ANTENGENE

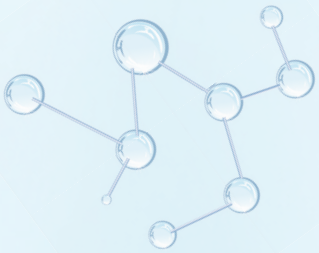
德琪醫藥有限公司
Antengene Corporation Limited

2021

INTERIM REPORT

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 6996

CONTENTS



CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Dr. Jay Mei *(Chairman and Chief Executive Officer)*
Mr. John F. Chin *(Chief Business Officer)*
Dr. Kevin P. Lynch *(Chief Medical Officer)*
(appointed on June 18, 2021)
Mr. Donald A. Lung *(Chief Financial Officer)*
(appointed on June 18, 2021)
Mr. Yiteng Liu *(Chief Operating Officer)*
(retired on June 18, 2021)

Non-executive Directors

Mr. Yanling Cao
Dr. Kan Chen (appointed on March 26, 2021)
Mr. Xubo Hu (resigned on March 26, 2021)
Mr. Zhen Li (retired on June 18, 2021)

Independent Non-executive Directors

Mr. Mark J. Alles
Ms. Jing Qian
Mr. Sheng Tang

AUDIT COMMITTEE

Mr. Sheng Tang *(Chairman)*
Mr. Mark J. Alles
Ms. Jing Qian

REMUNERATION COMMITTEE

Ms. Jing Qian *(Chairwoman)*
Dr. Jay Mei
Mr. Mark J. Alles

NOMINATION AND CORPORATE GOVERNANCE COMMITTEE

Mr. Mark J. Alles *(Chairman)*
Dr. Jay Mei
Ms. Jing Qian

AUTHORIZED REPRESENTATIVES

Dr. Jay Mei
Mr. Donald A. Lung

JOINT COMPANY SECRETARIES

Mr. Yang Cao
Mr. Keith Shing Cheung Wong

REGISTERED OFFICE

The offices of Maples Corporate Services Limited
PO Box 309, Ugland House
Grand Cayman, KY1-1104
Cayman Islands

HEAD OFFICES AND PRINCIPAL PLACES OF BUSINESS IN CHINA

Suites 1206-1209, Block B
Zhongshan SOHO Plaza
1065 West Zhongshan Road
Changning District
Shanghai
PRC

Building 10, Life Science Industrial Park
1 Yunhai Road
Lihai Town, Binhai New City
Shaoxing, Zhejiang Province
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room No. 901, 9th Floor, Nan Fung Tower
88 Connaught Road Central and
173 Des Voeux Road Central
Hong Kong

PRINCIPAL SHARE REGISTRAR

Maples Fund Services (Cayman) Limited
P.O. Box 1093, Boundary Hall
Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

HONG KONG SHARE REGISTRAR

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

FINANCIAL HIGHLIGHTS

A summary of the results of Antengene Corporation Limited (the "**Company**" or "**Antengene**", together with its subsidiaries, the "**Group**", "**we**" or "**us**") for the six months ended June 30, 2021 (the "**Reporting Period**"), together with comparative figures for the six months ended June 30, 2020, is set out below:

	For the six months ended June 30,	
	2021	2020
	RMB' 000	RMB' 000
	(Unaudited)	(Audited)
Other income and gains	**18,135**	19,366
Research and development costs	**(135,333)**	(169,888)
Administrative expenses	**(78,512)**	(68,681)
Fair value loss on convertible redeemable preferred shares*	**–**	(317,363)
Loss for the period	**(232,995)**	(537,747)
Total comprehensive loss for the period	**(227,685)**	(537,747)
Adjusted loss for the period**	**(209,860)**	(136,520)

* This represents the loss on the fair value changes of convertible redeemable preferred shares, a non-cash and one-time adjustment recognised upon listing as required under the International Financial Reporting Standards ("**IFRSs**").

** Adjusted loss for the period is not defined under the IFRS, it represents the loss for the period excluding the effect brought by equity-settled share option expense, share issue expenses and fair value loss on convertible redeemable preferred shares.

IFRS MEASURES:

- Our other income and gains decreased by RMB1.3 million from RMB19.4 million for the six months ended June 30, 2020 to RMB18.1 million for the six months ended June 30, 2021, primarily attributable to the absence of RMB10.5 million of net foreign exchange gains that was recorded for the six months ended June 30, 2020 and the increase of the income of pharmaceutical products, government grants and bank interest.

- Our research and development costs decreased by RMB34.6 million from RMB169.9 million for the six months ended June 30, 2020 to RMB135.3 million for the six months ended June 30, 2021, primarily attributable to decreased licensing fees and equity-settled share option expense, partially offset by our increased clinical-related fees and expansion of R&D personnel.

- Our administrative expenses increased by RMB9.8 million from RMB68.7 million for the six months ended June 30, 2020 to RMB78.5 million for the six months ended June 30, 2021, primarily attributable to (i) the slight decrease in employee costs due to decreased equity-settled share option expense, partially offset by expansion of our non-R&D personnel; and (ii) the increase of professional fees.

- Fair value loss on convertible redeemable preferred shares decreased from RMB317.4 million for the six months ended June 30, 2020 to nil for the six months ended June 30, 2021, as the Group had no preferred shares outstanding as of June 30, 2021.

- The loss for the period decreased by RMB304.7 million from RMB537.7 million for the six months ended June 30, 2020 to RMB233.0 million for the six months ended June 30, 2021, primarily attributable to the decrease in the fair value loss on convertible redeemable preferred shares of RMB317.4 million.

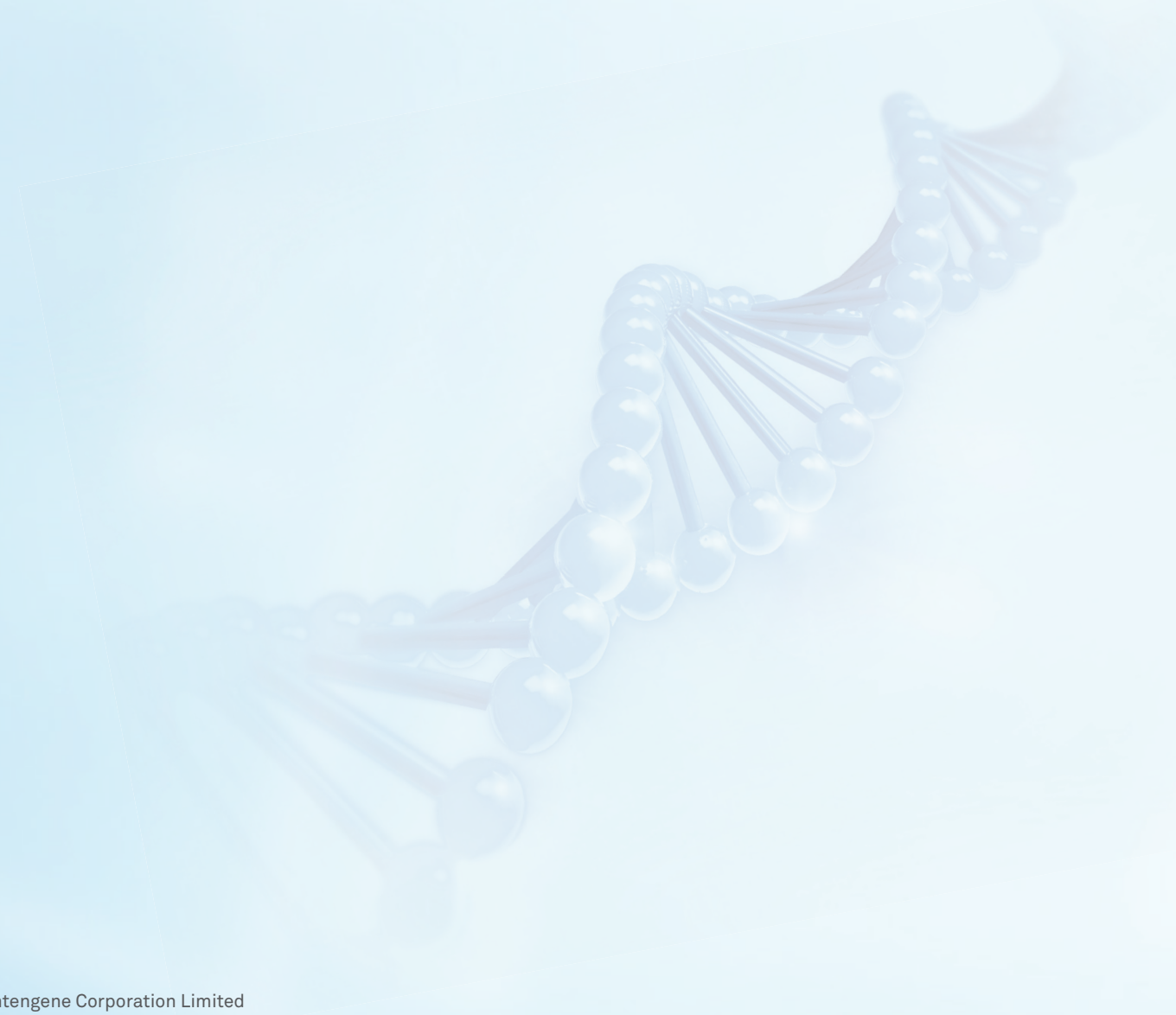
FINANCIAL HIGHLIGHTS

NON-IFRS MEASURES:

Research and development costs excluding the equity-settled share option expense decreased by RMB5.2 million from RMB131.1 million for the six months ended June 30, 2020 to RMB125.9 million for the six months ended June 30, 2021, primarily attributable to decreased licensing fees, partially offset by our increased clinical-related fees and expansion of R&D personnel.

Administrative expenses excluding the equity-settled share option expense and share issue expenses increased by RMB41.2 million from RMB23.6 million for the six months ended June 30, 2020 to RMB64.8 million for the six months ended June 30, 2021, primarily attributable to the increase in employee costs and professional fees in relation to operating and administrative activities.

Loss for the period excluding the effect brought by equity-settled share option expense, share issue expenses and fair value loss on convertible redeemable preferred shares increased by RMB73.4 million from RMB136.5 million for the six months ended June 30, 2020 to RMB209.9 million for the six months ended June 30, 2021, primarily due to the increase in administrative expenses and research and development costs excluding licensing fees.



BUSINESS HIGHLIGHTS

During the six months ended June 30, 2021, and as of the date of this report, significant advancement has been made with respect to our product pipeline and business operations:

LATE-STAGE ASSETS:

- Selinexor (ATG-010, first-in-class XPO1 inhibitor)
  - On January 25, 2021, we received the approval of the investigational new drug ("**IND**") application by the National Medical Products Administration ("**NMPA**") for selinexor in combination with rituximab, gemcitabine, dexamethasone and cisplatin ("**SR-GDP**") for the treatment of rrDLBCL in a global Phase II/III study (the "**XPORT-DLBCL-030 trial**").
  - On January 28, 2021, the NMPA accepted the New Drug Application ("**NDA**") for ATG-010 (Selinexor, XPOVIO®), a first-in-class oral selective inhibitor of nuclear export (SINE) compound, for the treatment of patients with relapsed/refractory multiple myeloma (rrMM). On February 24, 2021, the NMPA has granted priority review to the NDA for ATG-010.
  - On May 12, 2021, we received the approval of IND application by NMPA for a Phase III clinical trial designed to evaluate the safety and efficacy of selinexor as a maintenance therapy for patients with advanced or recurrent endometrial cancer (the "**SIENDO trial**").
  - In May 2021, multiple selinexor (ATG-010) regimens have been added by Chinese Society of Clinical Oncology (CSCO) to its 2021 Diagnosis and Treatment Guidelines (CSCO Guidelines) for treatment of multiple myeloma and lymphoma. Three selinexor regimens recommended by the Guideline for the Diagnosis and Treatment of myeloma include: (i) selinexor plus dexamethasone; (ii) selinexor plus dexamethasone plus bortezomib; and (iii) selinexor plus dexamethasone plus pomalidomide for the treatment of relapsed myeloma. Meanwhile, the guideline has also recommended selinexor for the treatment of relapsed or refractory diffuse large B-cell lymphoma (rrDLBCL).
  - In June 2021, we announced that the results from the Phase II MARCH trial of selinexor plus low dose dexamethasone (the Sd regimen) for the treatment of Chinese patients with relapsed or refractory multiple myeloma (RRMM) are published at the 2021 American Society of Clinical Oncology (ASCO) Annual Meeting and the 2021 European Hematology Association (EHA) Virtual Congress. Data from a planned analysis of the first 60 treated patients with a median follow-up of 9.5 months demonstrates an overall response rate (ORR) of 26.7%. Meanwhile, an ORR of 33.3% was achieved with the Sd regimen in triple-class-exposed (IMiDs, PIs and anti-CD38 mAb) patients, and an ORR of 44.4% was achieved in patients that previously received CAR-T therapies. In Chinese patients that were refractory to both immunomodulatory agents (IMiDs) and proteasome inhibitors (PIs), results from the MARCH trial have confirmed the efficacy and manageable safety profile of the Sd regimen, which is consistent with that observed in the STORM trial, the data from which supported the accelerated approval of selinexor by the U.S. Food and Drug Administration ("**FDA**").

BUSINESS HIGHLIGHTS

- On July 6, 2021, China NMPA accepted the IND application for a Phase II study designed to evaluate the safety and efficacy of selinexor in the treatment of patients with myelofibrosis in China.

- On July 14, 2021, we submitted an NDA to Taiwan Food and Drug Administration ("**TFDA**") for selinexor for three indications: in combination with bortezomib and dexamethasone, or in combination with dexamethasone for the treatment of patients with relapsed and/or refractory multiple myeloma; and as monotherapy in adult patients with relapsed and/or refractory diffuse large B-cell lymphoma, including DLBCL arising from follicular lymphoma, after at least two lines of systemic therapy. This is the sixth NDA for ATG-010 submitted by Antengene, after the five NDAs submitted in Mainland China, Australia, South Korea, Singapore and Hong Kong.

- On July 29, 2021, through a priority review process, the South Korean Ministry of Food and Drug Safety ("**MFDS**") has approved the Company's NDA for selinexor, in combination with dexamethasone for the treatment of adult patients with relapsed or refractory multiple myeloma who have received at least four prior therapies and whose disease is refractory to at least two proteasome inhibitors, at least two immunomodulatory agents, and an anti-CD38 monoclonal antibody (penta-refractory); and as a monotherapy for the treatment of adult patients with relapsed/refractory diffuse large B-cell lymphoma who have received at least two prior lines of treatment. This is the first NDA approval of ATG-010.

- Onatasertib (ATG-008, mTORC1/2 inhibitor)

  - In February 2021, we dosed the first patient in the dose expansion cohort in the Phase I/II study of onatasertib in combination with toripalimab (anti-PD-1 antibody) in mainland China (the "**TORCH-2 trial**").

  - In April 2021, we dosed the first patient in the fourth cohort of the Phase II study in patients with hepatocellular carcinoma ("**HCC**") who received at least one line of prior therapy (the "**TORCH trial**").

