024	**69**	**9,397,851**	**(5,198)**	**(1,413,572)**	**(6,790,336)**	**1,886**	**1,190,700**
Comprehensive loss							
– Loss for the period	**–**	**–**	**–**	**–**	**(125,695)**	**(590)**	**(126,285)**
– Other comprehensive loss	**–**	**–**	**–**	**(5,983)**	**–**	**–**	**(5,983)**
Transaction with owners							
– Share-based payment	**–**	**–**	**–**	**4,903**	**–**	**–**	**4,903**
– Shares exercised under employee option plan	**1**	**74,402**	**4,451**	**(78,847)**	**–**	**–**	**7**
Balance at 30 June 2024	**70**	**9,472,253**	**(747)**	**(1,493,499)**	**(6,916,031)**	**1,296**	**1,063,342**
(Unaudited)							
Balance at 1 January 2023	69	9,375,785	(5,198)	(1,452,204)	(6,115,974)	2,740	1,805,218
Comprehensive loss							
– Loss for the period	–	–	–	–	(274,552)	(491)	(275,043)
– Other comprehensive loss	–	–	–	(1,364)	–	–	(1,364)
Transaction with owners							
– Share-based payment	–	–	–	37,138	–	–	37,138
– Shares exercised under employee option plan	–*	13,734	–	(13,731)	–	–	3
Balance at 30 June 2023	69	9,389,519	(5,198)	(1,430,161)	(6,390,526)	2,249	1,565,952

* The balance stated above was less than RMB1,000.

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cash flows from operating activities		
Cash used in operations	**(163,277)**	(242,425)
Interests received	**14,899**	11,733
Government grant received	**1,150**	–
Net cash outflow from operating activities	**(147,228)**	(230,692)
Cash flows from investing activities		
Purchase of property, plant and equipment	**(572)**	(1,786)
Placement of term deposits	**(909,637)**	–
Proceeds from disposals of property, plant and equipment	**5,766**	2,741
Net cash (outflow)/inflow from investing activities	**(904,443)**	955
Cash flows from financing activities		
Principal elements of lease payments	**(2,916)**	(3,179)
Interest of lease payments	**(97)**	(581)
Proceeds from issuance of shares exercised under employee option plan	**1**	–
Net cash outflow from financing activities	**(3,012)**	(3,760)
Net decrease in cash and cash equivalents	**(1,054,683)**	(233,497)
Cash and cash equivalents at the beginning of the period	**1,165,481**	1,588,705
Exchange gains on cash and cash equivalents	**3,538**	6,763
Cash and cash equivalents at the end of the period	**114,336**	1,361,971

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Genor Biopharma Holdings Limited (the "Company"), previously known as JHBP (CY) Holdings Limited, and its subsidiaries (together the "Group"), have principally engaged in developing and commercializing oncology and autoimmune drugs in the People's Republic of China (the "PRC").

The Company was incorporated in the Cayman Islands on 10 April 2017 as an exempted company with limited liability under the Companies Law (Cap.22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company has its primary listing on The Stock Exchange of Hong Kong Limited.

The interim condensed consolidated financial information is presented in Renminbi ("RMB") and rounded to nearest thousand yuan, unless otherwise stated.

2 BASIS OF PREPARATION OF INTERIM REPORT

This condensed consolidated interim financial report for the interim reporting period ended 30 June 2024 has been prepared in accordance with Hong Kong Accounting Standard 34 Interim financial reporting.

The condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report of the Group for the year ended 31 December 2023, which have been prepared in accordance with Hong Kong Financial Reporting Standards (the "HKFRSs") issued by the HKICPA, and any public announcements made by the Company during the six months ended 30 June 2024.

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those of the annual financial statements for the year ended 31 December 2023, as described in those annual financial statements, except for the adoption of new and amended standards as set out below.

(a) New and amended standards adopted by the group

A number of new or amended standards became applicable for the current reporting period. The adoption of these new and amended standards does not have significant impact on the financial performance and positions of the Group and also the presentation of this interim financial information.

