加科思藥業集團有限公司
JACOBIO PHARMACEUTICALS GROUP CO., LTD.

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1167

2024
INTERIM REPORT

Contents

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Dr. Yinxiang WANG (王印祥) *(Chairman)*
Ms. Xiaojie WANG (王曉潔)
Ms. Yunyan HU (胡雲雁)

Non-executive Directors

Ms. Yanmin TANG (唐豔旻)
(resigned with effect from August 30, 2024)
Dr. Te-li CHEN (陳德禮)

Independent Non-executive Directors

Dr. Ruilin SONG (宋瑞霖)
Dr. Ge WU (吳革)
Dr. Bai LU (魯白)

AUDIT COMMITTEE

Dr. Bai LU (魯白) *(Chairman)*
Dr. Te-li CHEN (陳德禮)
Dr. Ge WU (吳革)

REMUNERATION COMMITTEE

Dr. Ruilin SONG (宋瑞霖) *(Chairman)*
Ms. Xiaojie WANG (王曉潔)
Ms. Yanmin TANG (唐豔旻)
(resigned with effect from August 30, 2024)
Dr. Te-li CHEN (陳德禮)
(appointed with effect from August 30, 2024)
Dr. Ge WU (吳革)
Dr. Bai LU (魯白)

NOMINATION COMMITTEE

Dr. Yinxiang WANG (王印祥) *(Chairman)*
Dr. Ruilin SONG (宋瑞霖)
Dr. Ge WU (吳革)
Dr. Bai LU (魯白)
Dr. Te-li CHEN (陳德禮)
(appointed with effect from August 30, 2024)
Ms. Yanmin TANG (唐豔旻)
(resigned with effect from August 30, 2024)

JOINT COMPANY SECRETARIES

Ms. Qing XUE (薛青)
Mr. Ming Fai CHUNG (鍾明輝)

AUTHORISED REPRESENTATIVES

Ms. Xiaojie WANG (王曉潔)
Mr. Ming Fai CHUNG (鍾明輝)

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants and Registered Public Interest Entity Auditor
35/F, One Pacific Place
88 Queensway
Central, Hong Kong

COMPLIANCE ADVISOR

Somerley Capital Limited
20th Floor, China Building
29 Queen's Road Central
Central, Hong Kong

REGISTERED OFFICE

Walkers Corporate Limited
190 Elgin Avenue
George Town
Grand Cayman KY1-9008
Cayman Islands

Corporate Information

CORPORATE HEADQUARTERS

Building 8, No. 105 Jinghai 3rd Road
Beijing Economic-Technological Development Area
Beijing
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40/F, Dah Sing Financial Centre
248 Queen's Road East
Wanchai
Hong Kong

PRINCIPAL SHARE REGISTRAR

Walkers Corporate Limited
190 Elgin Avenue
George Town
Grand Cayman KY1-9008
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

LEGAL ADVISERS

As to Hong Kong and United States laws:
Cooley HK
35/F, Two Exchange Square
8 Connaught Place
Central
Hong Kong

PRINCIPAL BANKERS

In Hong Kong
Bank of China (Hong Kong) Limited
24/F, Bank of China Tower
1 Garden Road
Central
Hong Kong

In the United States
Bank of America
41 Beacon street
Framingham
MA 01701
USA

In the PRC
Agricultural Bank of China Beijing Branch
No. 88 Kechuang 6th Street
Beijing Economic-Technological Development Area
Beijing
PRC

WEBSITE

http://www.jacobiopharma.com

STOCK CODE

1167

Financial Highlights

RESEARCH AND DEVELOPMENT EXPENSES

Our R&D expenses decreased by RMB22.0 million or 11.1% from RMB198.8 million for the six months ended June 30, 2023 to RMB176.8 million for the six months ended June 30, 2024, primarily due to decrease in raw materials and consumables used and in R&D staff costs.

ADMINISTRATIVE EXPENSES

Our administrative expenses decreased by RMB2.5 million or 10.5% from RMB23.7 million for the six months ended June 30, 2023 to RMB21.2 million for the six months ended June 30, 2024, primarily due to the combined impact of decrease in administrative employees costs and professional service costs and the increase of depreciation and amortization expenses in connection with our newly leased headquarters in Beijing in 2023.

LOSS FOR THE PERIOD

As a result of the above factors, loss for the Reporting Period increased from RMB166.3 million for the six months ended June 30, 2023 to RMB169.1 million for the six months ended June 30, 2024.

Business Highlights

During the Reporting Period, our Group continued advancing our drug pipeline and business operations, including the following milestones and achievements:

PROGRESS OF CORE PRODUCTS

Glecirasib (JAB-21822, KRAS G12C inhibitor) and JAB-3312 (SHP2 inhibitor)

NSCLC

≥2L NSCLC – The NDA application of glecirasib monotherapy in ≥2L NSCLC was submitted to CDE in May 2024 and the priority review designation was granted in the same month. The pivotal trial of glecirasib monotherapy in ≥2L NSCLC patients harboring KRAS G12C mutation enrolled patients from around 60 sites in China. Patient enrollment for pivotal trial was finished in September 2023. Updated safety and efficacy data of pivotal trial patients were initially reported at the 2024 ASCO plenary series and then as an oral presentation at the 2024 ASCO Education Session.

1L NSCLC (in combination with JAB-3312 (SHP2 inhibitor)) – Glecirasib in combination with JAB-3312 has demonstrated promising efficacy and favorable safety profile in the front-line NSCLC. Therefore, CDE approved the Phase III pivotal trial design of glecirasib in combination with JAB-3312 to treat 1L NSCLC patients in February 2024. The Phase III pivotal trial in China has been activated with the first patient in on August 7, 2024. JAB-3312 is the first SHP2 inhibitor entering a Phase III registrational trial worldwide.

A Phase I/IIa trial of glecirasib in combination with JAB-3312 in locally advanced or metastatic advanced solid tumors harboring KRAS G12C mutation is ongoing. Seven dose regimens with different dose levels and frequency were explored. Updated safety and efficacy data of this study were reported as an oral presentation at the 2024 ASCO Oral Abstract Session. As of April 7, 2024, 194 patients with locally advanced or metastatic advanced solid tumors harboring KRAS G12C mutation received the combination treatment of glecirasib and JAB-3312. Among all patients received the combination therapy, 102 patients were 1L NSCLC patients.

PDAC

Patient enrollment of the pivotal trial is ongoing in China. In July 2023, the pivotal trial of glecirasib monotherapy in ≥2L PDAC patients with KRAS G12C mutation was approved by CDE. Glecirasib is the first KRAS G12C inhibitor entered a registrational trial in ≥2L pancreatic cancer worldwide. In August 2023, glecirasib was granted BTD for KRAS G12C mutant pancreatic cancer patients by CDE. In October 2023, the first patient was enrolled to this pivotal trial. Clinical activity and safety results of glecirasib in patients with pancreatic cancer and other solid tumors from Phase I and Phase IIa studies were reported as an oral presentation at the 2024 ASCO GI. Global development plan of glecirasib in ≥2L PDAC patients is under consultation with the U.S. FDA. In April 2024, glecirasib received orphan drug designation (ODD) for pancreatic cancer indication from the U.S. FDA.

Multi-Tumors Basket

A Phase II single arm pivotal trial was approved by the CDE in August 2024. Patients with multiple types of tumors (biliary tract cancer, gastric cancer, small bowel cancer, appendiceal cancer, etc.) harboring KRAS G12C mutation have been treated with glecirasib monotherapy. Clinical activity and safety results of glecirasib in multiple tumor types from Phase I and Phase IIa studies were reported as an oral presentation at the 2024 ASCO GI. Promising clinical outcome was observed.

Business Highlights

CRC

Phase III pivotal trial design of glecirasib monotherapy or glecirasib in combination with cetuximab in ≥3L CRC patients with KRAS G12C mutation was approved by CDE in May 2024. Phase I and Phase II clinical trials with glecirasib monotherapy or glecirasib combined with cetuximab to treat advanced or metastatic CRC patients with KRAS G12C mutation is ongoing. The clinical results of above studies were presented at the 2023 JCA-AACR Conference.

PROGRESS OF OTHER KEY SELECTED PROGRAMS

Clinical Stage Products

JAB-8263 (BET inhibitor)

The dose escalation for JAB-8263 in solid tumors and liquid tumors were completed in the U.S. and China respectively. A Phase II trial of JAB-8263 is planned to be initiated in the second half of 2024. To date, JAB-8263 has demonstrated favorable safety and tolerability compared with other BET inhibitors under clinical development. Active therapeutic signals in myelofibrosis (MF) were observed during dose escalation. Improvement in total symptom score (TSS) and spleen volume reduction (SVR) was observed in MF patients treated with JAB-8263 monotherapy. Among the enrolled MF patients, one patient had received the treatment more than one year with SVR 56.5%. The clinical data of JAB-8263 in MF were presented as publish online at the 2024 European Hematology Association (EHA).

JAB-2485 (Aurora kinase A inhibitor)

A Phase I/IIa global trial of JAB-2485 is being conducted in the U.S. and China. Encouraging clinical efficacy signals were observed. The expansion of monotherapy and combination with chemotherapy are being planned.

Pre-clinical data of JAB-2485 were published as a research article at ACS Omega, a peer-reviewed scientific journal published by the American Chemical Society.

JAB-30355 (p53 Y220C reactivator)

JAB-30355 is a potent and orally bioavailable small molecule p53 reactivator for the treatment of patients with solid tumors harboring p53 Y220C mutation. The IND application of JAB-30355 has been approved by the U.S. FDA in March 2024. The IND application of JAB-30355 to CDE has been approved in June 2024. The trial is actively enrolling patients in China and the U.S., and the first patient was dosed in July 2024 in China.

Pre-clinical data of JAB-30355 were presented in the form of a poster at the 2024 AACR.

JAB-BX102 (anti-CD73 humanized monoclonal antibody)

Dose escalation for a Phase I/IIa trial has been finished in China and dose expansion trial is being planned in China.

Business Highlights

Other IND Approved Programs

INDs were approved for JAB-BX300 (anti-LIF humanized monoclonal antibody), JAB-26766 (PARP7 inhibitor), and JAB-24114 (glutamine-utilizing enzyme inhibitor). We are optimizing the clinical development strategy for those three assets considering the current treatment landscape and available resources.

Pre-clinical data of JAB-26766 were presented in the form of a poster at the 2024 AACR.

IND-Submitted Product

JAB-23E73 (pan-KRAS inhibitor)

JAB-23E73 is a novel, first-in-class, orally bioavailable pan-KRAS inhibitor. It can potently inhibit the activity of multiple KRAS mutants in both RAS (ON) and RAS (OFF) states at single digit nano molar and sub nano molar level, with high selectivity over HRAS and NRAS which are tumor suppression genes of KRAS-driven lung cancer growth. JAB-23E73 leads to tumor regression in various CDX models and features a favorable PK profile. IND applications for JAB-23E73 to the CDE and the U.S. FDA were completed in June 2024 and August 2024, respectively.

Our iADC Programs

We have leveraged our strength in small molecule drug discovery and development in designing innovative payloads and built our iADC platform. ICIs have dramatically changed the landscape of cancer treatment. However, ICI response rates remain modest with only a minority of patients deriving clinical benefits. Conjugation of our STING agonist (payload) with different TAA targeting antibodies can facilitate targeted delivery of STING agonists into tumor cells, which enhances antitumor immunity and turns PD-1 unresponsive cold tumors into PD-1 responsive hot tumors. We have designed a series of iADC programs, i.e., HER2-STING iADC (JAB-BX400) and CD73-STING iADC (JAB-BX500). In pre-clinical study, JAB-BX400 was effective in the SK-OV-3 xenograft model, which belongs to cold tumors. Clinical candidate for JAB-BX400 is expected to be nominated in the second half of 2024. iADCs targeting other TAAs are being developed in-house as well.

Management Discussion and Analysis

OVERVIEW

Tremendous progress in cancer biology in the past several decades has elucidated several critical cellular pathways involved in cancer, including Kirsten rat sarcoma 2 viral oncogene homolog (KRAS), MYC proto-oncogene (MYC), p53, and immune-oncology, such as immune checkpoints programmed cell death protein-1 (PD-1) and its ligand (PD-(L)1). However, many well-studied targets in these pathways including protein tyrosine phosphatases like Src homology region 2 domain-containing phosphatase-2 (SHP2) and GTPases like KRAS, among others, that play crucial roles in tumorigenesis, have until recently been deemed "undruggable," owing to a variety of drug discovery challenges.

We are a clinical-stage pharmaceutical company focusing on in-house discovery and development of innovative oncology therapies. Established in July 2015, we are an explorer in developing clinical-stage small molecule drug candidates to modulate enzymes by binding to their allosteric sites, i.e., sites other than the active site that catalyzes the chemical reaction, in order to address targets that lack easy-to-drug pockets where drugs can bind. Besides, we are also developing novel candidates of new modalities, spanning from small molecules and monoclonal antibody to iADCs.

We intend to proactively explore and enter into strategic and synergistic partnerships with leading multinational corporations. Such partnerships pool complementary expertise and resources to increase the chances of success for our drug candidates and ensure the maximization of their clinical and commercial value on a global scale.

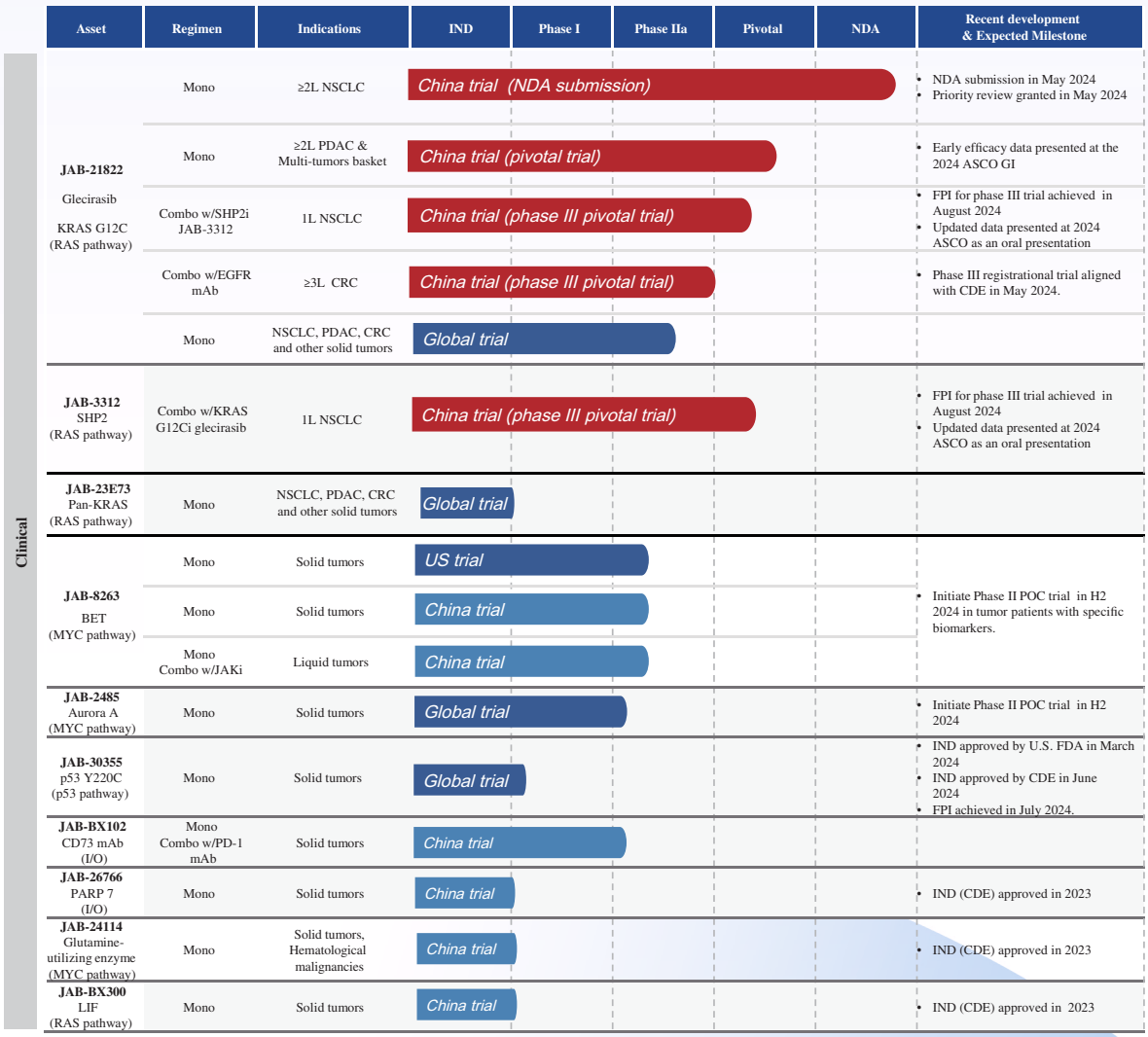
For details of any of the foregoing, please refer to the rest of this interim report, and, where applicable, the Prospectus and prior announcements published by our Company on the websites of the Stock Exchange and our Company.

OUR PRODUCTS AND PRODUCT PIPELINE

In the past nine years, by leveraging our proprietary technologies and know-how in drug discovery and development, we have discovered and developed an innovative pipeline of drug candidates, including one NDA-submitted asset, nine assets at the clinical stage, and several others at the IND-enabling stage. These drug candidates may have broad applicability across various tumor types and have demonstrated combinatorial potential among themselves.

Management Discussion and Analysis

The following charts summarize our product pipeline, the development status of each clinical candidate as at the date of this interim report.