  - In April 2021, we dosed the first patient in a Phase II trial of ATG-008 in patients with advanced solid tumors harboring NFE2L2, STK11, RICTOR and other specific genetic alterations (the "**BUNCH trial**").

OTHER CLINICAL STAGE ASSETS:

- Eltanexor (ATG-016, second generation XPO1 inhibitor)
  - In May 2021, we dosed the first patient in the Phase I/II clinical study in patients with high-risk myelodysplastic syndrome ("**MDS**") in mainland China (the "**HATCH trial**").
  - In May 2021, we received NMPA's approval of IND application of a Phase I/II clinical study in patients with solid tumors in mainland China (the "**REACH trial**").
  - In June 2021, data with eltanexor was published at the ASCO annual meeting, which showed a bone marrow complete response (mCR) in 7 patients (47%) and a total disease control rate (DCR) of 80%, of the 15 efficacy-evaluable patients with MDS refractory to hypomethylating agents.
- ATG-019 (dual PAK4/NAMPT inhibitor)
  - In April 2021, we received NMPA's approval of IND application in mainland China of a Phase I clinical trial to evaluate safety and tolerability of ATG-019 in patients with advanced solid tumors or non-Hodgkin's lymphoma (the "**TEACH trial**").
- ATG-017 (ERK1/2 inhibitor)
  - The on-going dose-escalation study of ATG-017 for the treatment of advanced solid tumors and hematologic malignancies in Australia (the "**ERASER trial**") has completed the first 3 cohorts in solid tumors, and has started treating patients in the fourth cohort.

PRE-CLINICAL STAGE ASSETS:

- We made steady progress in our pre-clinical pipeline assets – ATG-101 (PD-L1/4-1BB bispecific antibody), ATG-037 (CD73 inhibitor), ATG-018 (ATR inhibitor), ATG-022 (Claudin 18.2 antibody-drug conjugate), ATG-012 (KRAS inhibitor), ATG-031 (anti-CD24 monoclonal antibody) and ATG-027 (B7H3/PD-L1 bi-specific antibody).
- Additionally, the Bellberry Human Research Ethics Committee (HREC) in Australia has approved our clinical trial application of the Phase I trial of ATG-101 in patients with metastatic/advanced solid tumors and B-cell non-Hodgkin's lymphoma in July 2021. We plan to initiate this trial and start patient enrollment in Australia before the end of 2021.

BUSINESS HIGHLIGHTS

BUSINESS DEVELOPMENT AND OTHER KEY ACTIVITIES:

- Leveraging our combinatory and complementary R&D strategy and through our strong R&D capabilities and strategic approach in developing novel therapies, we continue to realize our vision of treating patients beyond borders and improving their lives in discovering, developing and commercializing global first-in-class, only-in-class and/or best-in-class therapies.

- In May 2021, we entered into an exclusive, worldwide license agreement for the development and commercialization of CB-708 (ATG-037), Calithera Biosciences, Inc.'s small molecule inhibitor of CD73. Preclinical data presented at the 2019 American Association for Cancer Research (AACR) Annual Meeting and the 2019 Society for Immunotherapy of Cancer (SITC) Annual Meeting demonstrated that CB-708 has immune-mediated, single agent activity in syngeneic mouse tumor models. In preclinical studies, CB-708 was well-tolerated and had showed enhanced anti-tumor activity when combined with either an anti-PD-L1 immunotherapy or with chemotherapeutic agents, such as oxaliplatin or doxorubicin. CB-708 has completed GLP toxicology studies and is poised to advance into clinical development.

- Moving forward, we will focus on our dual engine strategy by pursuing in-house discovery as well as strategic partnerships to accelerate value creation of the Company.

- With the expected approvals for selinexor across multiple Asia-Pacific ("**APAC**") markets towards the end of 2021, Antengene has continued to build up its experienced commercial team across China and the APAC region with plans to grow its commercial organization to up to 200 full time employees in functions including in-house marketing, field force, pricing and market access by the end of 2021.

- In May 2021, we hosted an inauguration ceremony for our manufacturing center at the Binhai Life Science and Healthcare Industrial Zone in Shaoxing. The completion of the manufacturing center paves the way for our future production of oral medicines and marks a major milestone in our transition into an innovative biopharmaceutical company with integrated capabilities in discovery, development, manufacturing, and commercialization. At this site, Antengene plans to soon initiate the manufacturing of selinexor, the Company's first selective inhibitor of nuclear export (SINE) compound.

- In May 2021, we entered into a framework agreement with the Hangzhou Qiantang New Area Administrative Committee to build a drug discovery and manufacturing center for antibody biologics, in order to meet the Company's growing need for in-house discovery and to support the Company's commercialization roadmap. This project may involve transactions with various entities in land acquisition and the construction of the facility.

MANAGEMENT DISCUSSION AND ANALYSIS

OUR VISION

Our vision is to treat patients beyond borders and improve their lives by discovering, developing and commercializing global first-in-class, only-in-class and/or best-in-class therapies.

OVERVIEW

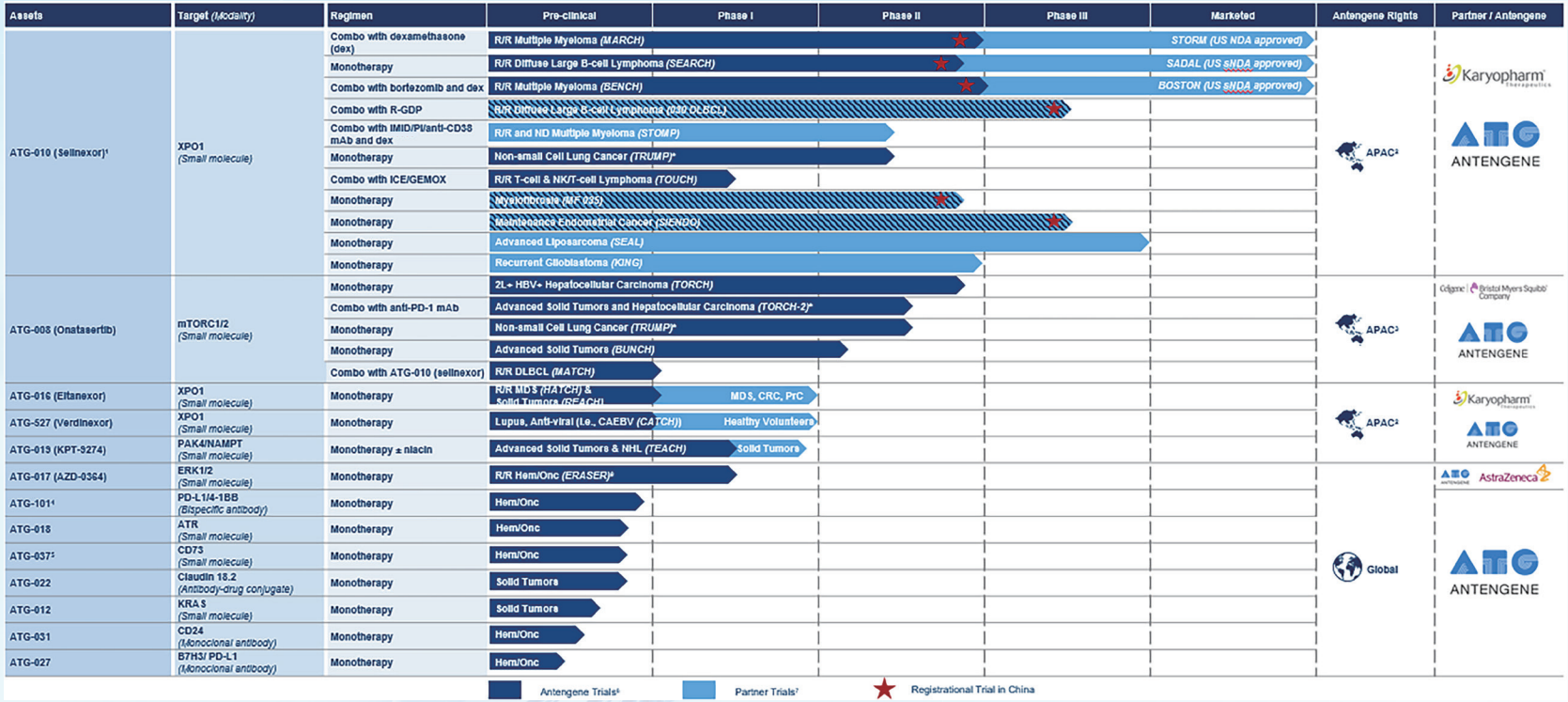
Started operations in 2017, we are a clinical-stage APAC biopharmaceutical company focused on innovative oncology medicines. We distinguish ourselves through our strong R&D capabilities and strategic approach to developing novel oncology therapies.

We had strategically designed and built a highly selective pipeline of 13 drug assets focused on oncology, including five with APAC rights and eight with global rights. The two late-stage clinical assets which we in-licensed from Karyopharm Therapeutics Inc. ("**Karyopharm**") and Celgene Corporation ("**Celgene**") respectively are serving as our core products ("**Core Products**"). We employ a combinatory and complementary R&D strategy to maximise the potential of our pipeline assets which are synergistic to each other. We have submitted NDAs for selinexor to health authorities in six APAC markets including mainland China, South Korea, Australia, Singapore, Hong Kong, and Taiwan, and obtained IND approvals or initiated five registrational clinical trials of our lead assets, selinexor, in rrMM, rrDLBCL and endometrial cancer in mainland China.

Both of our two Core Products have a promising post-proof-of-concept clinical and commercial profile, ATG-010 (selinexor) being a first-in-class and only-in-class orally available XPO1 inhibitor and ATG-008 (onatasertib) being a potentially first-in-class mTORC1/2 inhibitor. Among our clinical stage assets, we also have two other drug candidates in the validated selective inhibitor of nuclear export ("**SINE**") class, namely ATG-016 (eltanexor) and ATG-527 (verdinexor), which feature differentiated profiles that allow us to target a wide range of indications through both mono-and combination therapies. ATG-019 is a potentially first-in-class orally available dual PAK4/NAMPT inhibitor for the treatment of non-Hodgkin lymphoma (NHL) and advanced solid tumors. ATG-017 is a potent and selective ERK1/2 inhibitor with best-in-class potential for the treatment of various hematological malignancies and solid tumors driven by the aberrant RAS/MAPK pathway.

Product Pipeline^

We have a pipeline of 13 drug candidates that focus on oncology and range from pre-clinical stage to late-stage clinical programs. The following table summarizes our pipeline and the development status of each candidate in the regions noted in the chart below in the "Antengene Rights" column:



[1] (s)NDA approved by US FDA and APAC NDA approvals expected starting 2021; [2] Antengene has rights for Greater China (mainland China, Hong Kong, Taiwan, Macau), Australia, New Zealand, South Korea, and the ASEAN Countries; [3] Antengene has rights for Greater China, South Korea, Singapore, Malaysia, Indonesia, Vietnam, Laos, Cambodia, the Philippines, Thailand and Mongolia; [4] Licensed from Origincell and Antengene has obtained exclusive global rights to develop, commercialize and manufacture ATG-101; [5] Licensed from Calithera Biosciences and Antengene has obtained exclusive global rights to develop, commercialize and manufacture ATG-037; [6] Most advanced trial status in Antengene territories and the trials are responsible by Antengene; [7] Most advanced trial status in partner territories in the rest of the world and the trials are conducted by our licensing partners; [8] The Company intends to assess the safety and efficacy in a variety of tumor types and hematological malignancies mostly harboring RAS or RAF mutations such as in pancreatic cancer, colorectal cancer and AML.

* *Investigator-initiated trials; R/R = relapsed/refractory; ND = newly diagnosed; MDS = myelodysplastic syndrome; CRC = colorectal cancer; PrC = prostate cancer; CAEBV = chronic active Epstein-Barr virus; NHL = non-Hodgkin lymphoma; Hem/Onc = hematological malignancies and solid tumors*

^ *Pipeline chart as of July 31, 2021*

BUSINESS REVIEW

We have made steady progress with regard to our pipeline assets in 2021 and submitted NDAs for selinexor in Australia, South Korea, Singapore, and Taiwan for the treatment of rrMM and rrDLBCL and in mainland China and Hong Kong for the treatment of rrMM.

Late-stage Product Candidates

ATG-010 (selinexor, XPO1 inhibitor)

- ATG-010 (selinexor), one of our Core Products, is a first-in-class, orally available SINE compound being developed for the treatment of various hematological malignancies and solid tumors. We obtained exclusive rights from Karyopharm for the development and commercialization of selinexor in mainland China, Hong Kong, Taiwan, Macau, South Korea, Australia, New Zealand and ASEAN countries. Our licensing partner, Karyopharm, obtained approval through the U.S. FDA's Accelerated Approval Program on July 3, 2019 for XPOVIO® (selinexor) in combination with low-dose dexamethasone for the treatment of adult patients with rrMM who have received at least four prior therapies and whose disease is refractory to at least two proteasome inhibitors, at least two immunomodulatory agents (IMiDs) and an anti-CD38 mAb. On June 22, 2020, XPOVIO® (selinexor) received accelerated approval from the U.S. FDA for the treatment of adult patients with rrDLBCL, not otherwise specified, including DLBCL arising from follicular lymphoma, after at least two lines of systemic therapy. On December 18, 2020, the U.S. FDA approved XPOVIO® (selinexor) in combination with bortezomib and dexamethasone for the treatment of adult patients with multiple myeloma who have received at least one prior therapy. In May 2021, Chinese Society of Clinical Oncology (CSCO) added multiple selinexor regimens to its 2021 Diagnosis and Treatment Guidelines for treatment of multiple myeloma and lymphoma.

- Several late-stage clinical studies are underway for selinexor in mainland China:

  - A Phase II registrational clinical trial in combination with low-dose dexamethasone in rrMM (the "**MARCH**" trial). We submitted an NDA to the NMPA in mainland China in January 2021 and priority review was subsequently granted.

  - A Phase II registrational clinical trial as monotherapy in rrDLBCL (the "**SEARCH**" trial). We dosed the first patient in SEARCH trial in 2020.

  - A Phase III registrational clinical trial in combination with bortezomib and low-dose dexamethasone in rrMM (the "**BENCH**" trial). We received IND approval from the NMPA at the end of 2020.

  - A Phase II/III registrational clinical trial in combination with rituximab, gemcitabine dexamethasone cisplatin ("**R-GDP**") in rrDLBCL, which is part of the global pivotal trial (XPORT-DLBCL-030) led by Karyopharm. We received IND approval from the NMPA in January 2021.

  - A Phase III registrational clinical trial as monotherapy as a maintenance therapy for patients with endometrial cancer, which is part of the global pivotal trial (the "**SIENDO**" trial) led by Karyopharm. We received IND approval from the NMPA in May 2021.

  - A Phase II registrational clinical trial as monotherapy for patients with myelofibrosis, which is part of the global pivotal trial (the "**MF 035**" trial) led by Karyopharm. China NMPA has accepted the IND application in July 2021.