(b) Impact of standards issued but not yet applied by the entity

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 30 June 2024 reporting period and have not been early adopted by the Group. These standards, amendments and interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

3 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker (the "CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Group.

The Group has been operating in single reporting segment, engaging in the discovery, development and commercialisation of biopharmaceutical products for human use. Management reviews the operating results of the business as one operating segment to make decisions about resources to be allocated. Therefore, the CODM of the Group regards that there is only one segment which is used to make strategic decisions.

The major operating entities of the Group are domiciled in the People's Republic of China (the "PRC"). Accordingly, the Group's operating results were primarily derived in the PRC.

4 REVENUE

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Revenue on fee-for-service contracts -at a point in time	**9,481**	–
Others -at a point in time	**4,989**	–
	14,470	–

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

5 EXPENSES BY NATURE

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Employee benefits expenses	**53,011**	128,291
Development fee and clinical trial expenses	**52,801**	83,452
Depreciation and amortization	**10,888**	27,745
Impairment of non-current assets	**10,776**	9,401
Professional and technical service fee	**10,318**	7,670
Traveling and transportation expenses	**4,050**	6,358
Raw material and consumables used	**2,490**	10,671
Auditors' remuneration		
– Audit related services	**1,400**	1,475
Utilities	**143**	2,541
Write down of inventories	**–**	15,552
Others	**2,702**	4,263
	148,579	297,419

6 INCOME TAX CREDIT

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax		
Current tax on profits for the period	**–**	–
Total current tax credit	**–**	–
Deferred income tax		
Increase in deferred tax assets	**(278)**	(695)
Decrease in deferred tax liabilities	**(1,003)**	(422)
Total deferred tax credit	**(1,281)**	(1,117)
Income tax credit	**(1,281)**	(1,117)

7 LOSS PER SHARE

(a) Basic loss per share

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the six months ended 30 June 2024.

	Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
Loss attributable to owners of the Company (in RMB'000)	**(125,695)**	(274,552)
Weighted average number of ordinary shares in issue (in thousand)	**509,678**	505,753
Basic loss per share (in RMB)	**(0.25)**	(0.54)

(b) Diluted loss per share

The Group has potential dilutive shares throughout for the six months ended 30 June 2024 in relation to the shares held for employee option plan (Note 12) and shares to be issued to Ab Studio Inc. (the "ABS") (Note 15). Due to the Group's losses during the six months ended 30 June 2024, the potential dilutive shares have anti-dilutive effect on the Group's loss per share. Thus, the diluted loss per share is the same as basic loss per share.

8 DIVIDENDS

No dividend has been declared by the Company during the six months ended 30 June 2024 and 30 June 2023.

9 LEASES

(a) Amounts recognised in the balance sheet

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Right-of-use assets		
Properties	**3,083**	6,720
Lease liabilities		
Current	**1,113**	3,231
Non-current	**2,035**	3,924
	3,148	7,155

(b) Amounts recognised in the statement of profit or loss and other comprehensive income

The statement of profit or loss and other comprehensive income shows the following amounts relating to leases:

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Depreciation charge of right-of-use assets		
Properties	**1,300**	3,892
Interest expense (included in finance cost)	**97**	581
Expense relating to short-term leases (included in research and development expenses and administrative expenses)	**107**	501
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in research and development expenses and administrative expenses)	**7**	22

The total cash outflow for leases in the six months ended 30 June 2024 was approximately RMB3,127,000 (six months ended 30 June 2023: RMB4,283,000).