We believe there are tremendous potentials for combination strategies among our in-house pipeline assets. For instance, our SHP2 inhibitor (JAB-3312) and our KRAS inhibitors (glecirasib and JAB-23E73) showed strong synergistic antitumor effects in pre-clinical studies. Based on the strong rationale and the impressive clinical outcome of the double blockade of SHP2 and KRAS G12C, we have prioritized the clinical development of the combination therapy with our SHP2 inhibitor and our KRAS G12C inhibitor. In fact, a Phase III registrational trial of JAB-3312 in combination with glecirasib in 1L NSCLC patients was approved by CDE in February 2024 and has been activated. The first patient has been dosed in August 2024. Safety and efficacy data from 194 patients who received glecirasib and JAB-3312 combination therapy were published as an oral presentation at the 2024 ASCO Oral Abstract Session.

Management Discussion and Analysis

BUSINESS REVIEW

Our Clinical Stage Products

We have made tremendous progress in clinical development of our assets in the first half of 2024. Among all clinical stage candidates, glecirasib (JAB-21822), our leading asset, was submitted for the NDA evaluation in May 2024 to CDE as monotherapy for 2L+ treatment of advanced or metastatic NSCLC patients with KRAS G12C mutation and granted priority review designation in the same month. Our Company completed the clinical investigation for glecirasib monotherapy in 2L+ NSCLC patients within less than three years. In PDAC, glecirasib is in a single arm Phase II pivotal study in China. In 1L NSCLC, our Phase III pivotal trial design of glecirasib in combination with JAB-3312 to treat 1L NSCLC patients with KRAS G12C mutation was approved by CDE in February 2024 and the Phase III pivotal trial has been initiated with the First-Patient-In (FPI) in August 2024. In CRC, a Phase III pivotal trial design of glecirasib monotherapy or glecirasib in combination with cetuximab in ≥3L CRC patients with KRAS G12C mutation was approved by CDE in May 2024.

- ***Glecirasib (JAB-21822, KRAS G12C inhibitor)***

  Glecirasib is a potent, selective and orally available small molecule targeting KRAS G12C mutant protein, and it has demonstrated promising pre-clinical antitumor activity either as a single agent or in combination with other anti-cancer drugs, such as SHP2 inhibitor and anti-EGFR antibody. Based on our internal head-to-head pre-clinical animal studies, glecirasib has shown favorable safety, tolerability and PK profiles in comparison with Amgen's and Mirati's KRAS G12C inhibitors (which were internally synthesized based on published molecular structures).

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

  NSCLC

  ≥2L NSCLC: Monotherapy in China

  The pivotal trial of glecirasib monotherapy in ≥2L NSCLC patients harboring KRAS G12C mutation enrolled patients from around 60 sites in China. Patient enrollment for pivotal trial was finished in September 2023. Clinical results of the registrational Phase II trial of glecirasib were initially reported at the 2024 ASCO plenary series and then as an oral presentation at the 2024 ASCO Education Session. Among second-line and above NSCLC patients receiving glecirasib monotherapy treatment, the confirmed objective response rate (cORR) was 47.9% (56/117), including 4 patients achieved a complete response (CR) and 36 patients with tumor reduction exceeding 50%. The disease control rate (DCR) was 86.3%. The median progression-free survival (mPFS) was 8.2 months, and the median overall survival (mOS) was 13.6 months. The median duration of response (mDoR) has not been reached: 6-month and 12-month DoR rates were 73.6% and 56.6%, respectively. Glecirasib appears to have superior efficacy compared with the two KRAS G12C inhibitors approved by the U.S. FDA. The NDA application of glecirasib monotherapy in ≥2L NSCLC was submitted to CDE in May 2024 and priority review designation was granted in the same month.

Management Discussion and Analysis

The Phase I dose escalation of glecirasib in patients with solid tumors harboring KRAS G12C mutation in China has been completed. 800mg QD was deemed to be RP2D. A total of 40 2L+ NSCLC patients were treated with glecirasib at 800mg QD in the Phase IIa dose expansion part.

Glecirasib has been granted BTD for ≥2L treatment of advanced or metastatic NSCLC patients with KRAS G12C mutation by CDE in December 2022. Currently, there are only two KRAS G12C inhibitors approved by the U.S. FDA and the European Medicines Agency (EMA) in the U.S. and Europe. Glecirasib is one of the first three KRAS G12C inhibitor drugs submitted for NDA evaluation in China.

1L NSCLC: Combination Therapy with JAB-3312 in China

Glecirasib in combination with JAB-3312 has demonstrated promising efficacy and favorable safety profile in the front-line NSCLC. Therefore, CDE approved the Phase III pivotal trial design of glecirasib in combination with JAB-3312 to treat 1L NSCLC patients in February 2024. The Phase III pivotal trial in China has been activated with the first patient in on August 7, 2024. JAB-3312 is the first SHP2 inhibitor entering a Phase III registrational trial worldwide.

A Phase I/IIa trial of glecirasib in combination with JAB-3312 in locally advanced or metastatic advanced solid tumors harboring KRAS G12C mutation is ongoing. Seven dose regimens with different dose level and frequency were explored. Updated safety and efficacy data were reported as an oral presentation at the 2024 ASCO Oral Abstract Session. Glecirasib plus JAB-3312 have a manageable safety profile and demonstrate promising efficacy. As of April 7, 2024, 194 patients with locally advanced or metastatic advanced solid tumors harboring KRAS G12C mutation received combination treatment of glecirasib and JAB-3312. Among all patients received the combination therapy, 102 patients were 1L NSCLC patients. In front-line NSCLC, the confirmed ORR of all dose cohorts was 64.7% (66/102), the DCR was 93.1% (95/102), and the mPFS was 12.2 months, respectively. Glecirasib (800mg QD) + JAB-3312 2mg 1/1 dosage yielded confirmed ORR of 77.4% (24/31), and 54.8% (17/31) of patients achieved a deep response with tumors shrinking by more than 50%. The mPFS was not yet mature. The incidence of grade 3 or 4 TRAEs was 43.8% of all dose levels and 36.7% for glecirasib (800mg QD) + JAB-3312 2mg 1/1, respectively. No grade 5 TRAE was seen. No new safety signals were identified compared to glecirasib and JAB-3312 as monotherapy. The data of PD-L1 expression of glecirasib in combo with JAB-3312 have been published at the 2024 European Society of Oncology (ESMO) as form of poster. The poster published by ESMO in 2024 showed that regardless of the PD-L1 expression level, glecirasib plus JAB-3312 demonstrated a favorable objective response rate as a front-line treatment in KRAS G12C mutated NSCLC patients. In the three groups of patients with different PD-L1 expression, including, PD-L1 expression level <1%, 1-49%, and ≥50%, the confirmed objective response rates (cORR) were 46.2% (N=13), 65.9% (N=41), 82.4% (N=34), and 78.6% (N=14), respectively. The cORR in PD-L1 expression unknown patients was 46.2% (N=13). The median follow-up duration extended to 14.4 months, median progression-free survival (mPFS) remained stable at 12.2 months. Among them, the mPFS of the subgroups with PD-L1<1%, 1-49%, ≥50% and unknown were 12.4 months, 15 months, 11 months and 8.1 months, respectively. The data also showed that co-mutations in SMARC family members may predict a poor prognosis in this study population.

Management Discussion and Analysis

Currently, no KRAS G12C inhibitors have been approved for the front-line treatment of NSCLC globally. The most advanced programs are under phase III clinical trial investigation. Our Company's phase III registrational trial are recruiting treatment-naïve, advanced NSCLC patients with KRAS G12C mutation and a PD-L1 staining tumor proportion score < 1%. Currently, only two KRAS G12C inhibitors, namely glecirasib from our Company and sotorasib from Amgen, are in Phase III registrational trial evaluation in this patient cohort. Glecirasib plus JAB-3312 is an "oral + oral" regime which significantly improve patient compliance and adherence.

PDAC

Patient enrollment of the pivotal trial is ongoing in China. In July 2023, the pivotal trial of glecirasib monotherapy in ≥2L PDAC patients with KRAS G12C mutation was approved by CDE. Currently, no KRAS inhibitors have been approved for PDAC treatment globally. Glecirasib is the first KRAS G12C inhibitor entered a registrational trial in ≥2L pancreatic cancer worldwide. In August 2023, glecirasib was granted BTD for KRAS G12C mutant pancreatic cancer patients by CDE. In October 2023, the first patient was enrolled to this pivotal trial.

Clinical activity and safety results of glecirasib in patients with pancreatic cancer and other solid tumors from Phase I and Phase IIa studies were reported as an oral presentation at the 2024 ASCO GI. Global development plan of glecirasib in ≥2L PDAC patients is under consultation with the U.S. FDA. In April 2024, glecirasib received orphan drug designation (ODD) for pancreatic cancer indication from the U.S. FDA.

Multi-Tumors Basket

Multi-tumors basket patients (biliary tract cancer, gastric cancer, small bowel cancer, appendiceal cancer, etc.) harboring KRAS G12C mutation have been treated with glecirasib monotherapy. Clinical activity and safety results of glecirasib in multi-tumors basket patients from Phase I and Phase IIa studies were reported as an oral presentation at the 2024 ASCO GI. Among 19 multi-tumors basket patients received glecirasib monotherapy, confirmed ORR was 52.6% (10/19), DCR was 84.2% (16/19), mPFS was 7.0 months, and mOS was not reached (12-month OS rate: 58.2%). The clinical trial is still ongoing and remains open to enrollment. A Phase II single arm pivotal trial was approved by the CDE in August 2024. No KRAS inhibitors have been approved for multi-tumors basket patients globally. Among all KRAS G12C inhibitors in the clinical stage globally, glecirasib is the one reported data with the largest number of enrolled patients.

Management Discussion and Analysis

CRC

Monotherapy and Combination Therapy with anti-EGFR Antibody cetuximab in China

Phase III pivotal trial design of glecirasib monotherapy or glecirasib in combination with cetuximab in≥3L CRC patients with KRAS G12C mutation was approved by CDE in May 2024. A Phase I/IIa, open-label, multi-center, dose-escalation and expansion clinical trial in China was initiated to explore the safety, tolerability and preliminary efficacy of the monotherapy of glecirasib in advanced colorectal cancer with KRAS G12C mutation.

A total of 35 patients treated with glecirasib 800 mg QD have been enrolled as of May 29, 2023. Glecirasib had shown promising antitumor activity in heavily pretreated patients with metastatic colorectal cancer with mutant KRAS G12C as monotherapy. The results of this trial were summarized and released at the 2023 JCA-AACR Conference. As at the date of this interim report, monotherapy yielded ORR of 33.3% (11/33), DCR of 90.9% (30/33) and mPFS of 6.9 months.

A Phase I/IIa, open-label, multi-center, dose-escalation and expansion clinical trial in China was initiated to explore the safety, tolerability and preliminary efficacy of the combination therapy of glecirasib with cetuximab in advanced colorectal cancer with KRAS G12C mutation.

The patient enrollment of the Phase I/IIa trial was completed in February 2023. More than 47 CRC patients have been treated with glecirasib 800 mg QD in combination with cetuximab by the end of February 2023. The preliminary results of this trial were summarized and released at the 2023 JCA-AACR Conference. As at the date of this interim report, in a clinical trial of glecirasib in combination with cetuximab, ORR was 62.8% (27/43), DCR was 93% (40/43), mPFS has not reached as at the data cut-off. In terms of safety, the majority of TRAEs in monotherapy and combination therapy were grades 1-2.

Clinical Trial Collaboration with Merck

Under the collaboration agreement entered with Merck, cetuximab will be provided by Merck for combination trials in China and Europe.

Management Discussion and Analysis

Monotherapy and Combination Global Study

The Phase I dose escalation for glecirasib global study was completed in August 2022, and the Phase II dose expansion portion was initiated in September 2022. The clinical trial is still ongoing in the U.S. and Europe, and similar clinical response with Chinese patients has been observed.

We will continue to proactively communicate with regulatory authorities in the respective major markets and pursue opportunities for expedited track of regulatory approval or designations with preferential treatment, such as breakthrough therapies and orphan drugs. In addition, we have been exploring the potential synergistic combinations by working with value-adding collaborators, and to maximize the clinical and commercial value of our drug candidates on a global scale.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that glecirasib will ultimately be successfully developed and marketed by our Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

- ***JAB-3312***

JAB-3312 is a clinical-stage, oral allosteric SHP2 inhibitor for the potential treatment of cancers driven by RAS signaling pathway and immune checkpoint pathway. SHP2 inhibitor plays a major role in circumventing resistance when combined with inhibitors of various oncogenic drivers. We believe SHP2 inhibition is a promising novel therapeutic approach for multiple cancer types. The current issued patents and published patent applications have already provided a broad scope of protection for SHP2 inhibitors, as the established players in this field have built a wall of the patents that is hard for any newcomers to circumvent, and therefore enlarged our first-mover advantages in the market.

Our SHP2 inhibitor received the IND approval from the U.S. FDA for clinical development in May 2018, which ranked the second SHP2 program in clinic stage globally. JAB-3312 is a second generation SHP2 inhibitor and the most potent SHP2 inhibitor of its class. In pre-clinical studies, the IC_{50} for JAB-3312 in cell proliferation was 0.7-3.0 nM. In clinical studies, recommend dose for the registrational Phase III clinical trial is 2 mg QD intermittent. In the U.S., JAB-3312 has obtained orphan drug designation from the U.S. FDA for the treatment of esophageal cancer. Preclinical research results of JAB-3312 were published as a peer-reviewed article in the Journal of Medicinal Chemistry, a scientific journal published by the American Chemical Society since 1959.

Key highlights of the JAB-3312 program over the Reporting Period are listed below.

JAB-3312 in Combination with KRAS G12C Inhibitor

See "JAB-21822 (Glecirasib, KRAS G12C inhibitor) – NSCLC – 1L NSCLC: Combination Therapy with JAB-3312 in China".

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that JAB-3312 will ultimately be successfully developed and marketed by our Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

Management Discussion and Analysis

- ***JAB-8263***

JAB-8263 is an innovative, selective and potent small molecule inhibitor of BET family proteins, which plays a key role in tumorigenesis by controlling the expression of oncogenes such as c-MYC. JAB-8263 is the most potent BET inhibitor in the clinical stage globally which binds to BRD2, BRD3, BRD4, and BRDT with biochemical IC_{50} ranging from 0.20 to 0.99 nM. Pre-clinical studies showed that JAB-8263 can maintain 80-90% inhibition of c-MYC for more than 48 hours when given at a very low dose. We are evaluating JAB-8263 for the treatment of various solid tumors and hematological malignancies. To date, JAB-8263 has demonstrated favorable safety and tolerability compared with other BET inhibitors under clinical development. Active therapeutic signals in solid tumors and hematological malignancies were observed during dose escalation. Improvement in total symptom score (TSS) and spleen volume reduction (SVR) was observed in solid tumors and hematological malignancies patients treated with JAB-8263 monotherapy. Among the enrolled solid tumors and hematological malignancies patients, one patient had received the treatment more than one year with SVR 56.5%.

The dose escalation for JAB-8263 in solid tumors and liquid tumors has been completed in US and China respectively. The clinical data of JAB-8263 in solid tumors and hematological malignancies were presented as publish only at the 2024 EHAC. Phase II clinical trials of JAB-8263 in solid tumors and hematological malignancies patients or solid tumor patients with specific biomarkers are being planned.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that JAB-8263 will ultimately be successfully developed and marketed by our Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

- ***JAB-2485***

JAB-2485 can inhibit Aurora kinase A activity, induce apoptosis and inhibit tumor growth. Aurora kinase A inhibition may potentially benefit patients with RB loss tumors, such as SCLC and TNBC. JAB-2485 is one of the top two orally bioavailable small molecules in clinical stage which selectively inhibit Aurora kinase A over Aurora kinases B and C. Pre-clinical studies showed that JAB-2485 features a 1500-fold selectivity on Aurora kinase A over Aurora kinases B and C. JAB-2485 induces minimal myelosuppression and displays favorable PK properties. As at the date of this interim report, there is no commercialized Aurora kinase A inhibitor globally.

A Phase I/IIa global trial of JAB-2485 is being conducted in the U.S. and China. Encouraging clinical efficacy signals were observed. For example, a patient at a low dose level has been on the JAB-2485 for more than one year with stable disease. The expansion of monotherapy and combination with chemotherapy are being planned.

Pre-clinical data of JAB-2485 were published as a research article at ACS Omega, a weekly peer-reviewed scientific journal published by the American Chemical Society.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that JAB-2485 will ultimately be successfully developed and marketed by our Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

Management Discussion and Analysis

- ***JAB-30355***

JAB-30355 is a potent and orally bioavailable small molecule p53 reactivator for the treatment of patients with locally advanced or metastatic solid tumors harboring p53 Y220C mutation.

JAB-30355 has shown very high binding affinity to p53 Y220C mutant proteins and can maximally restore the proper folding and functionality of misfolded p53 Y220C upon binding, trigger apoptosis in vitro. When applied in vivo, tumor regression was achieved in multiple CDX and PDX models harboring p53 Y220C hotspot mutation, such as ovarian cancer, pancreatic cancer, gastric/esophageal cancer, breast cancer, lung cancer, etc. The synergistic effects were found when combined with chemo or oncogenic protein inhibitors which indicates a wide combo potential of JAB-30355. Good crystalline solubility across physiologic conditions and favorable PK properties across were observed.

The IND application of JAB-30355 has been approved by the U.S. FDA in March 2024. The IND application of JAB-30355 to CDE has been approved in June 2024. The first patient was dosed in July 2024 in China. Currently, there is only one program which just entered a Phase II single arm registrational trial in respective drug classes globally. In preclinical studies, the potency of JAB-30355 is 2-3-fold of the drug under registrational study, and the predicted human efficacy dose for JAB-30355 is half of that of the program under registrational trial. Therefore, JAB-30355 has the potential to be among the first few market entrants.