- To further explore the clinical potential of selinexor in cancer treatment, we also initiated early signal detection studies including Phase Ib clinical trial in combination with ifosfamide, carboplatin and etoposide ("**ICE**") or gemcitabine and oxaliplatin ("**GemOx**") in the treatment of T-cell and NK/T-cell lymphoma patients, and a Phase II trial as a monotherapy in the treatment of KRAS-mutant NSCLC.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET ATG-010 (SELINEXOR) SUCCESSFULLY.

ATG-008 (onatasertib, mTORC1/2 inhibitor)

We obtained an exclusive license from Celgene for the development and commercialization of onatasertib in mainland China and selected APAC markets. In 2020, we continued to carry forward the clinical study in patients with HCC who received at least one line of prior therapy and dosed the first patient in cohort 3. In April 2021, we dosed the first patient in the fourth cohort of this study. We initiated a Phase I/II study of onatasertib in combination with toripalimab (anti-PD-1 antibody) in mainland China, and in February 2021, we dosed the first patient in the dose expansion cohort. A Phase II study in NFE2L2 mutant NSCLC is also ongoing in mainland China. In addition, we received IND approval from the NMPA for a Phase II biomarker driven solid tumor basket trial in August 2020, and we dosed the first patient in April 2021.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET ATG-008 (ONATASERTIB) SUCCESSFULLY.

Other Clinical Candidates

- Eltanexor (ATG-016, second generation XPO1 inhibitor) – We obtained exclusive rights from Karyopharm for the development and commercialization of eltanexor in mainland China, Hong Kong, Taiwan, Macau, South Korea, Australia, New Zealand and ASEAN countries. In 2020, we obtained IND approval of a Phase I/II clinical study in patients with high-risk MDS from NMPA in mainland China, and in May 2021, we dosed the first patient. Subsequently, we received IND approval of a Phase I/II clinical study in patients with solid tumors from NMPA in mainland China in May 2021.

- Verdinexor (ATG-527, third generation XPO1 inhibitor) – We obtained exclusive rights from Karyopharm for the development and commercialization of verdinexor in mainland China, Hong Kong, Taiwan, Macau, South Korea, Australia, New Zealand and ASEAN countries. Verdinexor will be developed in non-oncological indications. Having completed Phase I evaluation on healthy volunteers, a Phase II, multi-centre, signal-seeking basket study protocol is now being developed in Australia that will evaluate the ability of verdinexor to suppress viral load across a range of chronic human viral infections.

- ATG-019 (dual PAK4/NAMPT inhibitor) – We obtained exclusive rights from Karyopharm for the development and commercialization of ATG-019 in mainland China, Hong Kong, Taiwan, Macau, South Korea, Australia, New Zealand and ASEAN countries. In 2020, we dosed the first patient in a Phase I solid tumor and lymphoma clinical study in Taiwan. Subsequently, we received IND approval from the NMPA in mainland China of a Phase I clinical trial to evaluate safety and tolerability of ATG-019 in patients with advanced solid tumors or non-Hodgkin's lymphoma in May 2021.

- ATG-017 (ERK1/2 inhibitor) – We obtained exclusive rights from AstraZeneca AB ("**AstraZeneca**") for the development and commercialization of ATG-017 worldwide. In 2020, we dosed the first patient in a Phase I clinical study in Australia. The on-going dose-escalation study of ATG-017 for the treatment of advanced solid tumors and hematologic malignancies in Australia (the ERASER trial) has completed the first 3 cohorts in solid tumors, and has started treating patients in the fourth cohort.

Pre-clinical Candidates

- ATG-101 (PD-L1/4-1BB bispecific antibody) – The Bellberry Human Research Ethics Committee (HREC) in Australia has approved our clinical trial application ("**CTA**") of the Phase I trial of ATG-101 in patients with metastatic/advanced solid tumors and B-cell non-Hodgkin's lymphoma in July 2021. We plan to initiate this trial and start patient enrollment in Australia before the end of 2021.

- ATG-018 (ATR inhibitor) – We are conducting IND-enabling preclinical studies to support IND/CTA applications of ATG-018 and plan to submit the applications in the beginning of 2022.

- ATG-037 (CD73 inhibitor) – We are conducting chemistry, manufacturing and controls processes ("**CMC**") studies to support IND/CTA applications of ATG-037 and plan to submit the applications by the end of 2021.

- ATG-022 (Claudin 18.2 antibody-drug conjugate) – We are conducting preclinical studies to support IND/CTA applications of ATG-022 and plan to submit the applications in 2022.

- ATG-012 (KRAS inhibitor) – We are conducting preclinical studies to support IND/CTA applications of ATG-012 and plan to submit the applications in 2022.

- ATG-031 (CD24 antibody) – We are conducting preclinical studies to support IND/CTA applications of ATG-031 and plan to submit the applications in 2022.

- ATG-027 (B7H3/PD-L1 bispecific antibody) – We are conducting preclinical studies to support IND/CTA applications of ATG-027 and plan to submit the applications in 2023.

RESEARCH AND DEVELOPMENT

We focus on research and development of therapeutic strategies for the treatment of cancer. We seek to optimize the drug development process of each of our assets to fully unlock their therapeutic potential and maximise their clinical and commercial value. We have adopted a differentiated combinatory and complementary R&D approach to build a pipeline of first/best-in-class assets with synergistic profiles.

As of July 31, 2021, we have fifteen ongoing clinical studies in mainland China, South Korea, Taiwan and Australia with five of our pipeline assets, including ATG-010 (selinexor, XPO1 inhibitor), ATG-008 (onatasertib, mTORC1/2 inhibitor), ATG-016 (eltanexor, XPO1 inhibitor), ATG-019 (dual PAK4/NAMPT inhibitor) and ATG-017 (ERK1/2 inhibitor). We have completed patient enrollment for the registrational Phase II clinical study in patients with rrMM and are initiating and enrolling patients for four registrational Phase II or Phase III studies in mainland China in rrMM, rrDLBCL and endometrial cancer, respectively. We also submitted NDA applications for ATG-010 (selinexor) to NMPA (mainland China), Therapeutic Goods Administration (Australia), MFDS (South Korea), Health Sciences Authority (Singapore), Hong Kong Department of Health, and TFDA (Taiwan).

Our adjusted research and development costs (non-IFRS measure) were approximately RMB131.1 million and RMB125.9 million for the six months ended June 30, 2020 and June 30, 2021 respectively. As of June 30, 2021, we had filed 19 patent applications in mainland China under the Patent Cooperation Treaty (PCT) for material intellectual properties, among which 2 are pending.

BUSINESS DEVELOPMENT

In May 2021, we entered into an exclusive, worldwide license agreement for the development and commercialization of CB-708 (ATG-037), Calithera Biosciences, Inc.'s small molecule inhibitor of CD73. Preclinical data presented at the 2019 American Association for Cancer Research (AACR) Annual Meeting and the 2019 Society for Immunotherapy of Cancer (SITC) Annual Meeting demonstrated that CB-708 has immune-mediated, single agent activity in syngeneic mouse tumor models. In preclinical studies, CB-708 was well-tolerated and had showed enhanced anti-tumor activity when combined with either an anti-PD-L1 immunotherapy or with chemotherapeutic agents, such as oxaliplatin or doxorubicin. CB-708 has completed GLP toxicology studies and is poised to advance into clinical development.

EVENTS AFTER THE REPORTING PERIOD

On July 6, 2021, China's NMPA has accepted the Investigational New Drug (IND) application for single agent selinexor, a first-in-class orally available Exportin 1 (XPO1) inhibitor, for the treatment of patients with myelofibrosis (MF) in China.

On July 14, 2021, we submitted a NDA to the Taiwan Food and Drug Administration (TFDA) for selinexor, a first-in-class XPO1 inhibitor, for three indications: in combination with bortezomib and dexamethasone (XVd), or in combination with dexamethasone (Xd) for the treatment of patients with relapsed and/or refractory multiple myeloma (RRMM); and as monotherapy in adult patients with relapsed and/or refractory diffuse large B-cell lymphoma (rrDLBCL), including DLBCL arising from follicular lymphoma, who have received at least two lines of systemic therapy.

On July 20, 2021, the Bellberry Human Research Ethics Committee (HREC) in Australia has approved the clinical trial application of the Phase I trial of ATG-101 in patients with metastatic/advanced solid tumors and B-cell non-Hodgkin's lymphoma (B-NHL). This approval marks an important milestone for Antengene as ATG-101 is the first in-house developed innovative molecule with global rights entering clinical stage. In addition, ATG-101 is the first PD-L1/4-1BB bispecific antibody entering clinical stage in Australia. This multi-center, open-label, Phase I trial is designed to evaluate the safety and tolerability of ATG-101 as a single agent in patients with advanced solid tumors and NHL.

On July 29, 2021, through a priority review process, the South Korean Ministry of Food and Drug Safety (MFDS) has approved the Company's NDA for selinexor, in combination with dexamethasone for the treatment of adult patients with relapsed or refractory multiple myeloma who have received at least four prior therapies and whose disease is refractory to at least two proteasome inhibitors, at least two immunomodulatory agents, and an anti-CD38 monoclonal antibody (penta-refractory); and as a monotherapy for the treatment of adult patients with relapsed/refractory diffuse large B-cell lymphoma who have received at least two prior lines of treatment. This is the first NDA approval of ATG-010.

On August 27, 2021, a total of 4,748,142 share options were granted to certain eligible persons pursuant to the 2019 Equity Incentive Plan to subscribe for a total of 4,748,142 shares of the Company ("**Shares**"). On September 1, 2021, the grant of 330,000 share options was cancelled and accordingly, the total number of share options granted has been reduced to 4,418,142 share options. For details, please refer the announcements of the Company dated August 27, 2021 and September 1, 2021.

FUTURE AND OUTLOOK

Leveraging our combinatory and complementary R&D strategy and through our strong R&D capabilities and strategic approach in developing novel therapies, we continue to realize our vision of treating patients beyond borders and improving their lives in discovering, developing and commercializing global first-in-class, only-in-class and/or best-in-class therapies.

We will continue to advance the clinical development of our six clinical stage products in multiple therapeutic areas, and continue to implement our dual-engine approach of external partnerships and internal discovery to build up a pipeline focusing on the key oncogenic pathways, tumor microenvironment and tumor associated antigens globally and across the APAC region. We also intend to continue implementing our complementary approach to develop the in-licensed assets for additional indications to maximise their commercial potential.

Looking into the second half of 2021, we received NDA approval from the South Korean Ministry of Food and Drug Safety (MFDS) on July 29, 2021, and we further expect to receive approvals for selinexor (ATG-010) for the other five markets that we submitted NDAs from the fourth quarter of 2021 to the first quarter of 2022, in mainland China, Australia, South Korea, Hong Kong and Singapore. We will also advance two of our pre-clinical novel assets into the IND stage.

With the expected NDA approvals mentioned above and building upon our core commercial leadership team with experience in multiple successful launches of top hematology products globally, in APAC region and China in the past, we will continue to build out our commercial team in preparation for a first-in-class launch of selinexor in Greater China and the rest of APAC region to address unmet medical needs in our territories. We expect to build a commercial team of approximately 200 members by year end with dedicated in-house marketing, field force, pricing and market access teams along with medical affairs team with proven track record and in-depth regional expertise in hematology oncology.

During the Reporting Period, we have maintained a Named Patient Program (NPP) in Hong Kong and Mainland China at the Boao Super Hospital in Boao Lecheng Pilot Zone (and has been authorized to be expanded beyond the Pilot Zone) for the treatment of patients with diseases including rrMM and relapsed or refractory diffuse large B-cell lymphoma (rrDLBCL). The program has provided patients in Hong Kong and mainland China with unmet medical needs with access to an urgently needed therapy. The use of selinexor in such patients will also be a part of real-world research in APAC region.

FINANCIAL REVIEW

	Six months ended June 30,	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Other income and gains	**18,135**	19,366
Research and development costs	**(135,333)**	(169,888)
Selling and distribution expenses	**(132)**	–
Administrative expenses	**(78,512)**	(68,681)
Other expenses	**(36,537)**	(318,096)
Finance costs	**(616)**	(448)
LOSS BEFORE TAX	**(232,995)**	(537,747)
Income tax expense	**–**	–
LOSS FOR THE PERIOD	**(232,995)**	(537,747)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**(227,685)**	(537,747)
Non-IFRS measures:		
Adjusted loss for the period	**(209,860)**	(136,520)

Other Income and Gains. Our other income and gains decreased by RMB1.3 million from RMB19.4 million for the six months ended June 30, 2020 to RMB18.1 million for the six months ended June 30, 2021. The decrease was mainly attributable to (i) the absence of RMB10.5 million of net foreign exchange gains that was recorded for the six months ended June 30, 2020; (ii) the income of pharmaceutical products of RMB4.3 million for the six months ended June 30, 2021, and (iii) the increase of government grants and bank interest income for the six months ended June 30, 2021.

Other Expenses. Our other expenses decreased by RMB281.6 million from loss of RMB318.1 million for the six months ended June 30, 2020 to loss of RMB36.5 million for the six months ended June 30, 2021. The decrease was mainly attributable to (i) the elimination of fair value loss on convertible redeemable preferred shares of RMB317.4 million as the Group had no preferred shares outstanding as of June 30, 2021, and (ii) the net foreign exchange loss of RMB35.8 million for the six months ended June 30, 2021, as compared to the net foreign exchange gain of RMB10.5 million for the six months ended June 30, 2020 due to the decline in the exchange rate of USD against RMB.

Research and Development Costs. Our research and development costs decreased by RMB34.6 million from RMB169.9 million for the six months ended June 30, 2020 to RMB135.3 million for the six months ended June 30, 2021. This decrease was primarily attributable to the combined impact of (i) a decrease in licensing fees from RMB86.4 million for the six months ended June 30, 2020 to RMB19.8 million for the six months ended June 30, 2021 as we paid an upfront fee of RMB19.8 million in relation to our in-licensing in 2021, as compared to the licensing fees of RMB86.4 million for the six months ended June 30, 2020; (ii) a decrease in employee costs of R&D personnel of RMB19.1 million from RMB53.2 million for the six months ended June 30, 2020 to RMB34.1 million for the six months ended June 30, 2021, mainly due to the share-based payments charged to research and development costs of RMB38.8 million for the six months ended June 30, 2020 which are partially offset by an increase in wages and salaries of R&D personnel of RMB8.0 million from RMB13.7 million for the six months ended June 30, 2020 to RMB21.7 million for the six months ended June 30, 2021 mainly due to our R&D headcount expansion; (iii) RMB36.7 million increase of other clinical-related fees paid to contract research organisations ("**CRO(s)**"), contract development and manufacturing organisations ("**CDMO(s)**") and site management organisations ("**SMOs**") in line with our increased R&D activities; and (iv) a RMB10.5 million increase in professional fees for patents, consulting and other services in relation to research and development activities.