10 INTANGIBLE ASSETS

Non-current assets	Goodwill RMB'000	Computer software RMB'000	Licenses RMB'000	Total RMB'000
At 31 December 2023				
Cost	21,753	13,611	164,760	200,124
Accumulated amortization and impairment	(3,934)	(12,650)	(73,441)	(90,025)
Net book amount	17,819	961	91,319	110,099
(Unaudited)				
Six months ended 30 June 2024				
Opening net book amount	**17,819**	**961**	**91,319**	**110,099**
Amortisation	**–**	**(332)**	**(3,191)**	**(3,523)**
Impairment charge	**–**	**–**	**(2,118)**	**(2,118)**
Closing net book amount	**17,819**	**629**	**86,010**	**104,458**
At 30 June 2024				
Cost	**21,753**	**13,611**	**164,760**	**200,124**
Accumulated amortisation and impairment	**(3,934)**	**(12,982)**	**(78,750)**	**(95,666)**
Net book amount	**17,819**	**629**	**86,010**	**104,458**

11 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Current		
Tax prepayment of share option and restricted share unit ("RSU") plans	**30,706**	30,706
Prepayment for inventories and clinical fee	**25,599**	27,453
Interest receivables	**3,992**	7,401
Receivable from disposals of property, plant and equipment	**3,935**	7,434
Rental deposits	**1,432**	1,260
Others	**2,050**	3,302
	67,714	77,556
Less: provision for impairment	**(8,922)**	(8,922)
	58,792	68,634
Non-current		
VAT input tax to be deducted	**26,842**	24,425
Advance payment for equipment	**–**	1,499
Rental deposits	**295**	1,244
	27,137	27,168
Less: provision for impairment	**–**	–
	27,137	27,168

The carrying amounts of other receivables and deposits are mainly denominated in RMB and approximate their fair values.

12 SHARE-BASED PAYMENTS

(a) 2020 Employee Option Plan

Set out below are summaries of options granted:

	Category I	
	Exercise price per share	Number of options
As at 1 January 2024	USD0.0002	9,098,238
Exercised during the period	USD0.0002	(8,092,687)
Forfeited during the period	USD0.0002	(100,096)
As at 30 June 2024	**USD0.0002**	**905,455**
Vested and exercisable at 30 June 2024	**USD0.0002**	**257,681**

	Category II	
	Exercise price per share	Number of options
As at 1 January 2024	USD2.0000	4,127,279
Forfeited during the period	USD2.0000	(380,975)
As at 30 June 2024	**USD2.0000**	**3,746,304**
Vested and exercisable at 30 June 2024	**USD2.0000**	**3,571,804**

	Category III(A)	
	Exercise price per share	Number of options
As at 1 January 2024	USD0.0002	27,337
As at 30 June 2024	**USD0.0002**	**27,337**
Vested and exercisable at 30 June 2024	**USD0.0002**	**27,337**

12 SHARE-BASED PAYMENTS (CONTINUED)

(a) 2020 Employee Option Plan (Continued)

	Category III(B)	
	Exercise price per share	Number of options
As at 1 January 2024	USD2.0000	50,000
As at 30 June 2024	**USD2.0000**	**50,000**
Vested and exercisable at 30 June 2024	**USD2.0000**	**50,000**

The fair value of the options under Category I ranged from RMB6.3224 to RMB8.5361. The fair value of the options under Category II ranged from RMB1.5520 to RMB4.2642. And the fair value of the options under Category III ranged from RMB3.8199 to RMB6.3224.

Share options outstanding as at 30 June 2024 have the following exercise prices:

	Exercise price per share	Share options as at 30 June 2024
Category I	USD0.0002	**905,455**
Category II	USD2.0000	**3,746,304**
Category III(A)	USD0.0002	**27,337**
Category III(B)	USD2.0000	**50,000**
Total		**4,729,096**

12 SHARE-BASED PAYMENTS (CONTINUED)

(b) Post-IPO Share Option Plan

Set out below are summaries of options granted:

	Batch I	
	Exercise price per share	Number of options
As at 1 January 2024	HKD17.08	1,233,700
Forfeited during the period	HKD17.08	(314,000)
As at 30 June 2024	**HKD17.08**	**919,700**
Vested and exercisable at 30 June 2024	**HKD17.08**	**865,025**