Pre-clinical data of JAB-30355 were presented in the form of a poster at the 2024 AACR.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that JAB-30355 will ultimately be successfully developed and marketed by our Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

- ***JAB-BX102***

JAB-BX102 is a humanized monoclonal antibody against CD73, a key protein involved in the adenosine pathway. JAB-BX102 binds to a unique N terminal epitope of CD73, and directly inhibits CD73 enzymatic activity with sub-nanomolar IC_{50}. JAB-BX102 induces strong internalization and achieves fast elimination of cellular CD73. Combination of JAB-BX102 with ICI such as anti-PD-(L)1 antibodies can result in synergistic antitumor effect. JAB-BX102 is our first large molecule program that entered into clinical stage.

We initiated the Phase I/IIa dose escalation and expansion trial for JAB-BX102 in patients with advanced solid tumors in September 2022. The dose escalation has been completed and combination with pembrolizumab is being planned.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that JAB-BX102 will ultimately be successfully developed and marketed by our Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

Management Discussion and Analysis

- **Our Other IND approved programs**

  JAB-BX300 – JAB-BX300 is a monoclonal antibody that binds to LIF and prevents signaling through the LIF receptor. Treatment of JAB-BX300 can reverse tumor immunosuppression by decreasing M2 macrophages and activating natural killer cells and cytotoxic T lymphocytes. Studies show that LIF is an attractive target for the treatment of KRAS-driven tumors such as PDAC or CRC when treated as monotherapy or combining with anti-PD-(L)1 antibody. High level of serum LIF may be a potential biomarker, especially for pancreatic cancer.

  The IND application of JAB-BX300 was approved by CDE in June 2023.

  Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that JAB-BX300 will ultimately be successfully developed and marketed by our Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

  JAB-26766 – JAB-26766 is an orally bioavailable small molecule PARP7 inhibitor, targeting immune-oncology pathway for the treatment of a variety of solid tumors such as sqNSCLC, ovarian cancer and cervical cancer etc. PARP7 acts as a brake in IFN signaling in a TBK1-dependent manner in the downstream of STING. PARP7 facilitates cancer cell growth by MARylation of -tubulin or androgen receptor. JAB-26766 has displayed a double-digit nano molar potency in cellular assays and super selectivity to PARP1/2. Higher exposure in mice was observed for JAB-26766 per oral administration which led to substantial tumor inhibition activities in different tumor models.

  We received the IND approval from CDE for a Phase I/IIa advanced solid tumors clinical trial in China in June 2023.

  Pre-clinical data of JAB-26766 were presented in the form of a poster at the 2024 AACR.

  Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that JAB-26766 will ultimately be successfully developed and marketed by our Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

  JAB-24114 – JAB-24114 is a prodrug of DON, an inhibitor of glutamine-utilizing enzymes which serves vital roles in the tricarboxylic acid cycle, purine, lipid, and amino acid synthetic pathways. Different from glutaminase inhibitors which are only blocking the conversion of glutamine to glutamate, JAB-24114 has substantial therapeutic potential. As a prodrug of DON, JAB-24114 is stable in plasma and inactive in GI tissue. It is preferentially distributed in tumors where it is bio-transformed and activated to the active moiety DON.

  JAB-24114 has the distinctive combination effects of depleting tumors of nutrients while enhancing T cell function. Synergistic action with anti-PD-(L)1 antibody can boost the antitumor effect. JAB-24114 can also be used in combination with SHP2 inhibitors or KRAS inhibitors.

  The IND application of JAB-24114 was approved by CDE for a Phase I/IIa trial in March 2023.

  Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that JAB-24114 will ultimately be successfully developed and marketed by our Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

Management Discussion and Analysis

- **Our IND-Submitted Product**

  JAB-23E73 – JAB-23E73 is a novel, first-in-class, orally bioavailable pan-KRAS inhibitor. It can potently inhibit the activity of multiple KRAS mutants in both RAS (ON) and RAS (OFF) states at single digit nano molar and sub nano molar level, including KRAS G12X (G12D, G12V, G12R, G12S and G12A), G13D and Q61H, with high selectivity over HRAS and NRAS which are tumor suppression genes of KRAS-driven lung cancer growth. JAB-23E73 has significant antitumor effect on cancer cell lines with multiple KRAS mutations or amplification of KRAS wild-type and has no inhibitory effect on KRAS-independent cells, indicating a favorable therapeutic window.

  In pre-clinical studies, JAB-23E73 exhibited favorable oral bioavailability both in rodent and non-rodent species. JAB-23E73 also showed an excellent antitumor effect in KRAS G12X and G13D mutant tumor xenografts. Tumor regression was achieved by oral administration in LS513 (Colon, KRAS G12D), HPAC (Pancreas, KRAS G12D), RKN (LMS, KRAS G12V), NCI-H441 (Lung, KRAS G12V), Capan-2 (Pancreas, KRAS G12V) and LoVo (Colon, KRAS G13D) models. The combination of JAB-23E73 with SHP2 inhibitor JAB-3312 or EGFR antibody Cetuximab could significantly enhance antitumor effects. At the same time, JAB-23E73 is well tolerated in animal models. According to pre-clinical data, it is predicted that JAB-23E73 will have a favorable exposure on human.

  The IND application to CDE and the U.S. FDA has been submitted in June and August 2024, respectively. The IND application has been approved by the U.S. FDA in September 2024. The first patient will be dosed in the fourth quarter of 2024.

  Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that JAB-23E73 will ultimately be successfully developed and marketed by our Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

- ***Our Pre-clinical Stage Product***

  JAB-22000 – JAB-22000 is a highly selective KRAS G12D inhibitor. Compounds with high potency have been identified. Multiple patent filings have been submitted covering multiple optimization directions. IND schedule and development plan will be adjusted according to the progress and the clinical outcome of JAB-23E73, our pan-KRAS inhibitor.

  Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that JAB-22000 will ultimately be successfully developed and marketed by our Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

Management Discussion and Analysis

Our iADC Programs

ICIs have dramatically changed the landscape of cancer treatment. However, ICI response rates remain modest with only a minority of patients deriving clinical benefits. A major factor involved in initial resistance to current ICIs is the lack of T cell infiltration into tumor, characterizing the so-called "cold tumor". STING can attract the infiltration of immune cells into tumor, activate infiltrated immune cells, and turn the tumor from "cold" to "hot". By conjugating our STING agonist (payload) with different TAA targeting antibodies, we can target deliver STING agonists into tumor cells, which enhances antitumor immunity and turns PD-1 unresponsive cold tumors into PD-1 responsive hot tumors.

A growing body of ADCs are currently in clinical development, some of which had been approved by the U.S. FDA and the CDE, verifying the concept of "magic bullet". However, these conventional ADCs, which use toxins as payloads, have demonstrated obvious toxicity because the toxin molecules can be delivered to the normal tissues. These safety concerns limit the application of conventional ADCs.

We have leveraged our strength in small molecule drug discovery and development in designing innovative payloads and built our iADC platform. Our novel iADC program using STING agonist as payloads have the potential to address the challenges of both low response rate in current ICI therapy and toxicities caused by conventional ADCs.

For iADC, right plasma stability is very important to reduce the releasing of drug before it reaches the target site (on target, off-tumor toxicity). Our iADC molecules have shown greatly improved plasma stability compared with the competitor which would broaden the therapeutic window and improve safety in future use.

- ***STING-iADC Programs – Unique Payload to Support Multiple iADC Programs***

  Recent efforts have been focused on identifying targets that could elicit or augment antitumor immune responses. One of such novel targets is STING, an endoplasmic protein that stimulates innate immune and turn "cold" tumor to "hot" by inducing the production of pro-inflammatory cytokines and chemokines, such as IFNs and CXCLs.

  There are already multiple projects in clinical stage evaluating the efficacy and safety of either intratumoral injection or systemic administration of STING agonist. Although such approaches have shown many therapeutic benefits, including potent antitumor activity, the therapeutic window was limited by immune-related toxicity, such as cytokine release syndrome.

  By specifically delivering potent STING agonist into TAA expressing tumor cells, rationally designed iADC could locally activate antitumor activity to boost the tumor specific innate/adaptive immune response and avoid the risk of systemic immune-related adverse effect.

  By conjugating our STING agonist (payload) with different TAA targeting antibodies, we are developing a series of iADC programs, i.e., HER2-STING iADC (JAB-BX400) and CD73-STING iADC (JAB-BX500). In pre-clinical studies, JAB-BX400 barely releases free payload (less than 1%) after incubated in the plasma for 48 hours. And cytokine release is significantly less by JAB-BX400 compared with the competitor. More importantly, JAB-BX400 is effective in the SK-OV-3 xenograft model, which belongs to cold tumors. Clinical candidate for JAB-BX400 is expected to be nominated in the second half of 2024. We are developing other TAAs targeting iADCs as well.

  Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that our iADC Platforms, JAB-BX400 and JAB-BX500 will ultimately be successfully developed and marketed by our Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

Management Discussion and Analysis

CORPORATE DEVELOPMENT

We have a solid patent portfolio to protect our drug candidates and technologies. As at June 30, 2024, we owned 347 patents or patent applications that are filed globally, of which 89 patents have been issued or allowed in major markets globally.

FUTURE AND OUTLOOK

We are a front runner in selecting, discovering and developing potential first-in-class therapies with innovative mechanisms for global oncology treatment. By continuing to strengthen our drug discovery platform and to advance our pipeline, we expect to obtain global market leadership with a number of transforming therapies and expect to benefit cancer patients significantly. In addition, we also plan to add world-class manufacturing and commercialization capabilities to our integrated discovery and development platform as we achieve clinical progress and anticipate regulatory approvals.

In the near term, we plan to focus on pursuing the following significant opportunities:

- **Develop, commercialize and expand our pipeline targeting multiple promising pathways in the field of target therapy and immuno-oncology**

  In the field of target therapy:

  We have an established track record of successfully designing innovative therapies targeting allosteric binding sites of traditionally "undruggable" targets.

  - ***RAS pathway***

    KRAS is one of the most well-known proto-oncogenes and is crucially involved in human cancer. Based on our cutting-edge allosteric inhibitor platform, we have developed a diversified portfolio in RAS pathway, including glecirasib (JAB-21822, KRAS G12C inhibitor), JAB-23E73 (pan-KRAS inhibitor), JAB-3312 (SHP2 inhibitor), JAB-22000 (KRAS G12D inhibitor) and JAB-BX300 (anti-LIF humanized monoclonal antibody), that target different forms of KRAS which harbor either G12C, G12D, G12V or other mutations.

    We intend to pursue the development of our frontier KRAS portfolio designed to address tumors where few treatment options exist with significant unmet medical needs in the global market, including NSCLC, PDAC, CRC and other solid tumors with KRAS mutations, in both single agent and rational combination therapies.

  - ***MYC pathway***

    The MYC transcription factor is a master regulator of diverse cellular functions and has been long considered a compelling therapeutic target because of its role in a wide range of human malignancies. MYC amplification is commonly found in numerous solid tumors, including pancreatic cancer, SCLC, HCC, HNSCC and TNBC. We have developed JAB-8263, a highly potent BET inhibitor, JAB-2485, a highly selective Aurora kinase A inhibitor, and JAB-24114, a small molecule inhibitor of glutamine-utilizing enzymes.

- *p53 pathway*

  P53 is the most frequently altered gene in human cancers, with mutations being present in approximately 50% of all solid tumors. We are leveraging our allosteric inhibitor platform to design and develop a pipeline of selective, small molecule, tumor-agnostic therapies that structurally correct specific mutant p53 proteins to restore their wild-type function. Currently, we are developing JAB-30355 for specific p53 Y220C mutation.

In the field of immuno-oncology:

Immuno-oncology is a validated and promising field of cancer drug discovery, and we are developing a number of iADC programs, small molecules and monoclonal antibodies against novel immuno-oncology targets.

Our novel iADC programs using unique payloads have the potential to address the challenges of both low response rate in current ICI therapy and toxicities caused by conventional ADC. Our iADC molecules have shown greatly improved plasma stability compared with the competitor which would broaden the therapeutic window and improve safety in future use. Our iADC projects can also be used in combination with PD-(L)1 antibodies.

- **Advance our allosteric inhibitor technology platform and iADC platform in parallel**

  We believe that R&D is key to driving our therapeutic strategy and maintaining our competitiveness in the biopharmaceutical industry. With this belief, we are committed to further strengthening and advancing our R&D platforms to continuously fuel innovation.

  Our years of extensive research efforts focused on allosteric inhibitors and extensive know-how and experience accumulated in this process enable us to build a proprietary technology platform for the discovery and optimization of allosteric modulators.

  Meanwhile, by leveraging our expertise in developing small molecule drugs, we have identified unique STING agonist molecules that are suitable to be used as a payload and developed our iADC candidates.

- **Capture global market opportunities and expand to compelling area of research through collaboration**

  We intend to find the most suitable and resourceful partners for collaboration to expand our footprint of global development and the commercialization of our drug candidates. We will continue exploring partnerships around the world to look for compelling areas of research that have been primarily out of reach for many of the world's patients.

Cautionary Statement under Rule 18A.08(3) of the Listing Rules: Our Company cannot guarantee that it will be able to successfully develop or ultimately market our Core Products. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

Management Discussion and Analysis

FINANCIAL REVIEW

Revenue

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Revenue from the license and collaboration agreement	**–**	40,335

For the six months ended June 30, 2024, no revenue was recognized. For the six months ended June 30, 2023, our Group recorded revenue of RMB40.3 million in relation to the R&D costs reimbursement generated from the license and collaboration agreement with AbbVie which was terminated in 2023.

Cost of Revenue

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Clinical trial expenses of our SHP2 inhibitors	**–**	37,933

For the six months ended June 30, 2024, no cost of revenue was recognized. For the six months ended June 30, 2023, our cost of revenue consists of R&D expenses related to our SHP2 inhibitors under the license and collaboration agreement with AbbVie, which was terminated in 2023.

Gross Profit

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Gross profit from the license and collaboration agreement	**–**	2,402

As a result of the foregoing, our gross profit decreased from RMB2.4 million for the six months ended June 30, 2023 to nil for the six months ended June 30, 2024.

Management Discussion and Analysis

Other income

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Government grants	**7,465**	822
Total	**7,465**	822

Our other income increased from RMB0.8 million for the six months ended June 30, 2023 to RMB7.5 million for the six months ended June 30, 2024, which was attributable to the increase of government grants associated with the progression of our R&D programs and rental subsidies of our headquarters in Beijing.

Other Gains – Net

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Net foreign exchange gains	**5,810**	37,750
Fair value changes on derivative financial instruments	**–**	(2,864)
Fair value changes on long-term investments measured at fair value through profit or loss	**(185)**	(645)
Disposal (loss)/gain of property, plant and equipment	**(6)**	439
Loss on remeasurement of redemption liability	**(957)**	–
Total	**4,662**	34,680

The decrease in our net other gains was primarily attributable to the decrease of net foreign exchange gains due to the relatively lower appreciation of USD and HKD against RMB in the first half of 2024 as compared to that in 2023.

Our net other gains consist primarily of gains due to fluctuations in the exchange rates between the RMB and the USD and between the RMB and the HKD. Our net foreign exchange gains decreased by 32.0 million from RMB37.8 million for the six months ended June 30, 2023 to RMB5.8 million for the six months ended June 30, 2024, which was mainly attributable to foreign exchange gains in connection with bank balances dominated in USD and HKD and the relatively lower appreciation of the USD and the HKD against the RMB for the six months ended June 30, 2024 compared to that for the six months ended June 30, 2023.

Our business mainly operated in the PRC, and most of our Group's transactions are settled in RMB. Since our inception, we have financed our business principally through equity financings and bank borrowings, with related proceeds denominated in USD, HKD and RMB. We converted a portion of those proceeds in USD and HKD to RMB with the remaining amounts reserved for additional conversions to RMB as needed. Future commercial transactions or assets and liabilities denominated in USD and HKD may expose us to currency exchange risk.

We have managed our foreign exchange risk by closely reviewing the movement of the foreign currency rates and would consider hedging against foreign exchange exposure should the need arise.

Management Discussion and Analysis

R&D Expenses

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Testing fee	**77,291**	75,693
Employee benefits expenses	**66,681**	73,774
Raw material and consumables used	**14,029**	30,663
Depreciation and amortization	**11,337**	8,365
Others	**7,489**	10,257
Total	**176,827**	198,752

Our R&D expenses decreased by RMB22.0 million or 11.1% from RMB198.8 million for the six months ended June 30, 2023 to RMB176.8 million for the six months ended June 30, 2024, primarily due to the decrease in raw materials and consumables used and in R&D staff costs. Such decrease in research and development expenses resulted from (i) RMB16.6 million decrease in raw materials and consumables used, including the manufacture of clinical candidates; and (ii) RMB7.1 million decrease in employee benefits expenses primarily due to decrease in the average number of R&D employees and their compensation level.

Administrative Expenses

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Employee benefits expenses	**13,021**	14,824
Professional services expenses	**618**	1,852
Depreciation and amortization	**2,413**	1,115
Others	**5,138**	5,924
Total	**21,190**	23,715

Our administrative expenses decreased by RMB2.5 million or 10.5% from RMB23.7 million for the six months ended June 30, 2023 to RMB21.2 million for the six months ended June 30, 2024 mainly due to the combined impact of decrease in professional services expenses and the increase of depreciation and amortization expenses in connection with our headquarters in Beijing which was opened in mid-2023.

Management Discussion and Analysis

Finance Income and Finance Expenses

Our finance income remained stable at RMB22.1 million for the six months ended June 30, 2023 and 2024, which was mainly attributable to the combined impact of (i) increased average interest rate of time deposit during the six months ended June 30, 2024 compared to that for the six months ended June 30, 2023; and (ii) decreased bank balances in line with our business progress. Our finance expenses increased by RMB1.4 million from RMB3.8 million for the six months ended June 30, 2023 to RMB5.2 million for the six months ended June 30, 2024, due to an increase in interest costs on lease liabilities and interest costs on borrowings.

Income Tax Expenses

No income tax expenses were recognized for the six months ended June 30, 2024 and 2023 as there was no taxable profits during the Reporting Period.