	Six months ended June 30,	
	2021	2020
	RMB'000	RMB'000
Employee costs		
Wages and salaries	**21,706**	13,691
Pension scheme contributions	**2,902**	694
Staff welfare expenses	**101**	–
Equity-settled share option expense	**9,433**	38,793
Depreciation and amortisation	**489**	37
Licensing fees	**19,838**	86,406
Other clinical-related fees	**64,429**	27,770
Professional fees	**12,598**	2,115
Others	**3,837**	382
Total	**135,333**	169,888

Administrative Expenses. Our administrative expenses increased by RMB9.8 million from RMB68.7 million for the six months ended June 30, 2020 to RMB78.5 million for the six months ended June 30, 2021. This increase was primarily attributable to (i) a decrease in employee costs of administrative personnel of RMB9.3 million from RMB58.9 million for the six months ended June 30, 2020 to RMB49.6 million for the six months ended June 30, 2021, mainly due to the share-based payments charged to administrative expenses of RMB43.4 million for the six months ended June 30, 2020 which are partially offset by an increase in wages and salaries of non-R&D personnel of RMB15.2 million from RMB13.8 million for the six months ended June 30, 2020 to RMB29.0 million for the six months ended June 30, 2021 mainly due to headcount expansion of our non-R&D personnel; and (ii) RMB13.5 million increase in professional fees for legal, consulting, recruiting, translation and other services in relation to operating and administrative activities.

	Six months ended June 30,	
	2021	2020
	RMB'000	RMB'000
Employee costs		
Wages and salaries	**29,016**	13,811
Pension scheme contributions	**4,626**	674
Staff welfare expenses	**2,249**	944
Equity-settled share option expense	**13,702**	43,436
Share issue expenses	**–**	1,635
Professional fees	**15,565**	2,086
Depreciation and amortisation	**3,881**	1,546
Others	**9,473**	4,549
Total	**78,512**	68,681

Finance Costs. Our finance costs increased slightly by RMB0.2 million from RMB0.4 million for the six months ended June 30, 2020 to RMB0.6 million for the six months ended June 30, 2021. This increase was primarily attributable to increase in the interest expenses on lease liabilities.

NON-IFRS MEASURES

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

Adjusted loss for the period represents the loss for the period excluding the effect of equity-settled share option expense, share issue expenses and certain non-cash items and one-time events, namely fair value loss on convertible redeemable preferred shares. The term adjusted loss for the period is not defined under the IFRS. The use of this non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, the Group's results of operations or financial condition as reported under IFRS. The Company's presentation of such adjusted figure may not be comparable to a similarly titled measure presented by other companies. However, the Company believes that this and other non-IFRS measures are reflections of the Group's normal operating results by eliminating potential impacts of items that the management do not consider to be indicative of the Group's operating performance, and thus, facilitate comparisons of operating performance from period to period and company to company to the extent applicable.

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

	Six months ended June 30,	
	2021	2020
	RMB'000	RMB'000
Loss for the period	**(232,995)**	(537,747)
Added:		
Fair value loss on convertible redeemable preferred shares	**–**	317,363
Share issue expenses	**–**	1,635
Equity-settled share option expense	**23,135**	82,229
Adjusted loss for the period	**(209,860)**	(136,520)

EMPLOYEES AND REMUNERATION POLICIES

The following table sets forth a breakdown of our employees as at June 30, 2021 by function:

Function	**Number of employees**	**% of total number of employees**
Research and Development	80	36.53
Sales, General and Administrative	124	56.62
Manufacturing	15	6.85
Total	219	100.00

As of June 30, 2021, we had 199 employees in China and 20 employees in overseas. Our employees' remuneration comprises salaries, bonuses, employee provident fund and social security contributions and other welfare payments. In accordance with applicable Chinese laws, we have made contributions to social security insurance funds (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds for our employees.

LIQUIDITY AND FINANCIAL RESOURCES

As of June 30, 2021, our cash and bank balances were RMB2,806.5 million, as compared to RMB3,109.8 million as of December 31, 2020. The decrease was mainly due to the research and development costs and the administrative expenses.

As at June 30, 2021, the Group's cash and bank balances were held mainly in USD and RMB.

As at June 30, 2021, the current assets of the Group were RMB2,876.2 million, including cash and bank balances of RMB2,806.5 million, financial assets at fair value through profit or loss of RMB32.4 million and other current assets of RMB37.3 million. As at June 30, 2021, the current liabilities of the Group were RMB122.2 million, including other payables and accruals of RMB114.2 million and other current liabilities of RMB8.0 million.

As at June 30, 2021, the financial assets at fair value through profit or loss in current assets represented our investments in wealth management products as part of our cash management.

Current ratio

Current ratio is calculated using current assets divided by current liabilities and multiplied by 100%. As at June 30, 2021, our current ratio was 2,352.8% (as at December 31, 2020: 2,077.0%).

Gearing Ratio

Gearing ratio is calculated using total liabilities divided by total assets and multiplied by 100%. As at June 30, 2021, our gearing ratio was 4.4% (as at December 31, 2020: 4.9%).

OTHER FINANCIAL INFORMATION

Significant Investments, Material Acquisitions and Disposals

As of June 30, 2021, we did not hold any significant investments. For the six months ended June 30, 2021, we did not have material acquisitions or disposals of subsidiaries, associates and joint ventures.

Future Plans for Material Investments or Capital Assets

Save as disclosed in this report, we do not have any future plans for material investments or capital assets as at the date of this report.

Foreign Exchange Risk

We have transactional currency exposures. The majority of our bank balances and interest receivables are denominated in foreign currencies and are exposed to foreign currency risk. We currently do not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Contingent Liabilities

As of June 30, 2021, we did not have any material contingent liabilities.

Pledge of Assets

There was no pledge of the Group's assets as at June 30, 2021.

DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Jay Mei (梅建明), M.D., Ph.D., aged 55, was appointed as a Director on August 28, 2018. He was re-designated as an executive Director and appointed as the Chairman of the Board and the chief executive officer of our Company (the "**CEO**") on August 18, 2020. Dr. Mei has been one of the key management members of our Group and has been actively involved in the business, strategy and operational management of our Group since its establishment.

Dr. Mei has over 25 years of experience in clinical research and development of oncology therapeutics globally and has successfully led the development of multiple oncology products. He has published over 70 publications and holds multiple patents jointly with other inventors. In the 1990s, Dr. Mei dedicated himself to extensive cancer research at the National Cancer Institute in the United States as a staff fellow. In February 2001, Dr. Mei joined as a principal scientist in the oncology team in the drug discovery division and an associate director at Johnson & Johnson Pharmaceutical Research & Development, L.L.C.. From April 2006 to October 2008, Dr. Mei worked as a senior director at Novartis Oncology, part of the Innovative Medicines division of Novartis AG (a company listed on the SIX Swiss Exchange and the New York Stock Exchange with stock codes NOVN.SIX and NVS.NYSE, respectively). From October 2008 to March 2017, he served as an executive director of the clinical development department at Celgene (now part of Bristol-Myers Squibb (a company listed on the New York Stock Exchange with stock code BMY.NYSE)). Dr. Mei was a director of Jiangsu Asieris Pharmaceuticals Co., Ltd. (江蘇亞虹醫藥科技有限公司) from November 2014 to December 2020. Dr. Mei was involved in the management of Antengene Corporation Co., Ltd. (德琪(浙江)醫藥科技有限公司)("**Antengene Zhejiang**") since April 2017. In addition, Dr. Mei currently holds an adjunct professorship at the Baruch S. Blumberg Institute.

Dr. Mei received his Doctor of Medicine degree in medicine from Hunan Medical University (湖南醫科大學) (now XiangYa School of Medicine of Central South University (中南大學湘雅醫學院)) in July 1989. Dr. Mei obtained his Doctor of Philosophy degree in pharmacology and toxicology from the University of Maryland in January 1994. Dr. Mei was a member of the American Society of Clinical Oncology and has also been a member of the American Society of Hematology since 2006.

Mr. John F. Chin, MBA, aged 55, was appointed as the CBO on January 2, 2020 and as an executive Director on August 18, 2020. Mr. Chin has been in charge of the overall business development and commercial strategy and planning of our Group since he joined us.

Mr. Chin started his career at Merck, Sharp, and Dohme Corp in 1990 and later joined Bristol-Myers Squibb (a company listed on the New York Stock Exchange with stock code BMY.NYSE) in January 1992 to July 1998, holding a number of sales and training positions at BMS. Since October 1998, he served in a number of positions at Aventis Pharmaceutical Holdings Inc. ("**Aventis**") (before the merger in 1999, Rhône-Poulenc Rorer), including associate product manager, product manager, senior product manager for oncology and regional sales director for oncology. From January 2005 to January 2020, Mr. Chin served in a number of positions at Celgene (now part of Bristol-Myers Squibb (a company listed on the New York Stock Exchange with stock code BMY. NYSE)), including senior director for corporate account management, executive director for corporate account management, executive director for U.S. marketing, regional general manager for Latin America and general manager for China.

Mr. Chin received his Bachelor's degree in science from the University of Arizona in December 1989. He also obtained his Master's degree in business administration from Pepperdine University in April 1998.

Kevin Patrick Lynch, M.D., aged 56, was appointed as the Chief Medical Officer (CMO) in April 2021 and an executive Director on June 18, 2021. The appointment followed an 18-month period as Consultant Chief Medical Expert to Antengene. Dr. Lynch has been in charge of the overall medical development and strategic planning of our Group since he joined us full-time.

Dr. Lynch has almost 30 years of experience in R&D in the pharmaceutical industry and a strong track record in clinical development and medical affairs. He was vice President at Celgene between 2011 and 2019 where he led the clinical development and medical affairs in Europe (2011-2014) and Asia-Pacific (2014-2019). Before that, he was the Medical Director of Oncology at Novartis Pharmaceuticals Australia. Dr. Lynch has closely involved in early to late clinical development of multiple transformational cancer therapies, including Glivec®, Tasigna®, Zometa®, Femara®, Revlimid®, Pomalyst®, and Vidaza®.

Mr. Donald Andrew Lung (龍振國), J.D., MBA, aged 39, was appointed as the Chief Financial Officer (CFO) of the Company on June 8, 2020 and an executive Director on June 18, 2021. Mr. Lung has been in charge of the overall finance of our Group since he joined us.

Mr. Lung has over 16 years of experience in investment banking and public equities. From June 2004 to November 2008, Mr. Lung worked at Goldman Sachs (Asia) L.L.C. He was then engaged in the asset management business at Pine River Capital Management from August 2012 to June 2017 and at Myriad Asset Management Limited from August 2017 to August 2019. From October 2019 to June 2020, Mr. Lung worked as a portfolio manager at BFAM Partners (Hong Kong) Limited.

Mr. Lung received his Bachelor of Arts degree in economics and political science from Yale University in May 2004. He also obtained a Master's degree in business administration and a Juris Doctor degree from The Chinese University of Hong Kong, both in November 2015.

NON-EXECUTIVE DIRECTORS

Mr. Yanling Cao (曹彥凌), aged 37, was appointed as a Director on February 4, 2019 and re-designated as a non-executive Director on August 18, 2020. Mr. Cao is primarily responsible for participating in formulating our Company's corporate and business strategies.

Mr. Cao has over ten years of experience in private equity investment and management. From December 2007 to January 2011, he served as an investment associate at General Atlantic Asia Limited, a company primarily engaged in private equity and venture capital investment, and was responsible for development, execution and management of equity investment. Mr. Cao has been the managing director of Boyu Capital Advisory Company Limited since March 2011 and currently serves as a partner, mainly responsible for investments in the healthcare industry. Mr. Cao served as a director of CStone Pharmaceuticals (基石藥業) (a company listed on the Stock Exchange with stock code 2616.HK) from April 2016 to March 2017 and has been a non-executive director since May 2019. He has also been a non-executive director of WuXi Biologics (Cayman) Inc. (藥明生物技術有限公司) (a company listed on the Stock Exchange with stock code 2269.HK) since May 2016, Viela Bio, Inc. (a company listed on NASDAQ with stock code VIE.NASDAQ) since February 2018 and Ocumension Therapeutics (歐康維視生物) (a company listed on the Stock Exchange with stock code 1477.HK) since June 2019 and an independent non-executive director of JW (Cayman) Therapeutics Co. Ltd (藥明巨諾(開曼)有限公司) (a company listed on the Stock Exchange with stock code 2126.HK) since May 2020. Mr. Cao has also been a director of Antengene Zhejiang since January 2019.

Mr. Cao obtained his Bachelor's degree in economics and mathematics from Middlebury College in the United States in May 2006.

Kan Chen (陳侃), Ph.D., aged 39, was appointed as a non-executive Director on March 26, 2021. Mr. Chen is primarily responsible for participating in formulating our Company's corporate and business strategies.

Dr. Chen is currently serving as a Principal at Qiming Venture Partners ("**Qiming**"), focusing on healthcare investment. Dr. Chen joined Qiming in February 2016, had served as associate and vice president and was deeply involved in Qiming's investment of the Company's Series A Financing. Dr. Chen has been a director of Connect Biopharma Holdings Limited (a company listed on NASDAQ with stock code CNTB) since December 2020. From November 2012 to August 2014, Dr. Chen has been the group leader of Shanghai Hengrui Pharmaceutical. From September 2014 to January 2016, he has been the senior scientist of of Johnson & Johnson Medical Corp.

Dr. Chen obtained his Bachelor's degree in biological science from Fudan University in June 2004. He obtained his Doctor of Philosophy degree in cell biology from Case Western Reserve University in January 2009.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Mark J. Alles, aged 62, is appointed as an independent non-executive Director effective as of January 2, 2020.

Mr. Alles began his 35-year career in the pharmaceutical industry at Bayer Pharmaceuticals Corporation and worked at Centocor Biotechnology, Inc. before its acquisition by Johnson and Johnson. Mr. Alles was a vice president of the U.S. oncology business unit at Aventis and served in other senior commercial roles at Aventis from 1993 to 2004. From April 2004 to November 2019, Mr. Alles held a number of positions, including chief commercial officer and global head of hematology/oncology, executive vice president, president, chief executive officer, executive director and the chairman at Celgene (now part of Bristol-Myers Squibb (a company listed on the New York Stock Exchange with stock code BMY.NYSE)).

Mr. Alles has also served as the chairman of the board of Turning Point Therapeutics, Inc. (a precision oncology company listed on NASDAQ with stock code TPTX.NASDAQ) since earlier this year and as a director at Syros Pharmaceuticals, Inc. (a company listed on NASDAQ with stock code SYRS.NASDAQ) since December 2019. Mr. Alles received his Bachelor's degree in science from Lock Haven University in the United States in May 1981.

Ms. Jing Qian (錢晶), MBA, aged 46, is appointed as an independent non-executive Director effective as of November 9, 2020.

From July 1999 to July 2002, Ms. Qian served as an associate at The Boston Consulting Group. From March 2005 to December 2008, she served as a project manager at McKinsey & Company. From January 2009 to March 2010, Ms. Qian was appointed as a director responsible for business development and strategic planning for the Asia-Pacific region at Baxter (China) Investment Co., Ltd. From April 2010 to January 2012, she was appointed as a vice president in charge of Business Development and New Product Planning at Boehringer Ingelheim Pharmaceutical Co., Ltd. Ms. Qian served as the principal at Fidelity Growth Partners Asia from January 2012 to December 2013. From February 2014 to October 2018, she was appointed as an executive director at Fountainvest Capital China Limited. Since October 2018, Ms. Qian has been a partner at Pivotal BioVenture Partners China, a venture capital firm specializing in venture building in the life science industry.