	Batch II	
	Exercise price per share	Number of options
As at 1 January 2024	HKD10.85	815,000
Forfeited during the period	HKD10.85	(389,500)
As at 30 June 2024	**HKD10.85**	**425,500**
Vested and exercisable at 30 June 2024	**HKD10.85**	**407,500**

	Batch III	
	Exercise price per share	Number of options
As at 1 January 2024	HKD1.73	2,086,500
Forfeited during the period	HKD1.73	(398,250)
As at 30 June 2024	**HKD1.73**	**1,688,250**
Vested and exercisable at 30 June 2024	**HKD1.73**	**1,008,750**

12 SHARE-BASED PAYMENTS (CONTINUED)

(b) Post-IPO Share Option Plan (Continued)

	Batch IV	
	Exercise price per share	Number of options
As at 1 January 2024	HKD1.81	11,600,000
Forfeited during the period	HKD1.81	(1,709,000)
As at 30 June 2024	**HKD1.81**	**9,891,000**
Vested and exercisable at 30 June 2024	**HKD1.81**	**3,042,750**

	Batch V	
	Exercise price per share	Number of options
As at 1 January 2024	HKD1.50	9,578,867
Granted during the period	HKD1.50	–
Forfeited during the period	HKD1.50	(6,188,307)
As at 30 June 2024	**HKD1.50**	**3,390,560**
Vested and exercisable at 30 June 2024	**HKD1.50**	**488,167**

The fair value of the options under the Post-IPO Share Option Plan was between RMB0.6149 to RMB6.9810.

(c) 2023 Share Option Plan

	Batch I	
	Exercise price per share	Number of options
As at 1 January 2024	HKD1.50	5,579,054
As at 30 June 2024	**HKD1.50**	**5,579,054**
Vested and exercisable at 30 June 2024	**HKD1.50**	**–**

The fair value of the options under the 2023 Share Option Plan ranged from RMB0.4074 to RMB0.4573.

12 SHARE-BASED PAYMENTS (CONTINUED)

(d) 2021 RSU Plan

Set out below are summaries of shares granted:

	2021 RSU Plan	
	Exercise price per share	Number of shares
As at 1 January 2024	–	10,508,093
Granted during the period	–	–
Exercised during the period	–	(1,693,400)
Forfeited during the period	–	(4,959,563)
As at 30 June 2024	**–**	**3,855,130**
Vested and exercisable at 30 June 2024	**–**	**73,500**

The fair value of the RSUs under the 2021 RSU Plan granted on 25 May 2023 and 31 August 2023 were RMB1.56 per share and RMB1.37 per share respectively, based on the closing price on the date of grant.

(e) 2023 RSU Plan

Set out below are summaries of shares granted:

	2023 RSU Plan	
	Exercise price per share	Number of shares
As at 1 January 2024	–	4,210,000
As at 30 June 2024	**–**	**4,210,000**
Vested and exercisable at 30 June 2024	**–**	**–**

The fair value of the RSUs under the 2023 RSU Plan was RMB1.07 per share, based on the closing price on the date of grant.

No options and shares expired during the period covered by the above tables in Note 12(a), (b), (c), (d) and (e).

Weighted average remaining contractual life of options and shares outstanding covered by the above tables in Note 12(a), (b), (c), (d) and (e) as at 30 June 2024 was 6.88 years (2023: 7.39 years).

13 TRADE PAYABLES

An ageing analysis, based on invoice date, of trade payables as at the condensed consolidated balance sheet dates is as follows:

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Within 1 year	**125,075**	139,012
1-2 years	**2,911**	2,397
2-3 years	**1,786**	252
Over 3 years	**167**	–
	129,939	141,661

The carrying amounts of trade payables are mainly denominated in RMB. The carrying amounts approximate their fair values due to their short-term maturities.