Non-IFRS Measures

To supplement the consolidated financial statements, which are presented in accordance with IFRS, our Company also uses adjusted loss for the Reporting Period and other adjusted figures as additional financial measures, which are not required by, or presented in accordance with, IFRS. Our Company believes that these adjusted measures provide useful information to the Shareholders and potential investors in understanding and evaluating our Group's consolidated results of operations in the same manner as they help our Company's management.

Adjusted loss for the Reporting Period represents the loss for the Reporting Period excluding the effect of certain non-cash items and one-time events, namely share-based payment expenses and fair value changes on long-term investments measured at fair value through profit or loss. The term adjusted loss for the Reporting Period is not defined under IFRS. The use of this non-IFRS measure has limitations as an analytical tool, and should not be considered in isolation from, or as substitute for analysis of, our Group's results of operations or financial condition as reported under IFRS. Our Company's presentation of such adjusted figure may not be comparable to a similarly titled measure presented by other companies. However, our Company believes that this and other non-IFRS measures are reflections of our Group's normal operating results by eliminating potential impacts of items that the management does not consider to be indicative of our Group's operating performance, and thus facilitate comparisons of operating performance from period to period and from company to company to the extent applicable.

Management Discussion and Analysis

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

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Loss for the period	**(169,053)**	(166,281)
Added:		
Share-based payment expenses	**5,409**	7,298
Fair value losses in long-term investments measured at fair value through profit or loss	**185**	645
Adjusted loss for the period	**(163,459)**	(158,338)

The table below sets forth a reconciliation of our R&D expenses to adjusted R&D expenses during the periods indicated:

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
R&D expenses for the period	**(176,827)**	(198,752)
R&D expenses in relation to our SHP2 inhibitors which were recorded in Cost of Revenue for the period	**–**	(37,933)
Added:		
Share-based payment expenses	**4,891**	6,032
Adjusted R&D expenses for the period	**(171,936)**	(230,653)

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

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Administrative expenses for the period	**(21,190)**	(23,715)
Added:		
Share-based payment expenses	**518**	1,266
Adjusted administrative expenses for the period	**(20,672)**	(22,449)

Management Discussion and Analysis

Cash Flows

During the six months ended June 30, 2024, net cash used in operating activities of our Group amounted to RMB180.4 million, representing a decrease of RMB39.4 million over the net cash used in operating activities of RMB219.8 million during the six months ended June 30, 2023. The decrease was mainly due to the decrease of R&D expenditures.

During the six months ended June 30, 2024, net cash generated from investing activities of our Group amounted to RMB43.7 million, representing a decrease of RMB126.9 million over the net cash generated from investing activities of RMB170.6 million during the six months ended June 30, 2023. The decrease was mainly due to the combined impact of (i) the placement of deposits with original maturities over 3 months of RMB924.2 million during the six months ended June 30, 2024 compared to that of RMB291.0 million during the six months ended June 30, 2023; and (ii) the proceeds received from the maturity of deposits with initial terms over 3 months of RMB946.4 million during the six months ended June 30, 2024 compared to that of RMB482.5 million during the six months ended June 30, 2023.

During the six months ended June 30, 2024, net cash generated from financing activities of our Group amounted to RMB25.8 million, representing a decrease of RMB163.5 million over the net cash generated from financing activities of RMB189.3 million during the six months ended June 30, 2023. The decrease was mainly due to the combined impact of (i) the proceeds from contribution in Beijing Jacobio of RMB45.0 million; (ii) the proceeds raised from the Subscription of RMB139.1 million during the six months ended June 30, 2023; and (iii) the net repayment of borrowings of RMB10.1 million during six months ended June 30, 2024 compared to net proceeds from bank borrowings of RMB60.0 million during six months ended June 30, 2023.

Significant Investments, Material Acquisitions and Disposals

During the six months ended June 30, 2024, our Group did not have any significant investments or material acquisitions or disposals of subsidiaries, associates, and joint ventures.

Liquidity, Capital Resources and Gearing Ratio

We expect our liquidity requirements will be satisfied by a combination of cash generated from operating activities, bank borrowings, other funds raised from the capital markets from time to time and the unutilized net proceeds from the initial public offering of the Company.

During the Reporting Period, all of our borrowings were denominated in RMB. As at June 30, 2024, all of our bank borrowings are at fixed interest rate, which were RMB63.8 million (December 31, 2023: RMB73.6 million). We currently are available to access to undrawn bank loan facilities of RMB260.0 million and do not have any plan for material additional equity financing. We will continue to evaluate potential financing opportunities based on our need for capital resources and market conditions.

As at June 30, 2024, our cash and bank balances were RMB1,060.2 million, as compared to RMB1,147.8 million as at December 31, 2023. The decrease was mainly due to the net cash used in operating activities. Our primary uses of cash are to fund R&D efforts of new drug candidates, working capital and other general corporate purposes. Our cash and cash equivalents are held in USD, RMB and HKD.

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

As at June 30, 2024, our cash and cash equivalents were more than our total borrowings. Therefore, there was no net debt, and the gearing ratio calculated as net debt divided by equities is not applicable.

Management Discussion and Analysis

Lease Liabilities

IFRS 16 Leases has been consistently applied to our Group's consolidated financial statements for the six months ended June 30, 2024. As at June 30, 2024, our lease liabilities amounted to RMB134.4 million.

Capital Commitments

As at June 30, 2024, our Group had capital commitments contracted for but not yet provided of RMB0.01 million, primarily in connection with contracts for purchase of property, plant and equipment.

As at December 31, 2023, our Group had capital commitments contracted for but not yet provided of RMB0.07 million, primarily in connection with contracts for purchase of property, plant and equipment.

Contingent Liabilities

As at June 30, 2024, our Group did not have any significant contingent liabilities (December 31, 2023: Nil).

Pledge of Assets

There was no pledge of our Group's assets as at June 30, 2024 (December 31, 2023: Nil).

Foreign Exchange Exposure

As at June 30, 2024, our financial statements are expressed in RMB, but certain of our long-term investments measured at fair value through profit or loss, cash and cash equivalents, time deposits, and trade payables are denominated in foreign currencies, and are exposed to foreign currency risk (primarily with respect to USD). Our management continuously monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Liquidity Risk

As at June 30, 2024, we recorded net current assets of RMB899.5 million, representing a decrease of RMB63.8 million from RMB963.3 million as at December 31, 2023. In managing liquidity risk, our Company monitors and maintains a level of cash and cash equivalents deemed adequate by our management to finance the operations and mitigate the effects of fluctuations in cash flows.

Management Discussion and Analysis

Employees and Remuneration Policies

As at June 30, 2024, we had 298 employees in total. The total remuneration costs amounted to RMB79.7 million for the six months ended June 30, 2024, as compared to RMB92.0 million for the six months ended June 30, 2023. The decrease corresponded to the decreased number of employees and their salary level.

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

We provide various incentives and benefits for our employees. We offer competitive salaries, bonuses and share-based compensation to our employees, especially key employees. We have made contributions to social security insurance funds (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds for our employees in accordance with applicable laws. We have also adopted the 2021 Plan on August 31, 2021, which intends to attract and retain the best available personnel, to provide additional incentives to employees and to promote the success of our Company's business. For more details of the 2021 Plan, please refer to the announcements of our Company dated August 31, 2021 and October 8, 2021.

Supplementary Information

INTERIM DIVIDEND

The Board has resolved not to recommend an interim dividend for the six months ended June 30, 2024 (six months ended June 30, 2023: Nil).

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Our Group is committed to implementing high standards of corporate governance to safeguard the interests of the Shareholders and enhance the corporate value as well as the responsibility commitments. Our Company has adopted the CG Code as its own code of corporate governance.

The Board is of the view that our Company has complied with all the code provisions set out in Part 2 of the CG Code for the six months ended June 30, 2024, and up to the date of this interim report, except for a deviation from the code provision C.2.1 of Part 2 of the CG Code as described below.

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

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

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

Our Company has adopted the Model Code as its code for dealing in securities in our Company by the Directors. The Directors have confirmed compliance with the required standard set out in the Model Code for the six months ended June 30, 2024. No incident of non-compliance by the Directors was noted by our Company during the Reporting Period.

REVIEW OF FINANCIAL STATEMENTS AND INTERIM REPORT BY THE AUDIT COMMITTEE

Our Company has established an Audit Committee in compliance with Rules 3.21 and 3.22 of the Listing Rules and principle D.3 of Part 2 of the CG Code, and has adopted written terms of reference. The Audit Committee consists of one non-executive Director, Dr. Te-li CHEN, and two independent non-executive Directors, Dr. Ge WU and Dr. Bai LU. The Audit Committee is currently chaired by Dr. Bai LU. Dr. Ge WU possesses suitable professional qualifications.

The Audit Committee has discussed with our Company's management and reviewed the unaudited interim results of our Group for the Reporting Period. The Audit Committee considered that the interim results are in compliance with the applicable accounting principles, standards and requirements, and our Company has made appropriate disclosures thereof.

Supplementary Information

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF OUR COMPANY

During the Reporting Period, the Company repurchased a total of 2,335,200 Shares at an aggregate consideration (before all the relevant expenses) of HK$3,849,042 on the Stock Exchange. As at the date of this interim report, all such repurchased Shares are held by our Company as treasury Shares. Particulars of the repurchases made by our Company during the Reporting Period are as follows:

Month of repurchase during the reporting period	No. of Shares repurchased	Price paid per Share		Aggregate consideration paid *(HK$)*
		Highest price *(HK$)*	Lowest price *(HK$)*	
June 2024	2,335,200	1.86	1.51	3,849,042
Total	**2,335,200**			**3,849,042**

The Directors believed that the repurchase by the Company provided more flexibility to the Board and our Company intends to use the treasury Shares to resell at market price to raise additional funds, to transfer or use for share grants under share schemes that comply with Chapter 17 of the Listing Rules and for other purposes permitted under the Listing Rules, the Articles of Association and the applicable laws of the Cayman Islands, subject to market conditions and our Group's capital management needs.

Save for the share repurchases mentioned above, neither our Company nor any of our subsidiaries had purchased, sold or redeemed any of our Company's listed securities (including sale of treasury shares) during the Reporting Period.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this interim report, we do not have other plans for material investments and capital assets.

CHANGES IN THE BOARD AND THE DIRECTORS' INFORMATION

Ms. Yanmin TANG ("**Ms. Tang**") has tendered her resignation from the position as a non-executive Director with effect from August 30, 2024 due to her pursuit of other personal affairs. Accordingly, Ms. Tang will cease to be a member of the Nomination Committee and the Remuneration Committee with effect from August 30, 2024. Dr. Te-li CHEN, a non-executive Director, has been appointed as a member of the Nomination Committee and the Remuneration Committee in place of Ms. Tang with effect from August 30, 2024, respectively.

Save for the above, during the Reporting Period, there was no change in the Board and the information of Directors which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Supplementary Information

AUDITOR

On April 26, 2024, the Company announced that PricewaterhouseCoopers retired as the auditor of the Company with effect from June 7, 2024. Both the Board and the Audit Committee confirm that there are no disagreements between PricewaterhouseCoopers and the Company and there are no other matters or circumstances in respect of the change of auditor that need to be brought to the attention of the Shareholders.

Deloitte Touche Tohmatsu ("**Deloitte**") has been appointed as the new auditor of the Company with effect from June 7, 2024 to fill the casual vacancy following the retirement of PricewaterhouseCoopers. Deloitte shall hold office until the conclusion of the next annual general meeting of the Company.

For further details on the change of auditor, please refer to the announcement of the Company dated April 26, 2024.

CONTINUING DISCLOSURE OBLIGATION PURSUANT TO THE LISTING RULES

Save as disclosed in this interim report, our Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

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

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

Supplementary Information

Interest in Shares of Company

Name of Director	Nature of Interest	Number of Shares[1]	Approximate percentage of shareholding[2]
Dr. Yinxiang WANG	Interest in controlled corporation; interest held jointly with another person	211,151,750[3][4][7]	26.67%
Ms. Xiaojie WANG	Beneficial owner; founder of a discretionary trust; interest in controlled corporation; interest held jointly with another person	211,151,750[3][5][7]	26.67%
Ms. Yunyan HU	Beneficial owner; founder of a discretionary trust; interest held jointly with another person	211,151,750[3][6][7]	26.67%

Notes:

1. All interests stated are long positions.

2. The calculation is based on the total number of 791,755,080 Shares in issue (including 2,335,200 treasury Shares) as at June 30, 2024.

3. The entire share capital of each of Dr. Wang's SPV 1 and Dr. Wang's SPV 2 is directly owned by Dr. Wang and indirectly wholly owned by Dr. Wang and Ms. Zhu Shen, the spouse of Dr. Wang, respectively, and the voting rights of the Shares held by Willgenpharma Ltd which are intended to be used for employee incentive purposes are exercisable by Dr. Wang. Accordingly, Dr. Wang is deemed to be interested in such number of Shares held by Dr. Wang's SPV 1, Dr. Wang's SPV 2 and Willgenpharma Ltd. Dr. Wang is also deemed to be interested in all Shares held by Ms. Zhu Shen and Wordspharma Ltd, a company wholly-owned by Ms. Zhu Shen as Ms. Zhu Shen is the spouse of Dr. Wang. In addition, each of Dr. Wang, Dr. Wang's SPV 1, Dr. Wang's SPV 2 and Willgenpharma Ltd is also deemed to be interested in all Shares held by Ms. Wang, Ms. Wang's SPV, Gloryviewpharma Ltd, Blesspharma Ltd, Honourpharma Ltd, Ms. Hu and Ms. Hu's SPV as they are parties acting in concert.

4. Ms. Zhu Shen beneficially owns 384,900 Shares. In addition, the entire share capital of Wordspharma Ltd is wholly owned by Ms. Zhu Shen. Accordingly, Ms. Zhu Shen is deemed to be interested in such number of Shares held by Wordspharma Ltd. Moreover, Ms. Zhu Shen is the spouse of Dr. Wang. Accordingly, Ms. Zhu Shen is also deemed to be interested in the Shares in which Dr. Wang is interested.

5. As at June 30, 2024, the share capital of Ms. Wang's SPV is indirectly owned by the XM Family Trust as to 99.5% and directly owned by Ms. Wang as to 0.5%. Ms. Wang is the settlor, the protector and the beneficiary of the XM Family Trust and therefore she is deemed to be interested in the shares held by Ms. Wang's SPV under the SFO. The voting rights of the Shares held by Gloryviewpharma Ltd which are intended to use for employee incentive purposes are exercisable by Ms. Wang. Accordingly, Ms. Wang is deemed to be interested in the Shares held by Gloryviewpharma Ltd. In addition, each of Ms. Wang, Ms. Wang's SPV and Gloryviewpharma Ltd are deemed to be interested in all Shares held by Dr. Wang, Dr. Wang's SPV 1, Dr. Wang's SPV 2, Willgenpharma Ltd, Honourpharma Ltd, Blesspharma Ltd, Ms. Hu and Ms. Hu's SPV as they are parties acting in concert.

6. As at June 30, 2024, the share capital of Ms. Hu's SPV is indirectly owned by the YN Family Trust as to 99.5% and directly owned by Ms. Hu as to 0.5%. Ms. Hu is the settlor, the protector and the beneficiary of the YN Family Trust and therefore she is deemed to be interested in the shares held by Ms. Hu's SPV under the SFO. In addition, each of Ms. Hu and Ms. Hu's SPV is deemed to be interested in all Shares held by Dr. Wang, Dr. Wang's SPV 1, Dr. Wang's SPV 2, Willgenpharma Ltd, Honourpharma Ltd, Ms. Wang, Ms. Wang's SPV, Gloryviewpharma Ltd and Blesspharma Ltd as they are parties acting in concert.

7. Blesspharma Ltd and Honourpharma Ltd are our ESOP Platforms. The entire share capital of Blesspharma Ltd is wholly owned by Blesspharma Trust. Ms. Wang and Ms. Hu are the administrators of Blesspharma Trust and are able to exercise the voting rights of the Shares held by Blesspharma Ltd, therefore they are deemed to be interested in the Shares held by Blesspharma Ltd under the SFO. In addition, the entire share capital of Honourpharma Ltd is directly owned by Dr. Wang. As the actual grantor under the 2021 Plan, the voting rights of the Shares held by Honourpharma Ltd are held by Ms. Wang and Ms. Hu. Accordingly, Ms. Wang and Ms. Hu are deemed to be interested in such number of Shares held by Honourpharma Ltd under the SFO.