Ms. Qian obtained her Bachelor and Master's degree in international Finance from East China Normal University (華東師範大學) in July 1996 and July 1999, respectively. She received her Master's degree in business administration from The Wharton School, University of Pennsylvania in May 2004.

Mr. Sheng Tang (唐晟), CPA, MBA, aged 38, is appointed as an independent non-executive Director effective as of November 9, 2020.

From July 2005 to July 2007, Mr. Tang performed audit and business consulting work at PricewaterhouseCoopers Zhong Tian LLP. He served as a senior accountant from July 2007 to September 2011 and as a manager from October 2011 to May 2012 at Ernst & Young Hua Ming LLP Shanghai Branch. From January 2013 to January 2016, he served as a financial manager at CITIC Industrial Investment Group Corp., Ltd. Mr. Tang has been appointed as a senior lecturer at Shanghai Gaodun Financial Education Group since 2008 and was seconded to Sun Yat-Sen University and Shanghai University from March 2016 to June 2017. From September 2017 to July 2019, he served as the chief financial officer at Canada Tenkey Holdings. In February 2018, Mr. Tang founded Sheng Qian Plus Corp to provide accounting and tax consulting and education services.

Mr. Tang received his Bachelor's degree in economics from Shanghai Institute of International Business and Economics (上海對外貿易學院) (now Shanghai University of International Business and Economics (上海對外經貿大學)) in July 2005 and obtained his Master's degree in business administration from Fudan University (復旦大學) in January 2015. Mr. Tang became a member of the Chinese Institute of Certified Public Accountants in June 2012. In September 2014, he was admitted as a fellow of the Association of Chartered Certified Accountants. Mr. Tang became a member of the Chartered Professional Accountants Ontario in June 2018 and a member of the Hong Kong Institute of Certified Public Accountants in July 2018.

SENIOR MANAGEMENT

Jay Mei (梅建明), M.D., Ph.D., aged 55, was appointed as a Director on August 28, 2018. For further details of his biography, please see the sub-section headed "Executive Directors" in this section.

Mr. John F. Chin, MBA, aged 55, was appointed as the CBO on January 2, 2020 and as an executive Director on August 18, 2020. For further details of his biography, please see the sub-section headed "Executive Directors" in this section.

Kevin Patrick Lynch, M.D., aged 56, was appointed as the Chief Medical Officer (CMO) in March 2021 and an executive Director on June 18, 2021. For further details of his biography, please see the sub-section headed "Executive Directors" in this section.

Mr. Donald Andrew Lung (龍振國), J.D., MBA, aged 39, was appointed as the Chief Financial Officer (CFO) of the Company on June 8, 2020 and an executive Director on June 18, 2021. For further details of his biography, please see the sub-section headed "Executive Directors" in this section.

Bo Shan (單波), Ph.D., aged 44, was appointed as the Chief Scientific Officer (CSO) of the Company in March 2021.

Dr. Shan has about 20 years of experience in R&D and manufacturing in the pharmaceutical industry, and led and managed discovery, early development and CMC programs resulting in multiple IND, NDA and ANDA filings. Before that, he was a Corporate Vice President of the Company. During his tenure, Dr. Shan assembled highly effective discovery, CMC and manufacturing teams, and built a preclinical pipeline of 6 assets for the Company. Prior to joining the Company, Dr. Shan led the construction and validation of drug manufacturing facility which successfully passed GMP inspection.

OTHER INFORMATION

OTHER INFORMATION

Changes in Information of Directors and Chief Executives

Pursuant to Rule 13.51B(1) of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**" or "**Hong Kong Stock Exchange**"), changes in information of the directors of the Company (the "**Directors**") subsequent to the date of the last published annual report of the Company are set out below:

1. On March 30, 2021, Mr. Yanling Cao resigned as a non-executive director of Hygeia Healthcare Holdings Co., Limited (a company listed on the Stock Exchange with stock code 6078.HK).

2. On May 24, 2021, Mr. Mark J. Alles was appointed as a director and the Chairman of the board of directors of Turning Point Therapeutics, Inc. (a precision oncology company listed on NASDAQ with stock code TPTX.NASDAQ).

3. On June 18, 2021, Mr. Yiteng Liu and Mr. Zhen Li retired as an executive Director and a non-executive Director, respectively.

4. On June 18, 2021, Dr. Kevin Patrick Lynch and Mr. Donald Andrew Lung were appointed as executive Directors.

Save as disclosed above, there are no other changes in the information of the Directors which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Compliance with the CG Code

The Company has applied the principles and code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the "**CG Code**") contained in Appendix 14 to the Listing Rules. During the six months ended June 30, 2021, the board of directors of the Company (the "**Board**") is of the opinion that the Company has complied with all the code provisions apart from the deviation below.

We do not have separate Chairman of the Board (the "**Chairman**") and chief executive officer ("**CEO**"). Dr. Jay Mei, the founder of our Company, Chairman of our Board and CEO, currently performs these two roles. Our Board believes that, in view of his experience, personal profile and his roles in our Company, Dr. Jay Mei is the Director best suited to identify strategic opportunities and focus of the Board due to his extensive understanding of our business as our CEO. Our Board also believes that the combined role of Chairman of the Board and CEO can promote the effective execution of strategic initiatives and facilitate the flow of information between management and the Board. Our Board will continue to review and consider splitting the roles of Chairman of the Board and the CEO at a time when it is appropriate by taking into account the circumstances of our Group as a whole. We aim to implement a high standard of corporate governance, which is crucial to safeguard the interests of our shareholders.

Model Code for Securities Transactions by Directors of Listed Issuers

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "**Model Code**").

Specific enquiries have been made of all the Directors and they have confirmed that they have complied with the Model Code throughout the Reporting Period.

The Company's employees, who are likely to be in possession of unpublished inside information of the Company, are subject to the Model Code. No incident of non-compliance of the Model Code by the employees was noted by the Company throughout the Reporting Period.

Purchase, Sale or Redemption of Listed Securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities throughout the Reporting Period.

Use of Net Proceeds

The Shares were listed on the Main Board of the Stock Exchange on November 20, 2020 (the "**Listing Date**"). The Group received net proceeds (after deduction of underwriting commissions and related costs and expenses) from the IPO and the exercise of over-allotment option of approximately RMB2,274.70 million(1). Up to June 30, 2021, approximately RMB367.58 million, or 16% out of the net proceeds have been utilized as specified in the below table. The Company intends to use the remaining proceeds in the manner consistent with that mentioned in the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated November 9, 2020 (the "**Prospectus**"). The completion time of using such proceeds will be determined based on the Company's actual business needs and future business development.

Business objective as stated in the Prospectus	% of use of proceeds (Approximately)	Net proceeds from the HK IPO RMB million	Unutilised net proceeds as of December 31, 2020 RMB million	Actual usage during the six months ended June 30, 2021 RMB million	Unutilised net proceeds as of June 30, 2021 RMB million	Expected timeline
Fund ongoing and planned clinical trials and milestone payments of our two Core Products and commercial launches of ATG-010	41%	932.63	859.91	62.37	797.54	The amount is expected to be partially utilised by December 31, 2021
Fund ongoing and planned clinical trials and milestone payments of four other clinical-stage drug candidates in our pipeline	25%	568.67	564.98	33.46	531.52	The amount is expected to be partially utilised by December 31, 2021
Fund ongoing preclinical studies and planned clinical trials for other preclinical drug candidates in our pipeline	9%	204.72	192.70	21.72	170.98	The amount is expected to be partially utilised by December 31, 2021
For expansion of our pipeline, including discovery of new drug candidates and business development activities	14%	318.46	318.46	22.86	295.60	The amount is expected to be partially utilised by December 31, 2021
For capital expenditure	1%	22.75	21.71	16.11	5.60	The amount is expected to be partially utilised by December 31, 2021
For general corporate purposes	10%	227.47	201.52	95.64	105.88	The amount is expected to be partially utilised by December 31, 2021
Total	100%	2,274.70	2,159.28	252.16	1,907.12	

Notes:

(1) Net proceeds from the IPO were received in HKD and translated into RMB for the allocation and the utilization calculation, and have been adjusted slightly due to the fluctuation of the foreign exchange rates since the listing.

OTHER INFORMATION

Review of Interim Results and Interim Report

The audit committee of the Company (the "**Audit Committee**") has jointly reviewed with the management of the Company the accounting principles and policies adopted by the Company and discussed internal control and financial reporting matters (including the review of the unaudited interim results and interim report for the six months ended June 30, 2021) of the Group. The Audit Committee considered that the interim results and interim report are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

As far as the Company is aware, as of June 30, 2021, the interests and short positions of our Directors and chief executives in the shares, underlying shares or debentures of the Company or any of our associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("**SFO**")), which were required (a) to be notified to the Company and the Hong Kong 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 taken under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code, were as follows:

Long Positions in the Company's Shares

Name of Director or CEO	Nature of interest	Total number of shares/ underlying shares	Approximate Percentage of Shareholding Interest[2]
Dr. Jay Mei[3]	Interest in controlled corporation and beneficial interest	179,927,994 (L)[1]	26.81%
Mr. John F. Chin[4]	Beneficial interest	1,435,496 (L)[1]	0.21%
Mr. Mark J. Alles[5]	Beneficial interest	735,496 (L)[1]	0.11%
Ms. Jing Qian[6]	Beneficial interest	20,000 (L)[1]	0.00%
Mr. Sheng Tang[7]	Beneficial interest	20,000 (L)[1]	0.00%
Mr. Donald Andrew Lung[8]	Beneficial interest	3,500,000 (L)[1]	0.52%
Dr. Kevin Patrick Lynch[9]	Beneficial interest	20,000 (L)[1]	0.00%

Notes:

(1) "L" means holding a long position in Shares.

(2) Refers to the percentage of the number of relevant Shares involved divided by the number of Shares in issue of the Company as at June 30, 2021.

(3) Meiland Pharma Tech Limited ("**Meiland**") holds 175,927,994 Shares following completion of the Capitalization Issue and is wholly-owned by Horsham Angel Investment Limited ("**Horsham Angel**"). Horsham Angel is owned by Dr. Jay Mei as to 16.48%, AM & Beyond Trust, a trust created by Dr. Jay Mei for the benefit of his children, as to 8.52%, and the JAY MEI 2020 GRAT, a trust created by Dr. Jay Mei for the benefit of himself and his immediate family members, as to 75%. Dr. Jay Mei is the grantor of the AM & Beyond Trust and the trustee, the grantor and one of the beneficiaries of the JAY MEI 2020 GRAT. Accordingly, Dr. Jay Mei is deemed to be interested in the total number of Shares held by Meiland. In addition, Dr. Jay Mei is entitled to acquire up to 4,000,000 Shares following completion of the Capitalization Issue pursuant to the share options granted to him, subject to the relevant conditions (including the vesting conditions) thereunder.

(4) Mr. John F. Chin directly holds 135,496 Shares following completion of the Capitalization Issue. In addition, Mr. John F. Chin is entitled to acquire up to 1,300,000 Shares following completion of the Capitalization Issue pursuant to the share options granted to him, subject to the relevant conditions (including the vesting conditions) thereunder.

(5) Mr. Mark J. Alles directly holds 135,496 Shares following completion of the Capitalization Issue. In addition, Mr. Mark J. Alles is entitled to acquire up to 600,000 Shares following completion of the Capitalization Issue pursuant to the share options granted to him, subject to the relevant conditions (including the vesting conditions) thereunder.

(6) Ms. Jing Qian is entitled to acquire up to 20,000 Shares following completion of the Capitalization Issue pursuant to the share options granted to her, subject to the relevant conditions (including the vesting conditions) thereunder.

(7) Mr. Sheng Tang is entitled to acquire up to 20,000 Shares following completion of the Capitalization Issue pursuant to the share options granted to him, subject to the relevant conditions (including the vesting conditions) thereunder.

(8) Mr. Donald Andrew Lung is entitled to acquire up to 3,500,000 Shares following completion of the Capitalization Issue pursuant to the share options granted to him, subject to the relevant conditions (including the vesting conditions) thereunder.

(9) Dr. Kevin Patrick Lynch is entitled to acquire up to 20,000 Shares following completion of the Capitalization Issue pursuant to the share options granted to him, subject to the relevant conditions (including the vesting conditions) thereunder.

Save as disclosed above, as of June 30, 2021, none of the Directors or chief executives of the Company had or was deemed to have any interest or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of the Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken 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 as contained in Appendix 10 to the Listing Rules, to be notified to the Company and the Hong Kong Stock Exchange.

Substantial Shareholders' and Other Person's Interests and Short Positions in Shares and Underlying Shares

As of June 30, 2021, to the best of the knowledge of the Company and the Directors, the following are the persons, other than the Directors or chief executives of the Company, who had interests or short positions in the shares and underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be entered in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO.

OTHER INFORMATION

Interests in the Shares and Underlying Shares of the Company

Name of Shareholder	Nature of Interest	Total number of shares/ underlying shares	Approximate Percentage of Shareholding Interest[2]
JAY MEI 2020 GRAT[3]	Interest in controlled corporation	175,927,994 (L)[1]	26.21%
Horsham Angel[3]	Interest in controlled corporation	175,927,994 (L)[1]	26.21%
Meiland[3]	Beneficial interest	175,927,994 (L)[1]	26.21%
Boyu Capital Group Holdings Ltd.[4]	Interest in controlled corporation	73,789,650 (L)[1]	10.99%
Boyu Capital General Partner III, Ltd.[4]	Interest in controlled corporation	62,711,436 (L)[1]	9.34%
Boyu Capital General Partner III, L.P.[4]	Interest in controlled corporation	62,711,436 (L)[1]	9.34%
Boyu Capital Fund III, L.P.[4]	Interest in controlled corporation	62,711,436 (L)[1]	9.34%
Active Ambience Limited[4]	Beneficial interest	62,711,436 (L)[1]	9.34%
FMR LLC[5]	Interest in controlled corporation	54,778,992 (L)[1]	8.16%
FountainVest China Capital Partners GP3 Ltd.[6]	Interest in controlled corporation	52,411,896 (L)[1]	7.81%
FountainVest China Capital Partners Fund III, L.P.[6]	Interest in controlled corporation	52,411,896 (L)[1]	7.81%
Begonia Investment Ltd.[6]	Beneficial interest	52,411,896 (L)[1]	7.81%
TCT (BVI) Limited[7]	Interest in controlled corporation	45,702,232 (L)[1]	6.81%
THE CORE TRUST COMPANY LIMITED[7]	Trustee	45,702,232 (L)[1]	6.81%
FIDELITY INVESTMENT TRUST	Beneficial interest	41,866,229 (L)[1]	6.24%
Qiming Corporate GP V, Ltd[8]	Interest in controlled corporation	40,170,442 (L)[1]	5.99%
Qiming GP V, L.P.[8]	Interest in controlled corporation	38,961,648 (L)[1]	5.80%
Qiming Venture Partners V, L.P.[8]	Beneficial interest	38,961,648 (L)[1]	5.80%

Notes:

(1) "L" means holding a long position in Shares.