14 OTHER PAYABLES AND ACCRUALS

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Project grant to be settled *(a)*	**37,423**	37,423
Payables to suppliers of services and fixed assets	**8,798**	10,553
Accrued employee benefits	**6,625**	21,860
Tax payable	**1,646**	1,844
Others	**44**	4,203
	54,536	75,883

(a) Genor Biopharma Co., Ltd. entered into two agreements with National Health Commission (the "NHC") of the PRC in relation to two major new drug development projects in previous years. Due to the unsatisfaction of the given conditions of the two agreements, the total amount of RMB37,423,000 is expected to be settled in the coming twelve months.

The carrying amounts of other payables and accruals are mainly denominated in RMB. The carrying amounts approximate their fair values due to their short-term maturities.

15 BALANCES WITH RELATED PARTIES

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Amounts due to related parties		
Non-trade in nature		
ABS *(a)*	**699**	724
Less: non-current portion	**(539)**	(559)
Current portion	**160**	165

(a) The amounts due to ABS is attributable to the contingent consideration for the acquisition of business. As at 30 June 2024, the fair value of contingent consideration was approximately RMB699,000, and the fair value changes amounting to RMB25,000 are recognised in other income in the condensed consolidated statements of profit or loss and other comprehensive income. The amounts will be payable to ABS upon reaching certain milestone achievements in relation to development status, regulatory approval and license out arrangements.

16 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level is as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

16 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Fair value hierarchy (Continued)

The following table presents the Group's liabilities that are measured at fair value at 30 June 2024 and 31 December 2023 on a recurring basis:

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
(Unaudited)				
As at 30 June 2024				
Contingent consideration in amounts due to related parties	**–**	**699**	**–**	**699**
(Audited)				
As at 31 December 2023				
Contingent consideration in amounts due to related parties	–	724	–	724

There were no transfers between levels 1, 2 and 3 during the period.

The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 30 June 2024.

(b) Valuation techniques used to determine fair values

The valuation techniques used to determine the fair value of the Group's level 2 instruments are based on quoted market prices and the probability of the contingencies at the period ended.

(c) Fair values of other financial instruments (unrecognised)

The Group also has a number of financial instruments which are not measured at fair value in the balance sheet. For the majority of these instruments, the fair values are not materially different to their carrying amounts, since the interest receivable/payable is either close to current market rates or the instruments are short-term in nature. No significant differences were identified as at 30 June 2024.

17 LIQUIDITY RISK

Compared to year end, there was no material change in the contractual undiscounted cash outflows for financial liabilities.

18 COMMITMENTS

Capital commitments

Significant capital expenditure contracted at the end of the reporting period but not recognised as liabilities is as follows:

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Contracted but not provided for		
– Property, plant and equipment	**1,454**	1,435

19 SIGNIFICANT RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related because they are subject to common control, common significant influence or joint control in the controlling shareholder's families. Members of key management and their close family member of the Group are also considered as related parties.

The executive directors are of the view that the following parties that had transactions or balances with the Group are related parties:

Name	Relationship with the Group
ABS	Minority shareholder of ABT

The following significant transactions were carried out between the Group and its related parties for the six months ended 30 June 2024 and 2023. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

19 SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Significant transactions with related parties

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Purchase of rental services and utilities from		
– ABS	**293**	216
Purchase of research and development services from		
– ABS	**303**	336
	596	552

(b) Balances with related parties

Balances with related parties as at 30 June 2024 and 31 December 2023 were disclosed in Note 15.

(c) Key management compensation

Key management includes directors and senior managements. The compensation paid or payables to key management for employee services is shown below:

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Salaries, bonuses and other benefits	**8,341**	9,324
Share-based payment expenses *(i)*	**9,707**	18,507
Social security costs and housing benefits	**823**	899
	18,871	28,730

(i) The share-based payment expenses were recognised based on the fair value at the grant date, see Note 12 for further details.

20 CONTINGENCIES

In April 2024, Genor Biopharma Co., Ltd. ("Genor Biopharma"), an indirectly wholly-owned subsidiary of the Company, was notified that it has been named as a defendant in the lawsuit brought by a company for an alleged breach of cooperation agreement once entered into among the two parties and its supplemental agreements. The claim amounted to RMB15,000,000.