Supplementary Information

Save as disclosed above, as at June 30, 2024, to the best knowledge of the Directors or chief executive of the Company, none of the Directors or chief executives of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations, (within the meaning Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register to be kept by the Company pursuant to section 352 of the SFO, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as is known to the Company, as at June 30, 2024, as recorded in the register required to be kept by the Company under section 336 of the SFO, the following persons, other than Directors or chief executive of the Company, had an interest of 5% or more in the Shares or underlying Shares:

Name of Shareholder	Nature of Interest	Number of Shares[1]	Approximate percentage of shareholding[2]
Dr. Wang's SPV 1[3]	Beneficial interest; interest held jointly with another person	211,151,750	26.67%
Dr. Wang's SPV 2[3]	Beneficial interest; interest held jointly with another person	211,151,750	26.67%
Willgenpharma Ltd[3]	Beneficial interest; interest held jointly with another person	211,151,750	26.67%
Ms. Zhu Shen[4]	Interest of spouse	211,151,750	26.67%
Ms. Wang's SPV[5]	Beneficial interest; interest held jointly with another person	211,151,750	26.67%
Gloryviewpharma Ltd[5]	Beneficial interest; interest held jointly with another person	211,151,750	26.67%
Blesspharma Ltd[6]	Beneficial interest; interest held jointly with another person	211,151,750	26.67%
Mr. Ze Liu[7]	Beneficial interest; interest held jointly with another person	211,151,750	26.67%
Ms. Hu's SPV[8]	Beneficial interest; interest held jointly with another person	211,151,750	26.67%
Honourpharma Ltd[9]	Beneficial interest; interest held jointly with another person	211,151,750	26.67%
Center Venture Holding I Limited (formerly known as BioEngine Capital Holding Limited)[10]	Beneficial interest	79,436,600	10.03%
Center Laboratories, Inc[10]	Interest in controlled corporation	87,486,890	11.05%
LAV Coda Limited[11]	Beneficial interest	42,134,075	5.32%
LAV Biosciences Fund IV, L.P. [11]	Interest in controlled corporation	47,670,875	6.02%
LAV GP IV, L.P.[11]	Interest in controlled corporation	47,670,875	6.02%
LAV Corporate IV GP, Ltd.[11]	Interest in controlled corporation	47,670,875	6.02%

Supplementary Information

Name of Shareholder	Nature of Interest	Number of Shares[1]	Approximate percentage of shareholding[2]
LAV Asset Management (Hong Kong) Limited[11]	Interest in controlled corporation	60,734,925	7.67%
Mr. Yi Shi[11]	Interest in controlled corporation	60,734,925	7.67%
Qiming Venture Partners VI, L.P. [12]	Beneficial interest	48,305,740	6.10%
Qiming Corporate GP VI, Ltd[12]	Interest in controlled corporation	49,605,555	6.27%
HH SPR-III Holdings Limited[13]	Beneficial interest	47,443,510	5.99%
Hillhouse Fund IV, L.P.[13]	Interest in controlled corporation	47,443,510	5.99%
Hillhouse Investment Management, Ltd. [13]	Interest in controlled corporation	47,443,510	5.99%
VISTRA TRUST (SINGAPORE) PTE. LIMITED[14]	Trustee; interest held jointly with another person	211,151,750	26.67%
Silver Summit Group Limited[15]	Interest in controlled corporation; interest held jointly with another person	211,151,750	26.67%
Ultimate Estate Limited[15]	Interest in controlled corporation; interest held jointly with another person	211,151,750	26.67%
Easy Sonic International Limited[16]	Interest in controlled corporation; interest held jointly with another person	211,151,750	26.67%
Treasure Partner International Limited[16]	Interest in controlled corporation; interest held jointly with another person	211,151,750	26.67%

Notes:

1. All interests stated are long positions.

2. The calculation is based on the total number of 791,755,080 Shares in issue (including 2,335,200 treasury Shares) as at June 30, 2024.

3. The entire share capital of each of Dr. Wang's SPV 1 and Dr. Wang's SPV 2 is directly owned by Dr. Wang and indirectly wholly owned by Dr. Wang and Ms. Zhu Shen, the spouse of Dr. Wang, respectively, and the voting rights of the Shares held by Willgenpharma Ltd which are intended to be used for employee incentive purposes are exercisable by Dr. Wang. Accordingly, Dr. Wang is deemed to be interested in such number of Shares held by Dr. Wang's SPV 1, Dr. Wang's SPV 2 and Willgenpharma Ltd. Dr. Wang is also deemed to be interested in all Shares held by Ms. Zhu Shen and Wordspharma Ltd, a company wholly-owned by Ms. Zhu Shen as Ms. Zhu Shen is the spouse of Dr. Wang. In addition, each of Dr. Wang, Dr. Wang's SPV 1, Dr. Wang's SPV 2 and Willgenpharma Ltd is also deemed to be interested in all Shares held by Ms. Wang, Ms. Wang's SPV, Gloryviewpharma Ltd, Blesspharma Ltd, Honourpharma Ltd, Ms. Hu and Ms. Hu's SPV as they are parties acting in concert.

4. Ms. Zhu Shen beneficially owns 384,900 Shares. In addition, the entire share capital of Wordspharma Ltd is wholly owned by Ms. Zhu Shen. Accordingly, Ms. Zhu Shen is deemed to be interested in such number of Shares held by Wordspharma Ltd. Moreover, Ms. Zhu Shen is the spouse of Dr. Wang. Accordingly, Ms. Zhu Shen is also deemed to be interested in the Shares in which Dr. Wang is interested.

5. As at June 30, 2024, the share capital of Ms. Wang's SPV is indirectly owned by the XM Family Trust as to 99.5% and directly owned by Ms. Wang as to 0.5%. Ms. Wang is the settlor, the protector and the beneficiary of the XM Family Trust and therefore she is deemed to be interested in the shares held by Ms. Wang's SPV under the SFO. The voting rights of the Shares held by Gloryviewpharma Ltd which are intended to be used for employee incentive purposes are exercisable by Ms. Wang. Accordingly, Ms. Wang is deemed to be interested in the Shares held by Gloryviewpharma Ltd. In addition, each of Ms. Wang, Ms. Wang's SPV and Gloryviewpharma Ltd are deemed to be interested in all Shares held by Dr. Wang, Dr. Wang's SPV 1, Dr. Wang's SPV 2, Willgenpharma Ltd, Honourpharma Ltd, Blesspharma Ltd, Ms. Hu and Ms. Hu's SPV as they are parties acting in concert.

Supplementary Information

6. The entire share capital of Blesspharma Ltd is wholly owned by Blesspharma Trust. Ms. Wang and Ms. Hu are the administrators of Blesspharma Trust and are able to exercise the voting rights of the Shares held by Blesspharma Ltd, therefore they are deemed to be interested in the Shares held by Blesspharma Ltd under the SFO. In addition, Blesspharma Ltd is deemed to be interested in all Shares held by Dr. Wang, Dr. Wang's SPV 1, Dr. Wang's SPV 2, Willgenpharma Ltd, Honourpharma Ltd, Ms. Wang, Ms. Wang's SPV, Gloryviewpharma Ltd, Ms. Hu and Ms. Hu's SPV as they are parties acting in concert.

7. Mr. Ze Liu is the spouse of Ms. Wang. Accordingly, Mr. Ze Liu is deemed to be interested in the Shares in which Ms. Wang is interested.

8. As at June 30, 2024, the share capital of Ms. Hu's SPV is indirectly owned by the YN Family Trust as to 99.5% and directly owned by Ms. Hu as to 0.5%. Ms. Hu is the settlor, the protector and the beneficiary of the YN Family Trust and therefore she is deemed to be interested in the shares held by Ms. Hu's SPV under the SFO. In addition, each of Ms. Hu and Ms. Hu's SPV is deemed to be interested in all Shares held by Dr. Wang, Dr. Wang's SPV 1, Dr. Wang's SPV 2, Willgenpharma Ltd, Honourpharma Ltd, Ms. Wang, Ms. Wang's SPV, Gloryviewpharma Ltd and Blesspharma Ltd as they are parties acting in concert.

9. The entire share capital of Honourpharma Ltd is directly owned by Dr. Wang. As the actual grantor under the 2021 Plan, the voting rights of the Shares held by Honourpharma Ltd are held by Ms. Wang and Ms.Hu. Accordingly, Ms. Wang and Ms. Hu are deemed to be interested in such number of Shares held by Honourpharma Ltd under the SFO. In addition, Honourpharma Ltd is deemed to be interested in all Shares held by Dr. Wang, Dr. Wang's SPV 1, Dr. Wang's SPV 2, Willgenpharma Ltd, Blesspharma Ltd, Ms. Wang, Ms. Wang's SPV, Gloryviewpharma Ltd, Ms. Hu and Ms. Hu's SPV as they are parties acting in concert.

10. Pursuant to an internal reorganization of Center Laboratories, Inc., BioEngine Capital Inc. was merged by absorption into Center Laboratories, Inc. with effect from July 8, 2022, upon which BioEngine Capital Inc.'s assets (including its 100% shareholding in BioEngine Capital Holding Limited) were assumed by Center Laboratories, Inc. BioEngine Capital Inc. was dissolved with effect from August 2, 2022. BioEngine Capital Holding Limited was renamed Center Venture Holding I Limited with effect from August 22, 2022. To the best of our Director's knowledge, Center Venture Holding I Limited (formerly known as BioEngine Capital Holding Limited) is a directly wholly owned subsidiary of Center Laboratories, Inc. Accordingly, Center Laboratories, Inc. is deemed to be interested in the shares in which Center Venture Holding I Limited is interested. In addition, since Center Laboratories, Inc. is interested in 33.23% of the interests in Fangyuan, Center Laboratories, Inc. is also deemed to be interested in the Shares held by Fangyuan Growth SPC – PCJ Healthcare Fund SP.

11. To the best of our Director's knowledge, LAV Coda Limited is wholly owned by LAV Biosciences Fund IV, L.P., a Cayman exempted limited partnership fund. The general partner of LAV Biosciences Fund IV, L.P. is LAV GP IV, L.P., whose general partner is LAV Corporate IV GP, Ltd., a Cayman company owned by Mr. Yi Shi. Therefore, under the SFO, each of LAV Biosciences Fund IV, L.P., LAV GP IV, L.P., LAV Corporate IV GP, Ltd. and Mr. Yi Shi is deemed to be interested in the Shares held by LAV Coda Limited.

    To the best of our Director's knowledge, the general partner of LAV Biosciences Fund V, L.P. is LAV GP V, L.P., whose general partner is LAV Corporate V GP, Ltd., a Cayman company owned by Mr. Yi Shi as well. Therefore, under the SFO, each of LAV Biosciences Fund V, L.P., LAV GP V, L.P., LAV Corporate V GP, Ltd. and Mr. Yi Shi is deemed to be interested in the Shares held by LAV Biosciences Fund V, L.P.

    Therefore, Mr. Yi Shi is deemed to be interested in the Shares held by both LAV Coda Limited and LAV Biosciences Fund V, L.P. LAV Asset Management (Hong Kong) Limited entered into an investment management agreement to manage Shares held by the funds.

Supplementary Information

12. Qiming Venture Partners VI, L.P. and Qiming Managing Directors Fund VI, L.P. are exempted limited partnerships registered under the laws of the Cayman Islands. Qiming GP VI, L.P. is the general partner of Qiming Venture Partners VI, L.P., whereas Qiming Corporate GP VI, Ltd. is the general partner of both Qiming GP VI, L.P. and Qiming Managing Directors Fund VI, L.P.

13. To the best of our Director's knowledge, Hillhouse Investment Management, Ltd. acts as the sole management company of Hillhouse Fund IV, L.P., which owns HH SPR-III Holdings Limited. Therefore, Hillhouse Investment Management, Ltd. is deemed to be interested in the Shares held by HH SPR-III Holdings Limited.

14. As at June 30, 2024, Dr. Wang, Willgenpharma Ltd, Yakovpharma Ltd, Johwpharma Ltd, Honourpharma Ltd, Ms. Hu, Ms. Hu's SPV, Wordspharma Ltd, Blesspharma Ltd, Gloryviewpharma Ltd, Ms. Wang and Ms. Wang's SPV are concert parties, each is deemed to be interested in aggregate interests of 221,151,750 Shares, including the Shares owned by Ms. Zhu Shen, Dr. Wang's wife, and Wordspharma Ltd, which is wholly owned by Ms. Zhu Shen. Therefore, Vistra Trust (Singapore) Pte. Limited is deemed to be interested in 221,151,750 Shares.

15. As at June 30, 2024, Dr. Wang, Willgenpharma Ltd, Yakovpharma Ltd, Johwpharma Ltd, Honourpharma Ltd, Ms. Hu, Ms. Hu's SPV, Wordspharma Ltd, Blesspharma Ltd, Gloryviewpharma Ltd, Ms. Wang and Ms. Wang's SPV are concert parties, each is deemed to be interested in aggregate interests of 221,151,750 Shares, including the Shares owned by Ms. Zhu Shen, Dr. Wang's wife, and Wordspharma Ltd, which is wholly owned by Ms. Zhu Shen. Besides, 22,932,500 Shares were directly held by Ms. Wang's SPV which is directly owned by Ultimate Estate Limited as to 99.5% and which in turn is wholly owned by Silver Summit Group Limited. Accordingly, Ultimate Estate Limited and Silver Summit Group Limited are deemed to be interested in the Shares and Ultimate Estate Limited and Silver Summit Group Limited are deemed to be interested in 221,151,750 Shares.

16. As at June 30, 2024, Dr. Wang, Willgenpharma Ltd, Yakovpharma Ltd, Johwpharma Ltd, Honourpharma Ltd, Ms. Hu, Wordspharma Ltd, Blesspharma Ltd, Gloryviewpharma Ltd, Ms. Wang and Ms. Wang's SPV are concert parties, each is deemed to be interested in aggregate interests of 221,151,750 Shares, including the Shares owned by Ms. Zhu Shen, Dr. Wang's wife, and Wordspharma Ltd, which is wholly owned by Ms. Zhu Shen. Besides, 23,081,095 Shares were directly held by Ms. Hu's SPV which is directly owned by Treasure Partner International Limited as to 99.5% and which in turn is wholly owned by Easy Sonic International Limited. Accordingly, Treasure Partner International Limited and Easy Sonic International Limited are deemed to be interested in the Shares and Treasure Partner International Limited and Easy Sonic International Limited are deemed to be interested in 221,151,750 Shares.

Save as disclosed above, as at June 30, 2024, the Company had not been notified of any persons (other than Directors or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares that were recorded in the register required to be kept under section 336 of the SFO.

STOCK INCENTIVE PLANS

The Company has two existing share schemes, namely the 2020 Stock Incentive Plan (the "**2020 Plan**") and the 2021 Stock Incentive Plan (the "**2021 Plan**"). From January 1, 2023, the Company will rely on the transitional arrangements provided for the existing share schemes and will comply with the requirements under new Chapter 17 of the Listing Rules accordingly (effective from January 1, 2023).

2020 Stock Incentive Plan

The Company adopted the 2020 Plan on March 1, 2020. A summary of the principal terms of the 2020 Plan is set out below:

Purpose

The purposes of the 2020 Plan are to attract and retain the best available personnel, to provide additional incentives to Employees, Directors of the Company or Related Entity and any person engaged by the Company or any Related Entity to render consulting or advisory services to the Company or such Related Entity.

Supplementary Information

Eligible participants

Employees, Directors of the Company or Related Entity and any person engaged by the Company or any Related Entity to render consulting or advisory services to the Company or such Related Entity. The award shall be granted in the form of option, restricted share and other right or benefit ("**2020 Awards**") under the 2020 Plan.

Maximum number of shares

The maximum aggregate number of Shares which are available to all 2020 Awards is 11,531,025 Shares (which are satisfied by existing Shares), representing approximately 1.46% of the issued Shares as of the date of this interim report. No further 2020 Awards will be granted under the 2020 Plan.

There is no maximum limit of 2020 Awards which may be granted to each grantee subject to the compliance of the Listing Rules.

Exercise period

Any 2020 Awards granted under the 2020 Plan shall be exercisable at such times and under such conditions as determined by the administrator of the 2020 Plan ("**2020 Awards Administrator**") under the terms of the 2020 Plan and specified in the respective award agreement between the Company and the grantees.

Vesting of 2020 Awards

The vesting period of 2020 Awards under the 2020 Plan shall be determined by the 2020 Awards Administrator subject to the terms of the 2020 Plan and described in the respective award agreement between the Company and the grantee.

Details of the exercise period and vesting period of individual grants are stated in the tables below.

Consideration

There is no amount payable on application or acceptance of the 2020 Awards.

Exercise price or purchase price

The exercise or purchase price, if any, for a 2020 Award shall be determined by the 2020 Awards Administrator.

Life

The 2020 Plan shall continue in effect until the tenth (10th) anniversary of March 1, 2020. The remaining life of the 2020 Plan is approximately 5 years and 5 months as of the date of this interim report.

No 2020 Awards were granted under the 2020 Plan during the Reporting Period. Details of movement of 2020 Awards under the 2020 Plan during the Reporting Period are set out below:

Grantees	Nature	Date of grant	Number of outstanding options or unvested restricted shares as at January 1, 2024	Vesting Period	Exercise Period	Purchase price	Exercise price	Options or restricted shares granted during the Reporting Period	Options exercised during the Reporting Period	Restricted shares vested during the Reporting Period	Options or restricted shares lapsed/ forfeited during the Reporting Period	Options or restricted shares cancelled during the Reporting Period	Number of options outstanding or restricted shares unvested as at June 30, 2024	Weighted average closing price of Shares immediately before date of vesting during the Reporting Period
Directors of the Company														
Dr. Wang	Restricted shares	2020/7/20	–	2020 to 2023	N/A	USD0.00002	N/A	–	N/A	–	–	–	–	–
Ms. Wang	Restricted shares	2020/7/20	–	2020 to 2023	N/A	RMB0.02	N/A	–	N/A	–	–	–	–	–
Ms. Hu	Restricted shares	2020/7/20	–	2020 to 2023	N/A	RMB0.02	N/A	–	N/A	–	–	–	–	–
Five highest paid individuals during 2023 (excluding Directors)	Options	2020/7/20	5,000,000	2020 to 2025	90 days following the 5th year anniversary of the grant date	Nil	USD0.00002[1] or USD0.8	–	–	N/A	–	–	5,000,000	N/A
Other grantees in aggregate														
Employees	Options	2022/3/25	250,000	2022 to 2024	90 days following the 5th year anniversary of the grant date	Nil	USD0.8	–	–	N/A	–	–	250,000	N/A
	Restricted shares	2020/3/1	870,135	2020 to 2025	N/A	RMB0.02	N/A	–	N/A	435,065	–	–	435,070	HK$2.65
		2020/7/20	–	2020 to 2023	N/A	USD0.00002	N/A	–	N/A	–	–	–	–	–
		2021/9/14	50,000	2021 to 2025	N/A	RMB0.02	N/A	–	N/A	–	–	–	50,000	N/A
		2022/9/16	25,000	2022 to 2024	N/A	RMB0.02	N/A	–	N/A	25,000	–	–	–	HK$2.65
		2022/12/1	934,687	2022 to 2027	N/A	RMB0.02 or Nil	N/A	–	N/A	150,313	90,000	–	694,374	HK$3.35
Total	**Options**	–	**5,250,000**	–	–	–	–	–	–	–	–	–	**5,250,000**	–
	Restricted shares	–	**1,879,822**	–	–	–	–	–	–	**610,378**	**90,000**	–	**1,179,444**	–

Notes:

1. As a result of the capitalisation issue which took place immediately before the completion of the Global Offering, the exercise price disclosed has been adjusted in proportion to the modification of the number of share options, and the modifications mentioned above did not result in any incremental fair value granted.