(2) Refers to the percentage of the number of relevant Shares involved divided by the number of Shares in issue of the Company as at June 30, 2021.

(3) Meiland Pharma Tech Limited (the "**Meiland**") is wholly-owned by Horsham Angel Investment Limited (the "**Horsham Angel**"). Horsham Angel is owned by Dr. Jay Mei as to 16.48%, AM & Beyond Trust, a trust created by Dr. Jay Mei for the benefit of his children, as to 8.52%, and the JAY MEI 2020 GRAT, a trust created by Dr. Jay Mei for the benefit of himself and his immediate family members, as to 75%. Dr. Jay Mei is the grantor of the AM & Beyond Trust and the trustee, the grantor and one of the beneficiaries of the JAY MEI 2020 GRAT. Accordingly, each of Horsham Angel and JAY MEI 2020 GRAT is deemed to be interested in the total number of Shares held by Meiland.

(4) Active Ambience Limited ("**Active Ambience**") is wholly-owned by Boyu Capital Fund III, L.P. ("**BCF III**"). Boyu Capital General Partner III, L.P. ("**BCGP III LP**") is the general partner of BCF III. Boyu Capital General Partner III, Ltd. ("**BCGP III Ltd**") is the general partner of BCGP III LP. Boyu Capital Group Holdings Ltd. ("**BCGH**") wholly-owns BCGP III Ltd. Accordingly, each of BCF III, BCGP III LP, BCGP III Ltd and BCGH is deemed to be interested in the total number of Shares held by Active Ambience. In addition, Supercluster Universe Limited ("**Supercluster Universe**") holds 3,538,714 Shares immediately following completion of the Capitalization Issue and the Global Offering. Supercluster Universe is wholly-owned by Boyu Capital Opportunities Master Fund ("**BCOMF**"), which is in turn wholly-owned by Boyu Capital Investment Management Limited ("**BCIM**"). BCIM is wholly-owned by BCGH. Accordingly, BCGH is also deemed to be interested in the total number of Shares held by Supercluster Universe and 7,539,500 Shares directly held by BCOMF.

(5) 12,026,412 Shares, 29,293,968 Shares, 12,914,312 Shares and 544,300 Shares are directly held by FMR Investment Management (UK) Limited ("**FIML**"), FIDELITY MANAGEMENT & RESEARCH (HONG KONG) LIMITED ("**FMRL**"), Fidelity Management & Research Company LLC ("**FMRCL**") and Fidelity Institutional Asset Management Trust Company ("**FIAMTC**"), respectively. Each of FIML and FMRL is wholly-owned by FMRCL, which is in turn wholly-owned by FMR LLC. FIAMTC is wholly-owned by FIAM Holdings LLC, which is in turn wholly-owned by FMR LLC. Accordingly, FMR LLC is deemed to be interested in the Shares held by FIML, FMRL, FMRCL and FIAMTC.

(6) Begonia Investment Ltd. ("**Begonia**") is owned as to 76.25% by FountainVest China Capital Partners Fund III, L.P., which is controlled by its sole shareholder, FountainVest China Capital Partners GP3 Ltd. Accordingly, each of FountainVest China Capital Partners Fund III, L.P. and FountainVest China Capital Partners GP3 Ltd. is deemed to be interested in the total number of Shares held by Begonia.

(7) THE CORE TRUST COMPANY LIMITED, as a trustee, holds 20,000,000 Shares and 25,702,232 Shares on trust under certain equity incentive plans through ATG Incentives Holding Limited and ATG Incentives Holding Plus Limited (each a "**Nominee**" and collectively "**Nominees**"), respectively. Each of the Nominees is wholly-owned by TCT (BVI) Limited, which is in turn wholly-owned by THE CORE TRUST COMPANY LIMITED.

(8) Qiming GP V, L.P. is the general partner of Qiming Venture Partners V, L.P., and Qiming Corporate GP V, Ltd is the general partner of Qiming GP V, L.P. Accordingly, each of Qiming GP V, L.P. and Qiming Corporate GP V, Ltd is deemed to be interested in the total number of Shares held by Qiming Venture Partners V, L.P. In addition, Qiming Managing Directors Fund V, L.P. holds 1,208,794 Shares immediately following completion of the Capitalization Issue and the Global Offering. Qiming Corporate GP V, Ltd is the general partner of Qiming Managing Directors Fund V, L.P. and is deemed to be interested in the total number of Shares held by the latter.

Save as disclosed above, as of June 30, 2021, the Company and the Directors were not aware of any other person (other than the Directors or chief executives of the Company) who had an interest or short position in the shares or underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be entered in the register required to be kept by the Company pursuant to Section 336 of the SFO.

Equity Incentive Plans

The 2019 Equity Incentive Plan was adopted and approved by resolutions in writing by the Board on December 30, 2019 and amended by resolutions in writing by the Board on August 18, 2020. The 2020 Equity Incentive Plan was adopted and approved by resolutions in writing by the Board on August 18, 2020. The terms of the 2019 Equity Incentive Plan and the 2020 Equity Incentive Plan (collectively, the "**Equity Incentive Plans**") are substantially similar and are compliant with the provisions of Chapter 17 of the Listing Rules.

The following is a summary of the principal terms of the 2019 Equity Incentive Plan and the 2020 Equity Incentive Plan.

OTHER INFORMATION

(a) Summary of terms

Purpose. The purpose of the Equity Incentive Plans is to enhance the long-term shareholder value of our Company by offering opportunities to employees, Directors and officers of our Group to participate in and benefit from our Company's growth and success, and to secure and retain the services of eligible participants.

Eligible Participants. Any of the following persons shall be eligible to participate in the Equity Incentive Plans subject to the Board's approval:

(1) any officer (whether or not a director) or employee of our Company or any of its subsidiaries;

(2) any director of our Company or any of its subsidiaries; or

(3) any individual consultant or advisor who renders or has rendered bona fide services to our Company or any of its subsidiaries, each subject to the approval of the Board.

Maximum Number of Shares. The maximum number of Shares underlying the share options shall not exceed 45,702,232 Shares, being no more than 10% of the total issued share capital of the Company Shares as at the Listing Date. As of June 30, 2021, 19,927,500 Shares have been allotted and issued and are currently held by The Core Trust Company Limited (the "**Trustee**") on trust through ATG Incentives Holding Limited ("**ATG Incentives**") and 25,553,732 Shares have been allotted and issued and are currently held by the Trustee on trust through ATG Incentives Holding Plus Limited ("**ATG Incentives Plus**"), respectively, for further grant of share options under the Equity Incentive Plans. Each of ATG Incentives and ATG Incentives Plus is a special purpose vehicle managed by the Trustee established for the purpose of holding Shares for grant of share options pursuant to the Equity Incentive Plans.

Maximum Entitlement of a Participant. No share option shall be granted to any one person such that the total number of Shares subject to the share options and any other option over the Shares (including exercised, cancelled and outstanding options) granted and to be granted to such person in any 12-month period up to the date of the latest grant exceeds 1% of the Shares in issue from time to time, except with the approval of the shareholders of the Company with such person and his close associates abstaining from voting.

Performance Target. The share options will be allocated and granted subject to the performance criteria as set forth at the sole discretion of the Board.

Exercise Price. The exercise price under each share option shall be set forth in the notice of grant. The Board may determine any further discount to the exercise price upon or after the grant of the option, provided that the exercise price in respect of any share option granted shall be not less than the highest of: (i) the nominal value of the Shares; (ii) the closing price of the Shares as stated in the Hong Kong Stock Exchange's daily quotations sheet on the grant date of such share option (the "**Grant Date**"), which must be a business day; and (iii) the average closing price of the Shares as stated in the Stock

Exchange's daily quotations sheets for the five business days immediately preceding the Grant Date. The participant has the discretion to pay the exercise price by any combination of payment methods set forth in the Equity Incentive Plans. The tax withholding to be paid for the Shares shall be determined according to the provisions in the Equity Incentive Plans and applicable law.

Duration. Unless terminated sooner by the Administrator (as defined below), the Equity Incentive Plans will automatically terminate on the tenth anniversary of their respective effective date, after which no share option may be granted. The remaining life of each of the 2019 Equity Incentive Plan and the 2020 Equity Incentive Plan is approximately 8 years and approximately 9 years, respectively.

Administration. The Equity Incentive Plans shall be subject to the administration of the Trustee (the "**Administrator**") in accordance with the decisions and directions of the Board. Subject to any applicable laws, regulations and rules, the powers and obligations of the Administrator will be limited as set forth in a trust deed entered into between our Company and the Trustee.

Option Agreement and Notice of Grant. Each share option granted under the Equity Incentive Plans shall be evidenced by an option agreement and a notice of grant in the specified form between our Company and a participant. Subject to the terms of the Equity Incentive Plans and the terms of the form option agreement attached thereto, each share option may contain additional terms and conditions as the Board deems appropriate.

Options. The Equity Incentive Plans provide for award of options only. The CEO is entitled to make proposals ("**Management Proposals**") to the Board with respect to any and all matters as our Company deems necessary or desirable in connection with the Equity Incentive Plans or the option agreements, which shall be subject to the Board's further review and approval. Share options may be granted only to those persons whom the Board determined to be eligible recipients based on the Management Proposals at the exercise price determined by the Board and subject to the performance criteria as set forth at the sole discretion of the Board. Each vested share option shall not be exercisable until the later of (i) the date such share option has vested in accordance with the terms of the Equity Incentive Plans or (ii) 30 days after the Listing, but shall be exercised no later than 10 years from the date of grant (the "**Exercise Period**"). The participant must send a written notice of exercise in the specified form to our Company within the Exercise Period, setting forth the number of Shares with respect to which the share option is being exercised and accompanied by full payment for the Shares.

Vesting. Subject to other conditions set forth in the Equity Incentive Plans and the applicable option agreement, a participant's share option shall be vested according to the following schedule: (i) 30% of the share option shall be vested on the second anniversary of the Grant Date, (ii) 30% of the share option shall be vested on the third anniversary of the Grant Date, and (iii) the remaining 40% of the share option shall be vested on the fourth anniversary of the Grant Date. The Board may decide to accelerate the vesting schedule of share options at its sole discretion.

(b) Outstanding share options granted under the Equity Incentive Plans

As at June 30, 2021, share options to acquire an aggregate of 14,932,442 Shares, representing approximately 2.22% of the total issued share capital of the Company, are outstanding under the 2019 Equity Incentive Plan, and share options to acquire an aggregate of 17,571,420 Shares, representing approximately 2.62% of the total issued share capital of the Company, are outstanding under the 2020 Equity Incentive Plan. As at June 30, 2021, 0.48% of the share options granted under the Equity Incentive Plans has been exercised.

The share options have been granted based on the performance, length of service and significance of the grantees who have made important contributions to and are important to the long-term growth and success of our Group. As at June 30, 2021, the grantees under the Equity Incentive Plans include seven Directors, two members of the senior management and 111 other employees of our Group. Details of the share options granted under the Equity Incentive Plans as at June 30, 2021 are set out below:

Name of grantee	Position held with the Group	Exercise Price (US$)	Date of Grant	Vesting Period	Outstanding as of December 31, 2020	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as of June 30, 2021
Dr. Jay Mei	Executive Director, Chairman of the Board and CEO	0.92	23-Aug-20	Six months after the Listing of the Company	4,000,000	0	0	0	0	4,000,000
Mr. John F. Chin	Executive Director and Chief Business Officer	1.92	23-Aug-20	(i) 30% to be vested two years from the date of grant; (ii) 30% to be vested three years from the date of grant; and (iii) 40% to be vested four years from the date of grant	1,000,000	0	0	0	0	1,000,000
		20.65 (HKD)	19-Jan-21	(i) 30% to be vested two years from the date of grant; (ii) 30% to be vested three years from the date of grant; and (iii) 40% to be vested four years from the date of grant	0	300,000	0	0	0	300,000

Name of grantee	Position held with the Group	Exercise Price (US$)	Date of Grant	Vesting Period	Outstanding as of December 31, 2020	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as of June 30, 2021
Dr. Kevin Patrick Lynch	Executive Director and Chief Medical Officer	1.415	23-Aug-20	(i) 30% to be vested two years from the date of grant; (ii) 30% to be vested three years from the date of grant; and (iii) 40% to be vested four years from the date of grant	20,000	0	0	0	0	20,000
Mr. Donald Andrew Lung	Executive Director and Chief Financial Officer	1.415	23-Aug-20	(i) 30% to be vested two years from the date of grant; (ii) 30% to be vested three years from the date of grant; and (iii) 40% to be vested four years from the date of grant	3,200,000	0	0	0	0	3,200,000
		20.65 (HKD)	19-Jan-21	(i) 30% to be vested two years from the date of grant; (ii) 30% to be vested three years from the date of grant; and (iii) 40% to be vested four years from the date of grant	0	300,000	0	0	0	300,000

Name of grantee	Position held with the Group	Exercise Price (US$)	Date of Grant	Vesting Period	Outstanding as of December 31, 2020	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as of June 30, 2021
Mr. Mark J. Alles	Independent Non-executive Director	0.92	23-Aug-20	(i) 30% to be vested two years from the date of grant;	600,000	0	0	0	0	600,000
				(ii) 30% to be vested three years from the date of grant; and						
				(iii) 40% to be vested four years from the date of grant						
Ms. Jing Qian	Independent Non-executive Director	0.92	23-Aug-20	(i) 30% to be vested two years from the date of grant;	20,000	0	0	0	0	20,000
				(ii) 30% to be vested three years from the date of grant; and						
				(iii) 40% to be vested four years from the date of grant						
Mr. Sheng Tang	Independent Non-executive Director	0.92	23-Aug-20	(i) 30% to be vested two years from the date of grant;	20,000	0	0	0	0	20,000
				(ii) 30% to be vested three years from the date of grant; and						
				(iii) 40% to be vested four years from the date of grant						

Name of grantee	Position held with the Group	Exercise Price (US$)	Date of Grant	Vesting Period	Outstanding as of December 31, 2020	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as of June 30, 2021
Dr. Bo Shan	Chief Scientific Officer	0.877	1-Nov-19	(i) 15% to be vested upon Listing; (ii) 15% to be vested two years from the date of grant; (iii) 30% to be vested three years from the date of grant; and (iv) 40% to be vested four years from the date of grant	1,020,000	0	0	0	0	1,020,000
		1.06	23-Aug-20	(i) 30% to be vested two years from the date of grant; (ii) 30% to be vested three years from the date of grant; and (iii) 40% to be vested four years from the date of grant	600,000	0	0	0	0	600,000
		20.65 (HKD)	19-Jan-21	(i) 30% to be vested two years from the date of grant; (ii) 30% to be vested three years from the date of grant; and (iii) 40% to be vested four years from the date of grant	0	400,000	0	0	0	400,000