The directors, based on the advice from the Group's legal counsel, believe that Genor Biopharma has a valid defence against the claim and accordingly, the Group has not provided for any claim arising from the litigation, other than the related legal and other costs.

Therefore, the Group had no significant contingent liabilities as at 30 June 2024 (as at 31 December 2023: nil).

21 EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 2 August, 2024, the Group has entered into a license agreement (the "License Agreement") and a stock purchase agreement (the "Stock Purchase Agreement") with TRC 2004, Inc. (the "Licensee"), a company co-founded by Two River, LLC ("Two River") and Third Rock Ventures in Delaware, the United States of America. Under the License Agreement, the Group has agreed, among others, to grant the Licensee an exclusive worldwide license to develop, use, manufacture, commercialize and otherwise exploit GB261, excluding mainland China, Hong Kong, Macau and Taiwan. Within the terms of the License Agreement and Stock Purchase Agreement, in consideration of the license, the Group shall receive (i) an equity participation in the Licensee; (ii) a double digit million US dollars upfront payment; (iii) up to 443 million US dollars in milestone payments; and (iv) tiered single to double digits royalty payments on net sales.

As at the date of this report, Management is in process of assessing relevant impacts on financial statements upon execution of the License Agreement.

DEFINITIONS

"2021 RSU Plan"	the 2021 RSU Plan adopted by our Company on 3 June 2021
"2023 Interim Results Announcement"	the interim results announcement of the Company for the six months ended 30 June 2023 dated 30 August 2023
"2023 Share Option Plan"	the 2023 Share Option Plan adopted by the Company on 27 October 2023
"2023 RSU Plan"	the 2023 RSU Plan adopted by the Company on 27 October 2023
"AACR"	American Association for Cancer Research
"Administrator"	the Compensation Committee or its delegates which administer the operation of the Pre-IPO Share Option Plan, the Post-IPO Share Option Plan, the 2021 RSU Plan, the 2023 Share Option Plan and the 2023 RSU Plan
"AE"	adverse events
"ASCO"	American Society of Clinical Oncology
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Audit Committee"	the audit committee of our Company
"Award(s)"	award(s) of RSU(s) granted to a grantee pursuant to the terms of the 2021 RSU Plan or the 2023 RSU Plan
"BIC"	best-in-class
"BICR"	Blinded Independent Central Review
"Board" or "Board of Directors"	the board of directors of our Company
"CDMO"	contract development and manufacturing organization
"CG Code"	the Corporate Governance Code set out in Appendix C1 of the Listing Rules
"China" or the "PRC"	the People's Republic of China, and for the purpose of this interim report only, except where the context requires otherwise, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"CMC"	chemistry, manufacturing and controls
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

"Company", "our Company" or "the Company"	Genor Biopharma Holdings Limited, an exempted company with limited liability incorporated under the laws of the Cayman Islands on 10 April 2017
"Controlling Shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"CRS"	cytokine release syndrome
"Director(s)"	the director(s) of our Company
"Dr. Guo"	Dr. Guo Feng, the chief executive officer and the former executive Director of our Company
"Eligible Participant(s)"	person(s) eligible to participate in the 2023 Share Option Plan or the 2023 RSU Plan (as the case may be)
"Eligible Person(s)"	each participant(s) selected or approved by the Administrator to participate in the Pre-IPO Share Option Plan, the Post-IPO Share Option Plan, or the 2021 RSU Plan
"ESMO"	European Society for Medical Oncology
"FIC"	first-in-class
"FIH"	first-in-human
"Genor Biopharma"	Genor Biopharma Co., Ltd. (嘉和生物藥業有限公司), a company established under the laws of the PRC on 4 December 2007 and one of the Company's principal subsidiaries
"Global Offering"	the offer of Shares for subscription by the public in Hong Kong and the conditional placing of the Shares, as further described in the section headed "Structure of Global Offering" in the prospectus of the Company dated 23 September 2020
"GMP"	Good Manufacturing Practice
"Group", "our Group", "the Group", "we", "us" or "our"	the Company and its subsidiaries from time to time
"HHJH"	HHJH Holdings Limited, an exempted company with limited liability incorporated under the laws of the Cayman Islands on 1 June 2018, a member of Hillhouse and one of our Pre-IPO Investors
"Hillhouse"	refers to HHJH, HH BIO Investment Fund, L.P., Hillhouse Fund IV, L.P., and Hillhouse Investment Management, Ltd.