2. As the shares under the 2020 Plan are existing Shares, the total number of Shares available for issue under the 2020 Plan is 0. The number of shares that may be issued in respect of the 2020 Awards granted under the 2020 Plan during the Reporting Period divided by the weighted average number of Shares in issue during the Reporting Period is not applicable.

Supplementary Information

2021 Stock Incentive Plan

The Company has adopted the 2021 Plan on August 31, 2021. A summary of the principal terms of the 2021 Plan is set out below:

Purpose

The purposes of the 2021 Plan are to attract and retain the best available personnel, to provide additional incentives to Employees and to promote the success of the Company's business.

Eligible participants

Persons eligible to receive Awards under the 2021 Plan are Employees, who is in the employment of the Company or any Related Entity and is manager level or above, or considered essential for the Company's development by the Company's management team, subject to the control and direction of the Company or any Related Entity as to both the work to be performed and the manner and method of performance.

The award shall be granted in the form of hypothetical number of Shares, to be settled upon vesting in Shares, restricted share ("**RSU**") or other right or benefit granted or sold ("**2021 Awards**") under the 2021 Plan.

Administration

With respect to grants of 2021 Awards to Employees, the 2021 Plan shall be administered by the administrator, namely Ms. Xiaojie WANG and Ms. Yunyan HU, Directors of the Company, or a person designated by Ms. Xiaojie WANG and Ms. Yunyan HU (the "**Administrator**").

Maximum number of shares

The Administrator may instruct the actual grantor (being Blesspharma Ltd or Honourpharma Ltd), at any time as they deem appropriate, to purchase existing Shares on the open market utilizing consideration received in relation to the grant of 2021 Awards. Subject to the adjustments upon changes in capitalization, the maximum aggregate number of Shares which are available for all 2021 Awards is (i) 10,000,000 existing Shares, representing 1.26% of the issued Shares as of the date of this interim report; plus (ii) existing Shares purchased on the open market from time to time. No purchase of existing Shares will be made if the relevant purchase on the open market would result in the actual grantor holding in aggregate more than 1.30% of total number of issued Shares of the Company in issue as of the date of the adoption of the Plan or 10,000,000 Shares, whichever is lower. No existing Shares had been purchased on the open market during the Reporting Period and up to the date of this interim report. The number of 2021 Awards available for grant under the 2021 Plan as of January 1, 2024 and June 30, 2024 were 5,194,096 and 5,164,344, respectively. As of the date of this interim report, the total number of Shares available for grant under the 2021 Plan was 5,164,344 Shares, representing approximately 0.65% of the issued Shares of the Company.

There is no maximum limit of 2021 Awards which may be granted to each grantee subject to the compliance of the Listing Rules.

Life

The 2021 Plan shall continue in effect until the tenth (10th) anniversary of August 31, 2021. The remaining life of the 2021 Plan is approximately 6 years and 11 months as of the date of this interim report.

Supplementary Information

Vesting of 2021 Awards

The vesting period of 2021 Awards under the 2021 Plan shall be determined by the Administrator subject to the terms of the 2021 Plan and described in the respective award agreement between the Company and the grantee. Details of the vesting period of individual grants are stated in the tables below.

Purchase price

The purchase price, if any, for a 2021 Award under the 2021 Plan shall be determined by the Administrator.

Consideration

Subject to applicable laws, the consideration to be paid for the Shares to be issued upon purchase of a 2021 Award including the method of payment, shall be determined by the Administrator. In addition to any other types of consideration the Administrator may determine, the Administrator is authorized to accept as consideration for Shares issued the payment methods as provided in the award agreement. The Administrator may at any time or from time to time, by adoption of or by amendment to the standard forms of award agreement or by other means, grant 2021 Awards which do not permit all of the foregoing forms of consideration to be used in payment for the Shares or which otherwise restrict one or more forms of consideration.

For further details of the 2021 Plan, please refer to the announcements of the Company dated August 31, 2021 and October 8, 2021.

100,000 units of 2021 Awards were granted under the 2021 Plan during the Reporting Period. Details of movement of the 2021 Awards under the 2021 Plan during the Reporting Period are set out below:

Grantees	Nature	Date of grant	Number of restricted shares unvested as at January 1, 2024	Vesting Period	Purchase price[2]	Restricted shares granted during the Reporting Period [1]	Restricted shares lapsed/ forfeited during the Reporting Period	Restricted shares cancelled during the Reporting Period	Restricted shares vested during the Reporting Period	Number of restricted shares unvested as at June 30, 2024	Weighted average closing price of Shares immediately before date of vesting during the Reporting Period
Directors of the Company											
Nil											
Five highest paid individuals during the Reporting Period (excluding Directors)	Restricted shares	2022/12/1[1][2]	357,725	2022 to 2026	Nil	–	–	–	34,850	322,875	HK$3.62
Other grantees in aggregate											
Employees	Restricted shares	2022/12/1[1][2]	3,547,500	2022 to 2026	Nil	–	70,250	–	421,813	3,055,437	HK$3.62
Employees	Restricted shares	2024/6/14[2]	–	2024 to 2028	Nil	100,000[3]	–	–	–	100,000	N/A
Total	**Restricted shares**	–	**3,905,225**	–	–	**100,000**	**70,250**	–	**456,663**	**3,478,312**	–

Supplementary Information

Notes:

1. The Company has set specific performance targets for all the grantees. Performance targets for grantees in the clinical department include submitting registrational clinical trial applications and completing the first patient enrollment, and obtaining approval for the NDA of certain drug candidates. For grantees in other departments, the performance targets include obtaining approval for IND applications of various drug candidates.

2. As the shares under the 2020 Plan are existing Shares, the total number of Shares available for issue under the 2020 Plan is 0. The number of shares that may be issued in respect of the 2021 Awards granted under the 2021 Plan during the Reporting Period divided by the weighted average number of Shares in issue during the Reporting Period is not applicable.

3. The fair value of the restricted shares granted at the date of grant was HK$1.77 per share. The Company has referred to the market price of the Company's shares on the grant date to determine the total fair value of the restricted shares granted to employees, which is to be expensed over the vesting period.

USE OF PROCEEDS FROM GLOBAL OFFERING

Net proceeds from the Global Offering

Our Shares were listed on the Main Board of the Stock Exchange on December 21, 2020. Our Group received net proceeds (after deduction of underwriting commissions and related costs and expenses) from the Global Offering of approximately HK$1,421.8 million, equivalent to approximately RMB1,183.1 million including shares issued as a result of the partial exercise of the over-allotment option (the "**Net Proceeds**"). The Net Proceeds have been utilized in the manner, proportion and the expected timeframe as set out in the annual results announcement for the year ended December 31, 2022 and change in use of proceeds which was published on March 22, 2023 (the "**2022 Annual Results Announcement**") and the supplemental announcement to the 2023 Interim Report and the 2023 Annual Report of our Company which was published on August 21, 2024.

Supplementary Information

All unutilized Net Proceeds from the Global Offering as at June 30, 2024 are expected to be utilized by the end of 2025. During the six months ended June 30, 2024, approximately RMB121.8 million of the Net Proceeds had been utilized as follows:

	Original use of Net Proceeds *RMB million*	Original percentage of Net Proceeds	Revised allocation of Net Proceeds as disclosed in the 2022 Annual Results Announcement [Note] *RMB million*	Percentage of Net Proceeds after re-allocation as disclosed in the 2022 Annual Results Announcement	Unutilized Net Proceeds as at December 31, 2023 *RMB million*	Utilized Net Proceeds during the six months ended June 30, 2024 *RMB million*	Unutilized Net Proceeds as at June 30, 2024 *RMB million*
Fund registrational clinical trials and preparation for registration filings of JAB-3068 in the Territory	300.6	25%	–	–	–	–	–
Fund the clinical trials of JAB-3312 in combination with JAB-21822 and registrational clinical trials and preparation for registration filings of JAB-3312	213.0	18%	213.0	18%	74.8	56.7	18.1
Fund the set-up of our sales and marketing team and commercialization activities of JAB-3312 and JAB-21822 in China	47.3	4%	47.3	4%	47.3	–	47.3
Fund ongoing and planned clinical trials of JAB-8263	118.3	10%	118.3	10%	53.2	8.8	44.4
Fund clinical development of JAB-21822, including registrational clinical trials and preparation for NDA	254.6	22%	454.6	38%	40.2	40.2	–
For the ongoing and planned early-stage drug discovery and development, including pre-clinical and clinical development of our other pipeline assets, discovery and development of new drug candidates	107.3	9%	207.9	18%	–	–	–
Fund the planned decoration of our R&D center and construction of our inhouse GMP-compliant manufacturing facility	94.6	8%	94.6	8%	20.2	16.1	4.1
For working capital and general corporate purposes	47.4	4%	47.4	4%	–	–	–
Total	**1,183.1**	**100%**	**1,183.1**	**100%**	**235.7**	**121.8**	**113.9**

Notes:

The reasons for the changes in the proposed applications of the Net Proceeds and re-allocation of the unutilized amount of the Net Proceed as disclosed in the 2022 Annual Results Announcement are as follows:

Supplementary Information

(i) The Company's interim report for the six months ended June 30, 2022 stipulates that approximately RMB300.6 million of the Net Proceeds is originally intended to be used for funding registrational clinical trials and preparation for registration filings of JAB-3068 in the Territory. Pursuant to the collaboration agreement with AbbVie, we would perform preclinical and early global clinical development activities on SHP2 Products and manufacture (or have manufactured) SHP2 Products for use in clinical studies, in accordance with a development plan and budget. AbbVie would reimburse our costs and expenses incurred from and after July 31, 2022 which do not exceed 105% of the then-current development budget, and we would bear any costs and expenses in excess of the 105% threshold, subject to certain exceptions. Based on the progress of JAB-3068 and the foremost development of glecirasib, the Board is of the view that the removal of the proportion of the Net Proceeds to fund registrational clinical trials and preparation for registration filings of JAB-3068 in the Territory and the increase of the proportion of the Net Proceeds to fund clinical development of glecirasib and other ongoing and planned early-stage drug discovery and development is beneficial to the whole R&D progress of our Group.

(ii) The proportion of the Net Proceeds to be used in the clinical development of glecirasib has been raised from RMB254.6 million to RMB454.6 million, primarily for the purpose of investing in registrational clinical trials and preparation for NDA submission. Please refer to "Management Discussion and Analysis – Business Review" in the 2023 Annual Report for the development progress of glecirasib.

(iii) The proportion of the Net Proceeds to be used for the ongoing and planned early-stage drug discovery and development has been raised from RMB107.3 million to RMB207.9 million, primarily for the purpose of drug discovery and development of JAB-23E73, JAB-30355, JAB-26766 and our iADC programs. Please refer to "Management Discussion and Analysis – Business Review" in the 2023 Annual Report for the development progress of JAB-23E73, JAB-30355, JAB-26766 and our iADC programs.

Net Proceeds from the Subscription

For details of the Subscription, please refer to the announcements of our Company dated February 10 and 17, 2023. The Company received total net proceeds (after deduction of all applicable costs and expenses including commissions, professional fees and out-of-pocket expenses) of approximately HK$158.9 million from the Subscription, equivalent to approximately RMB139.1 million. All unutilized net proceeds from the Subscription as at June 30, 2024 are expected to be utilized by the end of 2025.

As at June 30, 2024, approximately RMB62.1 million of the net proceeds from the Subscription had been utilized as follows:

	Percentage of net proceeds	Allocation of net proceeds *RMB million*	Unutilized net proceeds as at December 31, 2023 *RMB million*	Utilized net proceeds during the six months ended June 30, 2024 *RMB million*	Unutilized net proceeds as at June 30, 2024 *RMB million*
Advancing the clinical trials of JAB-21822 (including confirmatory clinical trials)	35%	48.7	48.7	17.8	30.9
Advancing R&D of our IND-enabling pipeline products, including the development of programs such as JAB-23E73 and its iADC platforms	65%	90.4	44.3	44.3	–
Total	**100%**	**139.1**	**93.0**	**62.1**	**30.9**

Supplementary Information

EVENT AFTER THE REPORTING PERIOD

On August 30, 2024, Beijing Jacobio has entered into an exclusive out-licensing agreement with Allist regarding the research and development, manufacturing, and commercialization of glecirasib (JAB-21822), a KRAS G12C inhibitor, and JAB-3312, an allosteric SHP2 inhibitor, within Chinese Mainland, Taiwan, the Hong Kong Special Administrative Region and the Macao Special Administrative Region (the "**Territory**"). The Company retains all its rights to glecirasib and JAB-3312 outside of the Territory, where it can continue to pursue research and development for these two drugs. For details, please refer to the announcement of the Company dated August 30, 2024.

Save as disclosed in this interim report, no important events affecting the Company occurred after the reporting period and up to the date of this interim report.

On behalf of the Board
JACOBIO PHARMACEUTICALS GROUP CO., LTD.
Yinxiang WANG
Chairman

Hong Kong, August 30, 2024

Report on Review of Condensed Consolidated Financial Statements

Deloitte. 德勤

To the Board of Directors of Jacobio Pharmaceuticals Group Co., Ltd.
(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Jacobio Pharmaceuticals Group Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 47 to 67, which comprise the condensed consolidated statement of financial position as of 30 June 2024 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months period then ended, and notes to the condensed consolidated financial statements. 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 International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements 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 International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Auditing and Assurance Standards Board. A review of these condensed consolidated financial statements 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 International 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 condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

OTHER MATTER

The comparative condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flow for the six months period ended 30 June 2023 and the relevant notes to the condensed consolidated financial statements were extracted from the interim financial information of the Group for six months period ended 30 June 2023 reviewed by another auditor who expressed an unmodified conclusion on the interim financial information on 30 August 2023. The comparative condensed consolidated statement of financial position as at 31 December 2023 were extracted from the consolidated financial statements of the Group for the year ended 31 December 2023 audited by the same auditor who expressed an unmodified opinion on those statements on 28 March 2024.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong, 30 August 2024

Condensed Consolidated Statement of Profit or Loss

For the Six Months Ended 30 June 2024

	Notes	Six months ended 30 June 2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Revenue	4	–	40,335
Cost of revenue	5	–	(37,933)
Gross profit		–	2,402
Research and development expenses	5	**(176,827)**	(198,752)
Administrative expenses	5	**(21,190)**	(23,715)
Other income	6	**7,465**	822
Other gains – net	7	**4,662**	34,680
Operating loss		**(185,890)**	(184,563)
Finance income	8	**22,071**	22,053
Finance expenses	8	**(5,234)**	(3,771)
Finance income – net	8	**16,837**	18,282
Loss before income tax		**(169,053)**	(166,281)
Income tax expense	9	–	–
Loss for the period attributable to owners of the Company		**(169,053)**	(166,281)
Loss per share attributable to owners of the Company – Basic and diluted (in RMB per share)	10	**(0.22)**	(0.22)

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Six Months Ended 30 June 2024

	Six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss for the period	**(169,053)**	(166,281)
Other comprehensive (expense) income		
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations	**(248)**	49
Other comprehensive (expense) income for the period, net of tax	**(248)**	49
Total comprehensive expense attributable to owners of the Company	**(169,301)**	(166,232)

Condensed Consolidated Statement of Financial Position

As At 30 June 2024

	Notes	**As at 30 June 2024 *RMB'000* (Unaudited)**	As at 31 December 2023 *RMB'000* (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**88,118**	88,797
Right-of-use assets		**123,297**	130,806
Intangible assets		**1,204**	1,366
Long-term investments measured at fair value through profit or loss	*12, 20*	**17,996**	18,181
Other receivables and prepayments		**2,881**	2,908
Long-term bank deposits	*13*	**–**	50,013
Total non-current assets		**233,496**	292,071
Current assets			
Contract assets	*4*	**–**	9,339
Other receivables and prepayments		**19,065**	11,224
Cash and bank balances	*13*	**1,060,201**	1,147,847
Total current assets		**1,079,266**	1,168,410
Total assets		**1,312,762**	1,460,481
EQUITY			
Equity attributable to owners of the Company			
Share capital	*17*	**523**	523
Treasury shares		**(3,290)**	–
Other reserves		**4,114,727**	4,114,620
Share-based compensation reserve	*18*	**157,436**	152,027
Accumulated losses		**(3,362,852)**	(3,193,799)
Total equity		**906,544**	1,073,371

Condensed Consolidated Statement of Financial Position (Continued)

As At 30 June 2024

	Notes	**As at 30 June 2024 *RMB'000* (Unaudited)**	As at 31 December 2023 *RMB'000* (Audited)
LIABILITIES			
Non-current liabilities			
Redemption liability	*14*	**105,592**	58,817
Lease liabilities		**119,689**	121,969
Deferred income		**1,194**	1,194
Total non-current liabilities		**226,475**	181,980
Current liabilities			
Trade payables	*15*	**79,017**	81,191
Other payables and accruals		**22,218**	35,994
Borrowings	*16*	**63,806**	73,616
Lease liabilities		**14,702**	14,329
Total current liabilities		**179,743**	205,130
Total liabilities		**406,218**	387,110
Total equity and liabilities		**1,312,762**	1,460,481

The condensed consolidated financial statements on pages 47 to 67 were approved and authorised for issue by the Board of Directors on 30 August 2024 and were signed on its behalf by:

Yinxiang Wang

Xiaojie Wang

Condensed Consolidated Statement of Changes in Equity

For the Six Months Ended 30 June 2024

	Notes	Share capital *RMB'000*	Treasury shares *RMB'000*	Other reserves *RMB'000*	Share-based compensation reserve *RMB'000*	Accumulated losses *RMB'000*	Total equity *RMB'000*
Balance at 1 January 2024		**523**	**–**	**4,114,620**	**152,027**	**(3,193,799)**	**1,073,371**
Comprehensive loss							
Loss for the period		**–**	**–**	**–**	**–**	**(169,053)**	**(169,053)**
Exchange differences on translation of foreign operations		**–**	**–**	**(248)**	**–**	**–**	**(248)**
Transactions with owners							
Repurchase of shares (a)		**–**	**(3,290)**	**–**	**–**	**–**	**(3,290)**
Share-based payments	*18*	**–**	**–**	**–**	**5,409**	**–**	**5,409**
Contribution from an investor		**–**	**–**	**355**	**–**	**–**	**355**
Balance at 30 June 2024 (Unaudited)		**523**	**(3,290)**	**4,114,727**	**157,436**	**(3,362,852)**	**906,544**
Balance at 1 January 2023		510	–	3,979,524	137,170	(2,834,680)	1,282,524
Comprehensive loss							
Loss for the period		–	–	–	–	(166,281)	(166,281)
Exchange differences on translation of foreign operations		–	–	49	–	–	49
Transactions with owners							
Issue of shares	*17*	15	–	139,122	–	–	139,137
Share-based payments	*18*	–	–	–	7,298	–	7,298
Balance at 30 June 2023 (Unaudited)		525	–	4,118,695	144,468	(3,000,961)	1,262,727

(a) Pursuant to the resolutions of the shareholders passed at the annual general meeting of the Company (the "AGM") held on 7 June 2024, the Company granted a general mandate to its directors to repurchase shares of the Company not exceeding 10% of the total number of issued shares of the Company (excluding treasury shares, if any). As of 30 June 2024, 2,335,200 ordinary shares have been repurchased with par value of USD0.0001 each, with a total consideration of RMB3,290,000, at prices ranging from HKD1.51 to HKD1.86 per share.