Name of grantee	Position held with the Group	Exercise Price (US$)	Date of Grant	Vesting Period	Outstanding as of December 31, 2020	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as of June 30, 2021
Mr. Yiteng Liu	Chief Operating Officer	0.92	23-Aug-20	Six months after the Listing of the Company	2,400,000	0	148,500	0	0	2,251,500
			30-Oct-20							
		20.65 (HKD)	19-Jan-21	(i) 30% to be vested two years from the date of grant; (ii) 30% to be vested three years from the date of grant; and (iii) 40% to be vested four years from the date of grant	0	300,000	0	0	0	300,000
Subtotal					12,880,000	1,300,000	148,500	0	0	14,031,500
111 other employees of the Company		0.877	November 1, 2019 to October 30, 2020	(i) 30% to be vested two years from the date of grant; (ii) 30% to be vested three years from the date of grant; and (iii) 40% to be vested four years from the date of grant	881,154	0	0	177,316	0	703,838
		0.877		(i) 15% to be vested upon Listing; (ii) 15% to be vested two years from the date of grant; (iii) 30% to be vested three years from the date of grant; and (iv) 40% to be vested four years from the date of grant	7,737,024	0	72,500	0	0	7,664,524

Name of grantee	Position held with the Group	Exercise Price (US$)	Date of Grant	Vesting Period	Outstanding as of December 31, 2020	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as of June 30, 2021
		0.92		(i) 30% to be vested two years from the date of grant; (ii) 30% to be vested three years from the date of grant; and (iii) 40% to be vested four years from the date of grant	1,562,000	0	0	0	0	1,562,000
		1.06		(i) 30% to be vested two years from the date of grant; (ii) 30% to be vested three years from the date of grant; and (iii) 40% to be vested four years from the date of grant	1,320,000	0	0	10,000	0	1,310,000
		1.205		(i) 30% to be vested two years from the date of grant; (ii) 30% to be vested three years from the date of grant; and (iii) 40% to be vested four years from the date of grant	922,000	0	0	108,000	0	814,000

Name of grantee	Position held with the Group	Exercise Price (US$)	Date of Grant	Vesting Period	Outstanding as of December 31, 2020	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as of June 30, 2021
		1.415		(i) 30% to be vested two years from the date of grant;	1,772,000	0	0	10,000	0	1,762,000
				(ii) 30% to be vested three years from the date of grant; and						
				(iii) 40% to be vested four years from the date of grant						
		20.65 (HKD)	19-Jan-21	(i) 30% to be vested two years from the date of grant;	0	4,956,000	0	300,000	0	4,656,000
				(ii) 30% to be vested three years from the date of grant; and						
				(iii) 40% to be vested four years from the date of grant						
Subtotal					14,194,178	4,956,000	72,500	605,316	0	18,472,362
Total					27,074,178	6,256,000	221,000	605,316	0	32,503,862

The closing price of the Company's shares immediately before the grant of options on January 19, 2021 was HKD20.90.

For further details, please refer to the section headed "Appendix IV – Statutory and General Information – Equity Incentive Plans" of the Prospectus, and note 14 to the Interim Condensed Consolidated Financial Information of this report.

No Material Changes

Save as disclosed in this interim report, during the Reporting Period, there are no material changes affecting the Company's performance that needs to be disclosed under paragraphs 32 and 40(2) of Appendix 16 to the Listing Rules.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended June 30, 2021

	Notes	Six months ended June 30, 2021 RMB'000 (Unaudited)	2020 RMB'000 (Audited)
Other income and gains	4	**18,135**	19,366
Research and development costs		**(135,333)**	(169,888)
Selling and distribution expenses		**(132)**	–
Administrative expenses		**(78,512)**	(68,681)
Other expenses	4	**(36,537)**	(318,096)
Finance costs		**(616)**	(448)
LOSS BEFORE TAX	5	**(232,995)**	(537,747)
Income tax expense	6	**–**	–
LOSS FOR THE PERIOD		**(232,995)**	(537,747)
Attributable to:			
Owners of the parent		**(232,995)**	(537,747)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted			
– For loss for the period	8	**RMB (0.37)**	RMB (2.58)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended June 30, 2021

	Six months ended June 30,	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Audited)
LOSS FOR THE PERIOD	**(232,995)**	(537,747)
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**5,310**	–
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**5,310**	–
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**5,310**	–
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**(227,685)**	(537,747)
Attributable to:		
Owners of the parent	**(227,685)**	(537,747)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

June 30, 2021

	Notes	June 30, 2021 RMB'000 (Unaudited)	December 31, 2020 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	9	**67,665**	56,233
Right-of-use assets		**15,316**	9,868
Other intangible assets		**3,277**	277
Equity investment designated at fair value through other comprehensive income		**2,161**	–
Total non-current assets		**88,419**	66,378
CURRENT ASSETS			
Inventories		**195**	–
Prepayments and other receivables	10	**37,075**	18,191
Financial assets at fair value through profit or loss		**32,446**	–
Cash and bank balances	11	**2,806,488**	3,109,832
Total current assets		**2,876,204**	3,128,023
CURRENT LIABILITIES			
Other payables and accruals	12	**114,193**	145,672
Lease liabilities		**8,053**	4,929
Total current liabilities		**122,246**	150,601
NET CURRENT ASSETS		**2,753,958**	2,977,422
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,842,377**	3,043,800
NON-CURRENT LIABILITIES			
Lease liabilities		**7,826**	5,992
Total non-current liabilities		**7,826**	5,992
Net assets		**2,834,551**	3,037,808
EQUITY			
Equity attributable to owners of the parent			
Share capital	13	**448**	448
Treasury shares		**(30)**	(30)
Reserves		**2,834,133**	3,037,390
Total equity		**2,834,551**	3,037,808

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended June 30, 2021

	Attributable to owners of the parent						
	Share capital RMB'000	Treasury Shares RMB'000	Share option reserve* RMB'000	Share premium* RMB'000	Exchange fluctuation reserve* RMB'000	Accumulated losses * RMB'000	Total RMB'000
At January 1, 2021 (audited)	**448**	**(30)**	**89,112**	**6,383,316**	**–**	**(3,435,038)**	**3,037,808**
Loss for the period	**–**	**–**	**–**	**–**	**–**	**(232,995)**	**(232,995)**
Other comprehensive income for the period:							
Exchange differences on translation of foreign operations	**–**	**–**	**–**	**–**	**5,310**	**–**	**5,310**
Total comprehensive loss for the period	**–**	**–**	**–**	**–**	**5,310**	**(232,995)**	**(227,685)**
Equity-settled share option arrangements	**–**	**–**	**23,135**	**–**	**–**	**–**	**23,135**
Exercise of share options	**–**	**–**	**(689)**	**1,982**	**–**	**–**	**1,293**
Transfer of share option reserve upon the forfeiture of share options	**–**	**–**	**(384)**	**–**	**–**	**384**	**–**
At June 30, 2021 (unaudited)	**448**	**(30)**	**111,174**	**6,385,298**	**5,310**	**(3,667,649)**	**2,834,551**
At January 1, 2020 (audited)	72	–	2	(51,562)	–	(506,123)	(557,611)
Loss and total comprehensive loss for the period	–	–	–	–	–	(537,747)	(537,747)
Issue of shares	6	–	(6)	–	–	–	–
Equity-settled share option arrangements	–	–	82,229	–	–	–	82,229
At June 30, 2020 (audited)	78	–	82,225	(51,562)	–	(1,043,870)	(1,013,129)

* These reserve accounts comprise the reserves of RMB2,834,133,000 and RMB (1,013,207,000) in the condensed consolidated statement of financial position as at June 30, 2021 and June 30, 2020, respectively.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2021

	Notes	Six months ended June 30, 2021 RMB'000 (Unaudited)	2020 RMB'000 (Audited)
CASH FLOWS USED IN OPERATING ACTIVITIES			
Loss before tax:		**(232,995)**	(537,747)
Adjustments for:			
Finance costs		**616**	448
Interest income	4	**(9,666)**	(7,360)
Depreciation of property, plant and equipment		**1,365**	118
Depreciation of right-of-use assets		**2,820**	1,450
Amortisation of other intangible assets		**185**	15
Equity-settled share option arrangements	14	**23,135**	82,229
Fair value loss on convertible redeemable preferred shares		**–**	317,363
Foreign exchange differences, net	5	**35,796**	(10,492)
		(178,744)	(153,976)
Increase in inventories		**(195)**	–
Increase in prepayments and other receivables		**(8,806)**	(2,559)
(Decrease)/increase in other payables and accruals		**(22,547)**	17,563
Net cash flows used in operating activities		**(210,292)**	(138,972)
CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment	9	**(14,492)**	(2,064)
Purchases of other intangible assets		**(3,185)**	–
(Increase)/decrease in time deposits with original maturity of more than three months	11	**(797,544)**	64,081
Interest received		**881**	3,098
Decrease in pledged deposits	11	**16**	–
Purchases of equity investments designated at fair value through other comprehensive income		**(2,161)**	–
Purchase of wealth management products		**(32,446)**	–
Net cash flows (used in)/from investing activities		**(848,931)**	65,115

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2021

	Notes	Six months ended June 30, 2021 RMB'000 (Unaudited)	2020 RMB'000 (Audited)
CASH FLOWS USED IN FINANCING ACTIVITIES			
Principal portion of lease payments		**(3,926)**	(2,023)
Share issue expenses		**(9,902)**	–
Net cash flows used in financing activities		**(13,828)**	(2,023)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(1,073,051)**	(75,880)
Cash and cash equivalents at beginning of period		**2,094,282**	290,787
Effect of foreign exchange rate changes, net		**(27,821)**	9,824
CASH AND CASH EQUIVALENTS AT END OF PERIOD	11	**993,410**	224,731
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	11	**2,806,488**	616,658
Pledged deposits	11	**(4,240)**	(2,625)
Bank deposits with original maturity of more than three months when acquired	11	**(1,808,838)**	(389,302)
Cash and cash equivalents as stated in the statement of cash flows		**993,410**	224,731

1. CORPORATE AND GROUP INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on August 28, 2018. The registered office of the Company is located at the offices of Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investing holding company. The subsidiaries of the Company were involved in the research and development of pharmaceutical products.

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") effective from November 20, 2020.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended June 30, 2021 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2020.

2.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2020, except for the adoption of the following revised International Financial Reporting Standards ("**IFRSs**") for the first time for the current period's financial information.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS16	*Interest Rate Benchmark Reform – Phase 2*
Amendments to IFRS 16	*Covid-19-Related Rent Concessions beyond June 30, 2021 (early adopted)*

The adoption of the above amendments did not have any impact on the financial position and performance of the Group.

3 OPERATING SEGMENT INFORMATION

Operating segment information

For management purposes, the Group has only one reportable operating segment, which is the development of innovative oncology medicines. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

Since nearly all of the Group's non-current assets were located in Mainland China, no geographical segment information is presented in accordance with IFRS 8 *Operating Segments*.

Information about a major customer

There was no single external customer of the Group that individually accounted for 10% or more of the Group's total revenue during the six months ended June 30, 2021(June 30, 2020: Nil).

4 OTHER INCOME AND GAINS AND OTHER EXPENSES

An analysis of other income and gains is as follows:

	Six months ended June 30,	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Other income		
Income from pharmaceutical products*	**4,314**	–
Government grants related to income**	**4,155**	1,514
Bank interest income	**9,666**	7,360
	18,135	8,874
Other gains		
Foreign exchange gains, net	**–**	10,492
	18,135	19,366

* Income from pharmaceutical products relates to the Named Patient Program which allows urgently needed drugs not yet approved for treatment of a particular patient with prior approval from local regulatory authorities in Hong Kong and Hainan Boao Lecheng International Medical Tourism Pilot Zone.

** The government grants mainly represent subsidies received from the local governments for the purpose of compensation on the expenses spent on research and clinical trial activities, as allowance for new drug development and funds for talents and incentives for the successful listing of the Company.

4 OTHER INCOME AND GAINS AND OTHER EXPENSES (CONTINUED)

An analysis of other expenses is as follows:

	Six months ended June 30,	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Other expenses		
Fair value loss on convertible redeemable preferred shares	**–**	317,363
Foreign exchange loss, net	**35,796**	–
Others	**741**	733
	36,537	318,096

5 LOSS BEFORE TAX

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

	Six months ended June 30,	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Depreciation of property, plant and equipment	**1,365**	118
Depreciation of right-of-use assets	**2,820**	1,450
Amortisation of other intangible assets	**185**	15
Share issue expenses	**–**	1,635
Lease payments not included in the measurement of lease liabilities	**159**	231
Foreign exchange differences, net	**35,796**	(10,492)
Employee benefit expense:		
Wages and salaries	**50,722**	27,502
Pension scheme contributions (defined contribution scheme)	**7,528**	1,368
Staff welfare expenses	**2,350**	944
Equity-settled share option expense	**23,135**	82,229
	83,735	112,043
Fair value loss on convertible redeemable preferred shares*	**–**	317,363

* Included in "Other expenses" in the condensed consolidated statement of profit or loss.

6 INCOME TAX

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

Cayman Islands

Under the current laws of the Cayman Islands, the Company is not subject to tax on income or capital gains. In addition, upon payments of dividends by the Company to its shareholders, no Cayman Islands withholding tax is imposed.

British Virgin Islands

Under the current laws of the British Virgin Islands ("**BVI**"), the subsidiaries incorporated in the BVI are not subject to tax on income or capital gains. In addition, upon payments of dividends by these subsidiaries to their shareholders, no BVI withholding tax is imposed.

Hong Kong

The subsidiaries incorporated in Hong Kong are subject to income tax at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the period.

Macau

The subsidiary incorporated in Macau are subject to income tax at the rate of 12% on the estimated assessable profits arising in Macau during the period.

Mainland China

Pursuant to the Corporate Income Tax Law of the People's Republic of China and the respective regulations (the "**CIT Law**"), the subsidiaries which operate in Mainland China are subject to CIT at a rate of 25% on the taxable income.

Australia

No provision for Australia profits tax has been made as the Group had no assessable profits derived from or earned in Australia during the period. The subsidiary incorporated in Australia is subject to income tax at the rate of 30% on the estimated assessable profits arising in Australia during the period.

Singapore

No provision for Singapore profits tax has been made as the Group had no operating activity in Singapore during the period. The subsidiary incorporated in Singapore is subject to income tax at the rate of 17% on the estimated assessable profits arising in Singapore during the period.

6 INCOME TAX (CONTINUED)

South Korea

No provision for South Korea profits tax has been made as the Group had no operating activity in South Korea during the period. The subsidiary incorporated in South Korea is subject to income tax at the rate of 10% on the estimated assessable profits arising in South Korea during the period.

United States of America

The subsidiary incorporated in Delaware, The United States is subject to statutory United States federal corporate income tax at a rate of 21%. It is also subject to the state income tax in Delaware at a rate of 8.7% during the period.

No provision for income taxation has been made for the six months ended June 30, 2021 and 2020 as the Group had no assessable profits derived from the operating entities of the Group.