DEFINITIONS

"HKFRS"	Hong Kong Financial Reporting Standards
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars" or "HK dollars" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"HR"	hazard ratio
"HR+"	hormone receptor-positive
"IDMC"	Independent Data Monitoring Committee
"IND"	investigational new drug or investigational new drug application, also known as clinical trial application in China
"IP"	intellectual property
"IPO"	initial public offering
"IRC"	Independent Review Committee
"License"	an exclusive license to develop, use, manufacture, commercialize and otherwise exploit GB261, excluding mainland China, Hong Kong, Macau and Taiwan
"License Agreement"	a license agreement entered into between the Group and the Licensee regarding the License
"Licensee"	TRC 2004, Inc., a company co-founded by Two River, LLC and Third Rock Ventures in Delaware, the United States
"Listing"	the listing of the Shares on the Main Board of the Stock Exchange
"Listing Date"	7 October 2020, the date on which the Shares are listed and on which dealings in the Shares are first permitted to take place on the Stock Exchange
"Listing Rules"	the Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"MAH"	marketing authorization holder

"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the Growth Enterprise Market of the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules
"mPFS"	median progression free survival
"NIFDC"	China National Institutes for Food and Drug Control
"NDA"	new drug application
"Net Proceeds"	the net proceeds raised during the global offering
"NMPA"	China National Medical Products Administration (國家藥品監督管理局), successor to the China Food and Drug Administration (國家食品藥品監督管理總局)
"ORR"	objective response rate
"PCC"	preclinical candidate compounds
"PFS"	progression-free survival
"PK/PD"	pharmacokinetics/pharmacodynamics
"POC"	Proof of Concept
"Post-IPO Share Option Plan"	the Post-IPO Share Option Plan adopted by the Company on 18 September 2020
"Pre-IPO Share Option Plan"	the Pre-IPO Share Option Plan adopted by the Company on 19 August 2019 and amended and restated on 16 April 2020 and 31 July 2020
"Prospectus"	the prospectus of the Company dated 23 September 2020
"R&D"	Research and Development
"Reporting Period"	the six months ended 30 June 2024
"RMB" or "Renminbi"	Renminbi, the lawful currency of PRC
"RSU(s)"	restricted share unit(s) which may be granted under the 2021 RSU Plan or the 2023 RSU Plan

DEFINITIONS

"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the share capital of our Company, currently with a par value of US$0.00002 each
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Stock Purchase Agreement"	a stock purchase agreement entered into between the Group and the Licensee regarding the License
"subsidiary" or "subsidiaries"	has the meaning ascribed to it thereto in section 15 of the Companies Ordinance
"substantial shareholder"	has the meaning ascribed to it in the Listing Rules
"TCE"	T-Cell Engager
"United States" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US dollars", "U.S. dollars", "US$" or "USD"	United States dollars, the lawful currency of the United States
"Walga"	Walga Biotechnology Limited (沃嘉生物技術有限公司), a business company incorporated under the laws of the British Virgin Islands on 5 June 2019 and an indirect wholly-owned subsidiary of Walvax and one of our substantial shareholders
"Walvax"	Yunnan Walvax Biotechnology Co., Ltd. (雲南沃森生物技術股份有限公司), a public company established under the laws of the PRC on 16 January 2001 and listed on the Shenzhen Stock Exchange (stock code: 300142)
"Zhongmei Huadong"	Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd
"%"	per cent