Condensed Consolidated Statement of Cash Flows

For the Six Months Ended 30 June 2024

	Note	Six months ended 30 June 2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Operating activities			
Cash used in operations		**(183,878)**	(225,594)
Interest received		**3,453**	5,833
Net cash used in operating activities		**(180,425)**	(219,761)
Investing activities			
Purchase of property, plant and equipment		**(5,479)**	(34,376)
Purchase of intangible assets		**–**	(289)
Proceeds from disposal of property, plant and equipment		**246**	1,440
Payments for bank deposits with original maturities of over 3 months		**(924,186)**	(291,026)
Proceeds from settlement of bank deposits with original maturities of over 3 months		**946,390**	482,461
Interest received on bank deposits with original maturities of over 3 months		**26,726**	12,394
Net cash from investing activities		**43,697**	170,604
Financing activities			
Interest paid		**(3,732)**	(3,771)
Proceeds from borrowings		**59,861**	60,000
Net proceeds from issue of shares		**–**	139,137
Contribution from an investor		**45,000**	–
Repayments of borrowings		**(70,000)**	–
Principal elements of lease payments		**(2,079)**	(6,339)
Payment on repurchase of shares		**(3,290)**	–
Refund of rental deposits		**–**	303
Net cash from financing activities		**25,760**	189,330
Net (decrease)/increase in cash and cash equivalents		**(110,968)**	140,173
Cash and cash equivalents at beginning of the period		**469,155**	624,375
Effects of exchange rate changes on cash and cash equivalents		**3,621**	19,074
Cash and cash equivalents at end of the period	*13*	**361,808**	783,622

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 30 June 2024

1 GENERAL INFORMATION

JACOBIO PHARMACEUTICALS GROUP CO., LTD. (the "**Company**") was incorporated in the Cayman Islands on 1 June 2018 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 Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (collectively, the "Group") are principally engaged in research and development of new drugs.

The ordinary shares of the Company were listed on the Main Board of the Stock Exchange of Hong Kong Limited on 21 December 2020.

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

2 BASIS OF PREPARATION

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

3 PRINCIPAL ACCOUNTING POLICIES

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

Other than change in accounting policies resulting from application of amendments to IFRSs, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2024 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2023.

Application of amendments to IFRSs

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

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

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

Notes to the Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 June 2024

4 SEGMENT AND REVENUE 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 segment, has been identified as the executive directors of the Company.

(a) Description of segments

The Group is principally engaged in the research and development of new drugs. The CODM reviews the operating results of the business as one operating segment to make decisions about resources to be allocated. Therefore, the CODM regards that there is only one segment which is used to make strategic decisions.

(b) License and collaboration agreement with a customer and the termination

No revenue was generated for the six months ended 30 June 2024. For the six months ended 30 June 2023, all of the Group's revenue of RMB40,335,000 was derived from a single customer under a license and collaboration agreement as entered between the Group and that customer (the "**Agreement**"). Based on the terms of the Agreement, the Group would grant licenses of certain intellectual properties and to provide research and development services in relation to certain licensed products to this customer. The considerations of the Agreement consist of non-refundable upfront payment, reimbursements for research and development costs incurred, and variable considerations including milestone payments and royalties on net sales of the licensed products. In June 2023, the customer delivered a notice of its intent to terminate the Agreement (the "**Termination Notice**") to the Group. Both parties will collaborate to orderly transition the responsibilities under the Agreement for a period of no longer than 180 days from the date of the Termination Notice (the "**Transition Period**"). The Transition Period finally ended at 24 December 2023.

(c) An analysis of revenue from contracts with customers is as follows:

	Six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from the Agreement recognised:		
Over time	–	40,335

Notes to the Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 June 2024

4 SEGMENT AND REVENUE INFORMATION (Continued)

(d) Assets related to contracts with customers

The Group has recognised the following assets related to contracts with customers:

	As at 30 June 2024 *RMB'000* (Unaudited)	As at 31 December 2023 *RMB'000* (Audited)
Current		
Contract assets relating to the Agreement	**–**	9,339
Less: loss allowance	**–**	–
	–	9,339

5 EXPENSES BY NATURE

	Six months ended 30 June	
	2024 *RMB'000* (Unaudited)	2023 *RMB'000* (Unaudited)
Testing fee	**77,291**	97,776
Employee benefits expenses	**79,702**	92,033
Raw materials and consumables used	**14,029**	41,226
Depreciation and amortisation	**13,750**	9,956
Professional services expenses	**4,394**	4,361
Auditor's remuneration	**500**	909
Others	**8,351**	14,139
	198,017	260,400

Notes to the Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 June 2024

6 OTHER INCOME

	Six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Government grants	**7,465**	822

7 OTHER GAINS – NET

	Six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Net foreign exchange gains	**5,810**	37,750
Fair value changes on derivative financial instruments	**–**	(2,864)
Fair value changes on long-term investments measured at fair value through profit or loss	**(185)**	(645)
Disposal (loss)/gain of property, plant and equipment	**(6)**	439
Loss on remeasurement of redemption liability (Note 14)	**(957)**	–
	4,662	34,680

8 FINANCE INCOME – NET

	Six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Finance income		
– Interest income	**22,071**	22,053
Finance expenses		
– Interest costs on lease liabilities	**(2,814)**	(3,040)
– Interest costs on borrowings	**(1,247)**	(731)
– Interest costs on redemption liabilities	**(1,173)**	–
	(5,234)	(3,771)
Finance income – net	**16,837**	18,282

Notes to the Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 June 2024

9 INCOME TAX EXPENSE

(a) The Group's principal applicable taxes and tax rates are as follows:

Cayman Islands

Under the prevailing laws of the Cayman Islands, the Company is not subject to tax on income or capital gains. In addition, the Cayman Islands does not impose a withholding tax on payments of dividends by the Company to shareholders.

Hong Kong

Hong Kong profits tax rate is 8.25% for assessable profits on the first HKD2 million and 16.5% for any assessable profits in excess of HKD2 million. No Hong Kong profit tax was provided for as there was no assessable profit that was subject to Hong Kong profits tax during the six months ended 30 June 2024 and 2023.

United States

The subsidiary as incorporated in Massachusetts, United States is subject to statutory United States federal corporate income tax at a rate of 21%. It is also subject to the state corporate income tax in Massachusetts at a rate of 8.00% during the six months ended 30 June 2024 and 2023. No federal and state corporate income tax was provided for as there was no assessable profit that was subject to federal and state corporate income tax during the six months ended 30 June 2024 and 2023.

Mainland China

Pursuant to the PRC Enterprise Income Tax Law and the respective regulations, the subsidiaries which operate in Mainland China are subject to enterprise income tax at a rate of 25% on the taxable income.

Pursuant to the relevant laws and regulations, a subsidiary of the Company has been eligible as a High/New Technology Enterprise which is subject to a tax concession rate of 15% during the six months ended 30 June 2024 and 2023.

According to the relevant laws and regulations promulgated by the State Administration of Taxation of the PRC, enterprise engaging in research and development activities are entitled to claim 200% of their research and development expenditures, as tax deductible expenses when determining their assessable profits for that year. No PRC enterprise income tax was provided for as there was no assessable profit that was subject to PRC enterprise income tax during the six months ended 30 June 2024 and 2023.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 June 2024

10 LOSS PER SHARE

(a) Basic loss per share

Basic and diluted loss per share are presented as follows.

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.

	Six months ended 30 June	
	2024	2023
	(Unaudited)	(Unaudited)
Loss attributable to owners of the Company for the period (RMB'000)	**(169,053)**	(166,281)
Weighted average number of fully paid ordinary shares in issue (in thousands) (i)	**776,652**	769,773
Basic loss per share (in RMB per share)	**(0.22)**	(0.22)

(i) Movement in fully paid ordinary shares of the Company for the periods are shown in Note 17.

As at 30 June 2024, 15,499,601 shares in relation to outstanding share options, ungranted or unvested restricted shares under employee incentive plans have not been included in the calculation of basic loss per share (30 June 2023: 17,702,874 shares).

(b) Diluted loss per share

The Group had potential dilutive shares throughout the six months ended 30 June 2024 and 2023 in connection with the share options and restricted shares as granted by the Group to its employees in the past. Due to the Group's losses for the six months ended 30 June 2024 and 2023, these potential dilutive shares are anti-dilutive and hence the Group's diluted loss per share equals to its basic loss per share.

11 DIVIDEND

No dividend has been paid, declared or proposed by the Company for the six months ended 30 June 2024 (six months ended 30 June 2023: Nil). The directors of the Company have determined that no dividend will be paid in respect of the interim period.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 June 2024

12 LONG-TERM INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2024 *RMB'000* (Unaudited)	As at 31 December 2023 *RMB'000* (Audited)
Non-current assets		
Preferred shares investment in an associate	**11,053**	11,339
Preferred shares investment in an investee	**6,943**	6,842
	17,996	18,181

The investees of these preferred shares investments are principally engaged in research and development in biotechnology industry, and the major valuation techniques and assumptions used to determine fair values of these long-term investments measured at fair value through profit or loss are disclosed in Note 20.

13 CASH AND BANK BALANCES

The Group's cash and cash equivalents and other cash and bank balances are analysed as below:

	As at 30 June 2024 *RMB'000* (Unaudited)	As at 31 December 2023 *RMB'000* (Audited)
Cash and bank balances	**1,060,201**	1,147,847
Less: Bank deposits with original maturities of over 3 months	**(693,672)**	(723,984)
Less: Restricted bank deposits (a)	**(4,721)**	(4,721)
	361,808	419,142
Less: Long-term bank deposits (non-current portion)	**–**	50,013
Cash and cash equivalents	**361,808**	469,155

(a) Restricted bank deposits are the deposits for performance guarantees of contracts.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 June 2024

14 REDEMPTION LIABILITY

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Redemption liability at amortised cost (a)	**105,592**	58,817

(a) Pursuant to a capital increase agreement of Beijing Jacobio dated 30 June 2023 (the "**Investment Agreement**"), a third party, Beijing E-town International Investment & Development Co., Ltd. (the "**Investor**") proposed to invest an aggregate amount of RMB150 million to subscribe for 3.03% of the registered capital of Beijing Jacobio. Payment for the subscription consideration will be made in cash in three instalments based on the milestones of Beijing Jacobio's research and development activities. As at 30 June 2024, Beijing Jacobio has received the first instalment of RMB60 million and the second instalment of RMB45 million.

Pursuant to the Investment Agreement, Beijing Jacobio is obligated to redeem the equity interests held by the Investor at the end of five-year period commencing on the date of the receipt of proceeds (the "**Investment Period**"), and has an option to redeem it at any time prior to the expiry of the Investment Period. The redemption price is the original investment principals plus interests calculated in accordance with terms of the Investment Agreement. The Investment Agreement was treated as a forward contract with fixed redemption price and the risks and rewards associated with ownership of the related equity investments in Beijing Jacobio had been transferred to the Group.

The Investment Agreement that contained an obligation for Beijing Jacobio to purchase its own equity instruments in cash gave rise to a financial liability recognised initially at the present value of the redemption amount and subsequently measured at amortised cost. A discount rate of 3.45% was applied to determine the present value of the redemption liability. The difference between the initial recognition amount of the redemption liability and the consideration paid by the Investor was recorded in other reserve.

As of 30 June 2024, management re-evaluated its funding demand based on the progress of related projects and determined to change the estimated redemption time and recognised the remeasurement loss of RMB957,000 in other gains – net.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 June 2024

15 TRADE PAYABLES

The aging analysis of trade payables based on the invoice date is as follows:

	As at 30 June 2024 *RMB'000* (Unaudited)	As at 31 December 2023 *RMB'000* (Audited)
Less than 1 year	**79,017**	81,191

16 BORROWINGS

	As at 30 June 2024 *RMB'000* (Unaudited)	As at 31 December 2023 *RMB'000* (Audited)
Current liabilities		
Unsecured short-term bank loans	**63,806**	73,616

As at 30 June 2024, the unsecured bank loans of the Group were repayable within 1 year and bear interests at rates ranging from 3.15% to 4.00% (As at 31 December 2023: from 3.10% to 3.90%) per annum.

17 SHARE CAPITAL

	Number of ordinary shares	**Nominal value of ordinary shares** *USD'000*
Authorised:		
As at 31 December 2023, 1 January 2024 and 30 June 2024	1,000,000,000	100

Notes to the Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 June 2024

17 SHARE CAPITAL (Continued)

	Number of ordinary shares	Share capital	
		USD'000	*RMB'000*
Issued and fully paid:			
As at 1 January 2024	**791,755,080**	**78**	**523**
As at 30 June 2024 (Unaudited)	**791,755,080**	**78**	**523**
As at 1 January 2023	771,462,180	76	510
Issue of share (a)	22,100,100	2	15
As at 30 June 2023 (Unaudited)	793,562,280	78	525

(a) The Company completed the placing of existing shares to certain investors and the subscription of new shares by top-up vendor on 14 February 2023 and 17 February 2023 respectively. For these shares placement and subscription, the Company issued 22,100,100 ordinary shares with par value of USD0.0001 each at a price of HKD7.26 per share. Accordingly, amount of approximately USD2,000 (equivalent to approximately RMB15,000) are credited to share capital and the remaining proceeds (net of share issuance costs) of approximately RMB139,122,000 are credited to capital reserve.

18 SHARE-BASED PAYMENTS

The Group has adopted three employee incentive plans in 2017, 2020 and 2021, respectively. These incentive plans were designed to provide incentives to employees, and shall be valid and effective for ten years commencing on each adoption date.

2017 employee incentive plan ("2017 Plan") and its modification

In 2017, participants were granted share options of a subsidiary of the Company under the 2017 Plan. In 2020, the same group of participants were granted restricted shares at a consideration of RMB0.02 per share, taking place of the share options granted under 2017 Plan ("Modification of 2017 Plan"). No further options or restricted shares would be granted under the 2017 Plan and its modification.

2020 employee incentive plan ("2020 Plan")

Restricted shares which had been granted under the 2020 Plan shall vest during the period from 2022 to 2027 if certain service conditions and/or non-market performance conditions are met.

Share options of Willgenpharma Ltd, an employee incentive platform of the Group, which had been granted under the 2020 Plan shall vest in 2024 if certain non-market performance conditions are met. The share options vested are exercisable during the exercise period pursuant to the stock option award agreements. When the options are exercised, participants will hold the ordinary shares of the Company indirectly.

No restricted share or share option was granted under the 2020 Plan during the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

Notes to the Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 June 2024

18 SHARE-BASED PAYMENTS (Continued)

2021 employee incentive plan ("2021 Plan")

Restricted shares which had been granted under the 2021 Plan shall vest during the period from 2023 to 2028 if certain service conditions and non-market performance conditions are met.

100,000 units of 2021 Awards were granted under the 2021 Plan on 14 June 2024 during the six months ended 30 June 2024 (six months ended 30 June 2023: Nil) . The fair value of the restricted shares granted during the period was determined based on the price of the Company's shares traded on the Hong Kong Stock Exchange on the grant date on 14 June 2024, which was HKD1.77 per share.

As at 30 June 2024, 5,164,344 shares have not been granted under the existing employee incentive plans (six months ended 30 June 2023: 5,336,908 shares). The summaries of share options and restricted shares under employee incentive plans are disclosed below.

(a) Share options

Set out below are the summaries of share options granted under the employee incentive plans:

	Six months ended 30 June			
	2024		2023	
	Exercise price per option	**Number of options**	Exercise price per option	Number of options
As at 1 January	**USD0.00002 or USD0.8 (i), USD0.8**	**5,250,000**	USD0.00002 or USD0.8 (i), USD0.8	5,250,000
Granted during the period		**–**	–	–
Exercised during the period		**–**	–	–
Forfeited during the period		**–**	–	–
As at 30 June	**USD0.00002 or USD0.8 (i), USD0.8**	**5,250,000**	USD0.00002 or USD0.8 (i), USD0.8	5,250,000
Exercisable as at 30 June		**–**		–

Notes to the Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 June 2024

18 SHARE-BASED PAYMENTS (Continued)

(a) Share options (Continued)

No options expired during the six months ended 30 June 2024 and 2023. Share options outstanding at the end of the period have the following expiry date and exercise prices:

Expiry date	Exercise price	Share options	
		As at 30 June 2024	As at 30 June 2023
90 days following the 5th year anniversary of the grant dates of each batch	USD0.00002 or USD0.8(i), USD0.8	**5,000,000**	5,000,000
		250,000	250,000
		5,250,000	5,250,000
Weighted average remaining contractual life of options outstanding at end of period		**1.31 years**	2.31 years

(i) The exercise price of these share options is USD0.00002 per option and shall be adjusted to USD0.8 per option retrospectively if certain service conditions are not met.

(b) Restricted shares

Set out below are the summaries of restricted shares granted under the employee incentive plans:

	Number of restricted shares Six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited)
As at 1 January	**5,785,047**	8,996,560
Granted during the period	**100,000**	–
Vested during the period	**(1,067,041)**	(1,313,686)
Forfeited during the period	**(160,250)**	(566,908)
As at 30 June	**4,657,756**	7,115,966

Notes to the Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 June 2024

18 SHARE-BASED PAYMENTS (Continued)

(c) Expenses arising from share-based payment transactions

	Six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
2020 Plan	**3,307**	3,355
2021 Plan	**2,102**	3,943
	5,409	7,298

As at 30 June 2024, the accumulated expenses arising from share-based payment transactions amounting to RMB157,436,000 were recognised in the share-based compensation reserve (30 June 2023: RMB144,468,000).

19 COMMITMENTS

(a) Capital commitments

The following is the details of capital expenditure contracted for but not provided in the interim financial information.

	As at	As at
	30 June	31 December
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Contracted but not provided for property, plant and equipment	**8**	71

Notes to the Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 June 2024

20 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value relevant estimation

The fair value of financial instruments is determined (in particular, the valuation technique and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Level 3), based on the degree to which the inputs to the fair value measurements is observable.

The Group measures its following financial instruments at fair value at the end of the reporting period:

Financial assets	Fair value as at 30 June 2024 ***RMB'000***	Fair value as at 31 December 2023 *RMB'000*	Fair value hierarchy	Valuation technique and key input	Significant unobservable input
Long-term investments measured at fair value through profit or loss	**17,996**	18,181	Level 3	– Black-Scholes option pricing model based on observable inputs; and – Back-solve method and equity allocation model based on a combination of observable and unobservable inputs.	– Expected volatility; – Discount for lack of marketability;

The management considers that any reasonable changes in the significant unobservable inputs would not result in a significant change in the Group's fair value of financial assets, accordingly, no sensitivity analysis is presented.

Reconciliation of Level 3 fair value measurements of long-term investments measured at fair value through profit or loss:

	Six months ended 30 June	
	2024 ***RMB'000*** **(Unaudited)**	2023 *RMB'000* (Unaudited)
As at 1 January	**18,181**	25,421
Changes in fair value	**(185)**	(645)
As at 30 June	**17,996**	24,776

The management considers that the carrying amounts of financial assets and financial liabilities measured at amortised cost in the condensed consolidated financial statements approximate their fair values.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 June 2024

21 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 if they are subject to common control. Members of key management and their close family member of the Group are also considered as related parties.

(a) Name and relationship with related parties

Name of related party	Nature of relationship
Hebecell	Associate of the Group

There is no significant transactions carried out between the Group and its related parties in the ordinary course of business during the six months ended 30 June 2024 and 2023.

(b) Key management compensation

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

	Six months ended 30 June	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Salaries and other short-term employee benefits	**6,233**	5,527
Share-based compensation expenses	**2,100**	3,282
	8,333	8,809

Definitions and Glossary

"1L"	with respect to any disease, the first line therapy, which is the treatment regimen or regimens that are generally accepted by the medical establishment for initial treatment
"2L"	with respect to any disease, the therapy or therapies that are tried when the first-line treatments do not work adequately
"3L"	with respect to any disease, the therapy or therapies that are tried when the first-line treatments and the second-line treatments do not work adequately
"2020 Plan"	The 2020 Stock Incentive Plan adopted by the Company on March 1, 2020
"2021 Plan"	the 2021 stock incentive plan adopted by the Board on August 31, 2021, as amended, supplemented or otherwise modified from time to time
"2023 AACR"	American Association for Cancer Research Annual Meeting 2023 held in Orlando, the U.S. in April 2023
"2023 JCA-AACR Conference"	The Second Japanese Cancer Association-American Association for Cancer Research Precision Cancer Medicine International Conference held in Kyoto, Japan in June 2023
"2024 AACR"	American Association for Cancer Research Annual Meeting 2024 held in San Diego, the U.S. in April 2024
"2024 ASCO"	2024 American Society of Clinical Oncology Annual Meeting held in Chicago, the U.S. in May to June 2024
"2024 ASCO GI"	2024 American Society of Clinical Oncology Gastrointestinal Cancers Symposium held in San Francisco, the U.S. in January 2024
"2024 EHAC"	European Hematology Association Congress held in Madrid, Spain in June 2024
"AbbVie"	AbbVie Ireland Unlimited Company, a company with unlimited liability incorporated under the laws of Ireland on July 19, 2020, which is a wholly-owned subsidiary of AbbVie Inc. (NYSE: ABBV) and an Independent Third Party
"ADC(s)"	antibody-drug conjugate(s)
"Allist"	Allist Pharmaceuticals Co., Ltd.* (上海艾力斯醫藥科技股份有限公司), a limited liability company established in China and listed on Shanghai Stock Exchange (SHSE) (SHSE stock code: 688578)
"Articles of Association"	articles of association of the Company
"AML"	acute myeloid leukemia, a type of cancer that progress rapidly and aggressively and affects the bone marrow and blood

Definitions and Glossary

"Audit Committee"	audit committee of the Board
"Beijing Jacobio"	Jacobio Pharmaceuticals Co., Ltd. (北京加科思新藥研發有限公司), a limited liability company incorporated under the laws of PRC on July 17, 2015, being an indirect non-wholly owned subsidiary of our Company
"BET"	bromodomain and extra-terminal motif; BET proteins (including BRD2, BRD3, BRD4, and BRDT) interact with acetylated lysine residues in histone to regulate gene expression and promote aberrant expression of many oncogenes
"Blesspharma Ltd"	a limited company incorporated in the BVI on July 27, 2020, which is an employee incentive platform of our Company
"Board"	board of Directors
"BTD"	breakthrough therapy designation
"CD73"	ecto-5'-nucleotidase, a surface-expressed enzyme that hydrolyzes adenosine monophosphate into adenosine; CD73 is an immunosuppressive molecule that can be therapeutically targeted to restore effector T cell function
"CDE"	the Center for Drug Evaluation of NMPA (中華人民共和國國家藥品監督管理局藥品評審中心)
"CDMO"	contract development and manufacturing organization, a company that mainly provides CMC and manufacturing services in the pharmaceutical industry
"CDX"	cell line-derived xenograft, a model used for the research and testing of anti-cancer therapies; human cell lines are implanted into immune-deficient mice to test the efficacy of antitumor compounds in vivo
"CG Code"	Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"China" or "PRC"	the People's Republic of China excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region and Taiwan, China
"CMC"	chemistry, manufacturing and controls processes, including manufacturing techniques, impurities studies, quality controls and stability studies
"Company" or "our Company"	JACOBIO PHARMACEUTICALS GROUP CO., LTD. (加科思藥業集團有限公司), an exempted company with limited liability incorporated under the laws of the Cayman Islands on June 1, 2018 (formerly known as JACOBIO (CAY) PHARMACEUTICALS CO., LTD.), the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1167)

Definitions and Glossary

"Core Product(s)"	has the meaning ascribed thereto in Chapter 18A of the Listing Rules
"CRC"	colorectal cancer, a type of cancer arising from the colon or rectum
"CXCL(s)"	chemokine (C-X-C motif) ligand(s)
"DCR"	disease control rate, the total proportion of patients who demonstrate a response to treatment, equal to the sum of complete responses, partial responses and stable disease
"Director(s)"	director(s) of our Company
"DON"	6-Diazo-5-oxo-L-norleucine
"Dr. Wang"	Dr. Yinxiang WANG, chairman of the Board and executive Director
"Dr. Wang's SPV 1"	Yakovpharma Ltd, a limited liability company incorporated under the laws of the BVI which is wholly owned by Dr. Yinxiang Wang
"Dr. Wang's SPV 2"	Johwpharma Ltd, a limited liability company incorporated under the laws of the BVI which is indirectly wholly owned by Dr. Yinxiang Wang and Ms. Zhu Shen, the spouse of Dr. Wang
"EGFR"	epidermal growth factor receptor
"Employee"	any person, who is in the employ of our Company or any Related Entity and is manager level or above, or considered essential for our Company's development by the Company's management team, subject to the control and direction of our Company or any Related Entity as to both the work to be performed and the manner and method of performance. The payment of a director's fee by our Company or a Related Entity shall not be sufficient to constitute "employment" by our Company
"ESOP Platforms"	Willgenpharma Ltd, Gloryviewpharma Ltd, Honourpharma Ltd and Blesspharma Ltd
"G13D"	a hotspot mutation in the KRAS protein (glycine to aspartic acid at amino acid position 13)
"GDP"	guanosine diphosphate
"GI"	gastrointestinal
"Global Offering"	the offer of Shares for subscription as described in the Prospectus
"GMP"	good manufacturing practice

Definitions and Glossary

"Group," "our Group," "we," "us" or "our"	our Company and all of its subsidiaries, or any one of them as the context may require or, where the context refers to any time prior to its incorporation, the business which its predecessors or the predecessors of its present subsidiaries, or any one of them as the context may require, were or was engaged in and which were subsequently assumed by it
"GTP"	guanosine triphosphate
"GTPases"	a large family of hydrolase enzymes that bind to the nucleotide GTP and hydrolyze it to GDP
"HCC"	hepatocellular carcinoma, a type of cancer arising from hepatocytes
"HER2"	receptor tyrosine-protein kinase erbB-2, a protein that normally resides in the membranes of cells and is encoded by the ERBB2 gene
"HK$" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"HNSCC"	head and neck squamous cell carcinoma
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"HPAC"	human pancreatic adenocarcinoma
"HRAS"	HRas proto-oncogene, a gene providing instructions for making a protein called H-Ras that is involved primarily in regulating cell division
"iADC"	immunostimulatory antibody-drug conjugate
"IC_{50}"	the half maximal inhibitory concentration, which is a measure of the potency of a substance in inhibiting a specific biological or biochemical function
"ICI(s)"	immune checkpoint inhibitor(s)
"IFN(s)"	type I interferon(s)
"IFRS"	International Financial Reporting Standards
"IND"	investigational new drug or investigational new drug application, also known as clinical trial application in China
"Independent Third Party"	a person or entity who is not a connected person of our Company under the Listing Rules

Definitions and Glossary

"Jacobio HK"	JACOBIO (HK) PHARMACEUTICALS CO., LIMITED (加科思(香港)藥業有限公司), a limited liability company incorporated under the laws of Hong Kong on July 3, 2018, being a direct wholly-owned subsidiary of our Company
"KRAS"	Kirsten rat sarcoma 2 viral oncogene homolog, a signal transducer protein, which plays an important role in various cellular signaling events such as in regulation of cell proliferation, differentiation and migration
"KRAS G12X-mutant"	multiple mutant forms at codon-12 of the KRAS protein
"LIF"	leukemia inhibitory factor
"Listing"	the listing of our Company on the Main Board of the Stock Exchange on December 21, 2020
"Listing Date"	December 21, 2020, being the date on which the Offer Shares were listed and dealings in the Offer Shares first commenced 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
"LMS"	leiomyosarcoma, a type of rare cancer that grows in the smooth muscles
"LoVo"	a colorectal cancer cell line
"LS513"	a colorectal cancer cell line
"MAH"	marketing authorization holder in China, being a company or drug research institution which has obtained a drug registration certificate from NMPA
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
"MF"	myelofibrosis, one of a collection of progressive blood cancers known as myeloproliferative neoplasms
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"mOS"	median overall survival
"mPFS"	median progression-free survival
"Ms. Hu"	Ms. Yunyan Hu (胡雲雁), our executive Director, Executive Vice President
"Ms. Hu's SPV"	Hmed Ltd, a limited liability company incorporated under the laws of the BVI which is wholly owned by Ms. Yunyan Hu

Definitions and Glossary

"Ms. Wang"	Ms. Xiaojie Wang (王曉潔), our executive Director, President of Administration
"Ms. Wang's SPV"	Risepharma Ltd, a limited liability company incorporated under the laws of the BVI which is wholly owned by Ms. Xiaojie Wang
"MYC"	a family of regulator genes and proto-oncogenes that code for transcription factors
"NCI-H441"	a lung cancer cell line
"NDA"	new drug application
"nM"	nanomolar
"NMPA"	the National Medical Product Administration of the PRC (中華人民共和國國家藥品監督管理局)
"Nomination Committee"	the nomination committee of the Board
"NRAS"	neuroblastoma RAS viral oncogene homolog, which provides instructions for making a protein called N-Ras that is involved primarily in regulating cell division
"NSCLC"	non-small cell lung cancer
"ORR"	overall response rate or objective response rate
"OS"	overall survival
"p53"	a type of tumor suppressor gene
"p53 Y220C"	a common mutation (tyrosine at 220th residue is substituted by cysteine) that plays a major role in cancer progression
"PARP"	poly ADP ribose polymerase
"PARP1/2" and "PARP7"	members of the PARP enzymes
"PD-1"	programmed cell death protein 1, an immune checkpoint receptor expressed on T cells, B cells and macrophages. The normal function of PD-1 is to turn off the T cell-mediated immune response as part of the process that stops a healthy immune system from attacking other pathogenic cells in the body. When PD-1 on the surface of a T cell attaches to certain proteins on the surface of a normal cell or a cancer cell, the T cell turns off its ability to kill the cell

Definitions and Glossary

"PD-(L)1"	PD-1 ligand 1, a protein on the surface of a normal cell or a cancer cell that attaches to certain proteins on the surface of the T cell that causes the T cell to turn off its ability to kill the cancer cell
"PDAC"	pancreatic ductal adenocarcinoma cancer
"PDX"	patient-derived xenografts, a model of cancer where the tissue or cells from a patient's tumor are implanted into an immune-deficient or humanized mouse
"Phase I"	a clinical study in which a drug is introduced into healthy human subjects or patients with the target disease or condition and tested for safety, dosage tolerance, absorption, metabolism, distribution, excretion, and if possible, to gain an early indication of its effectiveness
"Phase I/IIa"	a clinical study that tests the safety, side effects, and best dose of a new treatment conducted in target patient population with selected dose levels; Phase I/IIa study also investigates how well a certain type of disease responds to a treatment; in the Phase IIa part of the study, patients usually receive multiple dose levels and often include the highest dose of treatment that did not cause harmful side effects in the Phase Ia part of the study; positive results will be further confirmed in a Phase IIb or Phase III study
"Phase II"	a clinical study in which a drug is administered to a limited patient population to identify possible adverse effects and safety risks to preliminarily evaluate the efficacy of the product for specific targeted diseases and to determine dosage tolerance and optimal dosage
"Phase III"	a clinical study in which a drug is administered to an expanded patient population generally at geographically dispersed clinical trial sites, in well-controlled clinical trials to generate enough data to statistically evaluate the efficacy and safety of the product for approval, to provide adequate information for the labeling of the product
"PK"	Pharmacokinetics (PK) describes the absorption, distribution, metabolism, and excretion (also known as ADME) of drugs in the body
"Prospectus"	the prospectus of our Company dated December 9, 2020 issued in connection with the Global Offering
"Q61H"	specific variations in the KRAS protein
"QD"	once daily
"R&D"	research and development

Definitions and Glossary

"RAS"	a low-molecular-weight GDP/GTP-binding guanine triphosphatase, which is a prototypical member of the small-GTPase superfamily
"RB"	retinoblastoma protein
"Related Entity"	any parent or subsidiary of the Company and any business, corporation, partnership, limited liability company or other entity in which the Company or a parent or a subsidiary of the Company holds a substantial ownership interest, directly or indirectly
"Remuneration Committee"	the remuneration committee of the Board
"Renminbi" or "RMB"	Renminbi, the lawful currency of the PRC
"Reporting Period"	the six months ended June 30, 2024
"RKN"	a sarcoma cell line
"RP2D"	recommended Phase II dose
"SCLC"	small cell lung cancer
"SFO"	the 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) with a nominal value of US$0.0001 each in the share capital of our Company
"Shareholder(s)"	holder(s) of the Share(s)
"SHP2"	Src homology region 2 domain-containing phosphatase-2, a protein tyrosine phosphatase acting as a key regulator in the RAS signaling pathway
"SK-OV-3"	an ovarian cancer cell line with epithelial-like morphology
"sqNSCLC"	squamous non-small cell lung cancer
"STING"	stimulator of interferon genes protein
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription"	subscription of 22,100,100 Shares by the top-up vendor pursuant to the placing and subscription agreement entered into among our Company, the top-up vendor and the placing agent on February 10, 2023, details of which are set out in the announcements of our Company dated February 10 and 17, 2023
"SVR"	spleen volume reduction

Definitions and Glossary

"TAA(s)"	tumor-associated antigen(s)
"TBK1"	TANK-binding kinase 1
"TNBC"	triple-negative breast cancer, a breast cancer that tests negative for expression of estrogen receptors, progesterone receptors, and HER2 protein
"TRAE(s)"	treatment-related adverse event(s)
"TSS"	total symptom score
"U.S."	the United States of America
"U.S. FDA"	U.S. Food and Drug Administration
"US$" or "USD"	U.S. dollars, the lawful currency of the U.S.
"%"	per cent