7 DIVIDENDS

No dividend was paid or declared by the Company during the six months ended June 30, 2021 (June 30, 2020: Nil).

8 LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 625,480,467 (June 30, 2020: 208,143,169) (after adjusted for the effect of the Capitalisation Issue) in issue during the period, as adjusted to reflect the rights issue during the period.

No adjustment has been made to the basic loss per share amounts presented for the six months ended June 30, 2021 and 2020 in respect of a dilution as the impact of the share options and redeemable convertible preferred shares outstanding had an anti-dilutive effect on the basic loss per share amounts presented.

The calculations of basic and diluted loss per share are based on:

	Six months ended June 30,	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss		
Loss attributable to ordinary equity holders of the parent, used in the basic and diluted loss per share calculation	**(232,995)**	(537,747)

8 LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (CONTINUED)

	Number of shares	
	Six months ended June 30,	
	2021	2020
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic and diluted loss per share calculation	**625,480,467**	208,143,169

9 PROPERTY, PLANT AND EQUIPMENT

During the six months ended June 30, 2021, the Group acquired assets at a cost of RMB12,797,000 (June 30, 2020: RMB2,064,000).

No assets were disposed of by the Group during the six months ended June 30, 2021 (June 30, 2020: Nil).

No impairment loss was recognised during the six months ended June 30, 2021 (June 30, 2020: Nil).

10 PREPAYMENTS AND OTHER RECEIVABLES

	June 30, 2021	December 31, 2020
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Value-added tax recoverable	**14,784**	11,478
Interest receivables	**13,030**	4,245
Amounts due from shareholders	**11**	37
Amounts due from related parties	**–**	17
Prepayments	**5,419**	718
Other receivables	**3,831**	1,696
	37,075	18,191

Other receivables had no historical default. The financial assets included in the above balances relate to receivables were categorised in stage 1 at the end of each reporting period. In calculating the expected credit loss rate, the Group considers the historical loss rate and adjusts for forward-looking macroeconomic data. During the period, the Group estimated that the expected credit loss rate for other receivables and deposits is minimal.

The balances are interest-free and are not secured with collateral.

10 PREPAYMENTS AND OTHER RECEIVABLES (CONTINUED)

The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Long ageing balances are reviewed regularly by senior management. In view of the fact that the Group's deposits and other receivables relate to a large number of diversified counterparties, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its deposits and other receivable balances.

11 CASH AND BANK BALANCES

	June 30, 2021 RMB'000 (Unaudited)	December 31, 2020 RMB'000 (Audited)
Cash and bank balances	**2,806,488**	3,109,832
Less:		
Pledged deposits (i)	**4,240**	4,256
Bank deposits with original maturity of more than three months when acquired (ii)	**1,808,838**	1,011,294
Cash and cash equivalents	**993,410**	2,094,282
Denominated in:		
RMB	**294,506**	68,751
USD	**2,457,572**	2,987,952
HKD	**51,587**	52,357
AUD	**1,792**	765
KRW	**911**	–
SGP	**114**	–
EUR	**6**	7
Cash and bank balances	**2,806,488**	3,109,832

(i) They represent pledged deposits in commercial banks for bank overdraft. None of these deposits are either past due or impaired.

(ii) They represent time deposits with initial terms of over three months when acquired in commercial banks with annual return rates ranging from 0.50% to 3.35% (2020: 0.96% to 3.35%). None of these deposits are either past due or impaired. None of these deposits are pledged.

RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks that are authorised to conduct foreign exchange businesses.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

12 OTHER PAYABLES AND ACCRUALS

	June 30, 2021 RMB'000 (Unaudited)	December 31, 2020 RMB'000 (Audited)
Amount due to related parties *(note 15(b))*	**11,986**	16,545
Amount due to shareholders *(note 15(b))*	**12**	73
Deferred income*	**36,381**	36,381
Payroll payable	**21,779**	28,584
Other tax payables	**3,970**	3,113
Accrued share issue expenses	**20,106**	30,008
Payables for purchase of property, plant and equipment	**2,853**	4,548
Other payables**	**17,106**	26,420
	114,193	145,672

* As at June 30, 2021, it includes the government grants related to an asset of RMB26,781,000 (December 31, 2020: RMB26,781,000) that will be recognised in profit or loss over the expected useful life of the relevant asset and the government grants related to income of RMB9,600,000 (December 31, 2020: RMB9,600,000) that will be recognised in profit or loss upon the Group complies with the conditions attached to the grants and the government acknowledges acceptance.

** Other payables primarily consisted of accrued or invoiced but unpaid fees for CRO, CDMO and SMO services received.

Other payables and accruals are unsecured, non-interest-bearing and repayable on demand. The carrying amounts of financial liabilities included in other payables and accruals as at the end of each reporting period approximate to their fair values due to their short-term maturities.

13 SHARE CAPITAL

Issued and fully paid：

	Number of shares in issue	Share capital USD'000	RMB equivalent RMB'000
Ordinary shares of USD0.0001 each			
As at December 31, 2020 (audited) and June 30, 2021 (unaudited)	671,180,644	67	448

14 SHARE-BASED PAYMENTS

(a) Share grants

In June 2020, as approved by the board of directors, the Group granted 8,461,747 ordinary shares of the Company (without taking into account the effect of Capitalisation Issue), of which 7,963,997 shares were granted to Dr. Jay Mei and 497,750 shares were granted to Mr. Liu Yiteng as anti-dilution adjustment. There was no vesting condition associated with such share grants, therefore the fair value of shares amounting to RMB81,841,000 was charged to profit or loss during the six months ended June 30, 2020.

(b) Equity Incentive Plans

The Company adopted the 2019 and 2020 Equity Incentive Plans on December 30, 2019 and August 18, 2020 respectively for the purpose of providing incentives and rewards to eligible participants who contributed to the success of the Group. Eligible participants of the Equity Incentive Plans may include any officers, directors, employees of the Company, and any individual consultants or advisors who render or have rendered bona fide services to the Company.

The maximum aggregate number of shares that may be issued was 20,000,000 and 25,702,232 (considering the Capitalisation Issue) respectively under the 2019 and 2020 Equity Incentive Plans. Subject to any restriction contained in the equity share option plan, each vested option shall not be exercisable until the later of the following: (i) the date such option has vested and (ii) 30 days after the IPO, but shall be exercised no later than 90 days after such vested options become exercisable. The exercise price (considering the Capitalisation Issue) for each share ranges from USD0.88 to USD2.66 under the 2019 and 2020 Equity Incentive Plans.

Pursuant to a board resolution dated January 18, 2021, the exercise periods under the 2019 and 2020 Equity Incentive Plans were extended to ten years from the grant date, including those options which have already been granted.

On January 19, 2021, the Company granted options to 98 grantees who would be subscribing for an aggregate of 4,560,000 shares and 1,696,000 shares under the 2019 and 2020 Equity Incentive Plan respectively. These options will be vested in the portions of 30%, 30% and 40% on the second, third and fourth anniversaries of the grant date of the options accordingly. The exercise price for each share is HKD20.65.

The following share options were outstanding under the 2019 and 2020 Equity Incentive Plans during the six months ended June 30, 2021 and 2020:

	Six months ended June 30,			
	2021		2020	
	Weighted average exercise price* USD	**Number of options**	Weighted average exercise price* USD	Number of options
At the beginning of the period	**1.02**	**27,074,178**	0.88	4,398,853
Granted during the period	**2.66**	**6,256,000**	–	–
Forfeited during the period	**2.08**	**(605,316)**	0.91	(322,323)
Exercised during the period	**0.91**	**(221,000)**	–	–
At the end of the period	**1.32**	**32,503,862**	0.88	4,076,530

* adjusted for the effect of the Capitalisation Issue

14 SHARE-BASED PAYMENTS (CONTINUED)

(b) Equity Incentive Plans (Continued)

The exercise prices (considering the Capitalisation Issue) and exercise periods of the share options outstanding as at June 30, 2021 are as follows:

Number of options '000	Exercise price USD per share	Exercise period*
1,241	0.88	Dec 20, 2020 – Oct 31, 2029
5,852	0.92	May 20, 2021 – Aug 22, 2030
400	0.92	May 20, 2021 – Oct 29, 2030
1,525	0.88	Nov 1, 2021 – Oct 31, 2029
3,146	0.92 – 1.42	Aug 23, 2022 – Aug 22, 2030
46	1.42	Oct 19, 2022 – Oct 18, 2030
80	1.06 – 1.42	Oct 30, 2022 – Oct 29, 2030
2,838	0.88	Nov 1, 2022 – Oct 31, 2029
3,146	0.92 – 1.42	Aug 23, 2023 – Aug 22, 2030
46	1.42	Oct 19, 2023 – Oct 18, 2030
80	1.06 – 1.42	Oct 30, 2023 – Oct 29, 2030
3,783	0.88	Nov 1, 2023 – Oct 31, 2029
4,195	0.92 – 1.42	Aug 23, 2024 – Aug 22, 2030
62	1.42	Oct 19, 2024 – Oct 18, 2030
108	1.06 – 1.42	Oct 30, 2024 – Oct 29, 2030
1,787	2.66	Jan 19, 2023 – Jan 18, 2031
1,787	2.66	Jan 19, 2024 – Jan 18, 2031
2,382	2.66	Jan 19, 2025 – Jan 18, 2031
32,504		

* Pursuant to a board resolution dated January 18, 2021, the exercise periods under the 2019 and 2020 Equity Incentive Plans were extended to ten years from the grant date, including those options which have already been granted.

The fair value of the share options granted during the six months ended June 30, 2021 was RMB53,340,000 (June 30, 2020: Nil), of which the group recognised a share option expense of RMB23,135,000 (June 30, 2020: RMB388,000) during the six months ended June 30, 2021.

The fair value of the equity-settled share options granted during the six months ended June 30, 2021 was estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

	Six months ended June 30, 2020
Dividend yield	0.00%
Expected volatility	47.67%
Historical volatility	47.67%
Risk-free interest rate (%)	0.77
Expected life of options (year)	10
Exercise Multiple	2.2 – 2.8
Weighted average share price (USD per share)	2.66

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

15 RELATED PARTY TRANSACTIONS

(a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the period:

		Six months ended June 30,	
		2021	2020
		RMB'000	RMB'000
	Notes	**(Unaudited)**	(Audited)
Purchase of services			
Hangzhou Tigermed Consulting Co., Ltd.	(i)	**12,919**	3,988
Shanghai Yinuosi Bio-Technology Co., Ltd.	(i)	**2,028**	–
Teddy Clinical Research Laboratory (Shanghai) Limited	(i)	**124**	33
Frontage Laboratories (Suzhou) Co., Ltd.	(i)	**70**	34
Mosim Co., Ltd.	(i)	**47**	182
Shanghai Lide Biotech Co., Ltd.	(i)	**–**	93
Celgene Corporation	(ii)	**262**	–
WuXi Biologics (Hong Kong) Limited	(iii)	**5,688**	–
STA Pharmaceutical Hong Kong Limited	(iii)	**4,398**	–
WuXi Clinical Development Services (Shanghai) Co., Ltd.	(iii)	**3,832**	417
Wuxi AppTec (Shanghai) Co., Ltd.	(iii)	**785**	93
Shanghai MedKey Med-Tech Development Co., Ltd.	(iii)	**424**	–
Wuxi AppTec (Wuhan) Co., Ltd.	(iii)	**355**	–
XenoBiotic Laboratories-China Inc.	(iii)	**224**	–
Shanghai STA Pharmaceutical R&D Co., Ltd.	(iii)	**177**	132
Shanghai STA Pharmaceutical Product Co., Ltd.	(iii)	**17**	–
		31,350	4,972

Notes:

(i) Shanghai Yinuosi Bio-Technology Co., Ltd., Teddy Clinical Research Laboratory (Shanghai) Limited, Frontage Laboratories (Suzhou) Co., Ltd., Mosim Co., Ltd. and Shanghai Lide Biotech Co., Ltd. were ultimately controlled by Hangzhou Tigermed Consulting Co., Ltd., whose subsidiary, Hongkong Tigermed Co., Limited, was the shareholder of the Company.

(ii) Celgene Corporation was the parent of Celgene China Holdings LLC, which was the shareholder of the Company.

(iii) WuXi Biologics (Hong Kong) Limited, STA Pharmaceutical Hong Kong Limited, WuXi Clinical Development Services (Shanghai) Co., Ltd., Wuxi AppTec (Shanghai) Co., Ltd., Shanghai MedKey Med-Tech Development Co., Ltd., Wuxi AppTec (Wuhan) Co., Ltd., XenoBiotic Laboratories-China Inc., Shanghai STA Pharmaceutical R&D Co., Ltd., and Shanghai STA Pharmaceutical Product Co., Ltd. were ultimately controlled by Wuxi AppTec Co., Ltd., whose subsidiary, Wuxi PharmaTech Healthcare Fund IL.P, was the shareholder of the Company.

15 RELATED PARTY TRANSACTIONS (CONTINUED)

(a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the period: (Continued)

The pricing of services were made according to the published prices and conditions similar to those offered to the major customers of the suppliers.

(b) Outstanding balances with related parties:

	Notes	**June 30, 2021 RMB'000 (Unaudited)**	December 31, 2020 RMB'000 (Audited)
Other receivables:			
Due from shareholders:			
Others*		**11**	37
Due from related parties:			
Others*		**–**	17
Other payables:			
Due to shareholders:			
Others*		**12**	73
Due to related parties:			
Hangzhou Tigermed Consulting Co., Ltd.**	(i)	**10,653**	15,022
WuXi Clinical Development Services (Shanghai) Co., Ltd.**	(i)	**936**	1,164
STA Pharmaceutical Hong Kong Limited **	(i)	**–**	148
Mosim Co., Ltd. **	(i)	**–**	146
Shanghai STA Pharmaceutical R&D Co., Ltd. **	(i)	**21**	21
Wuxi AppTec (Shanghai) Co., Ltd. **	(i)	**333**	10
Wuxi AppTec (Wuhan) Co., Ltd. **	(i)	**32**	–
Shanghai MedKey Med-Tech Development Co., Ltd.**	(i)	**–**	3
Others*		**11**	31
		11,986	16,545

15 RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Outstanding balances with related parties: (Continued)

Notes:

* These outstanding balances are non-trade balances.

** These outstanding balances are trade balances.

(i) The outstanding balances with Hangzhou Tigermed Consulting Co., Ltd., WuXi Clinical Development Services (Shanghai) Co., Ltd., STA Pharmaceutical Hong Kong Limited, Mosim Co., Ltd., Shanghai STA Pharmaceutical R&D Co., Ltd., Wuxi AppTec (Shanghai) Co., Ltd., Wuxi AppTec (Wuhan) Co., Ltd. and Shanghai MedKey Med-Tech Development Co., Ltd. were fees for the services received.

The outstanding balances are unsecured, interest-free and have no fixed terms of repayment

(c) Compensation of key management personnel of the Group:

	Six months ended June 30,	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Short term employee benefits	**21,356**	9,288
Post-employment benefits	**987**	579
Equity-settled share option expense	**15,648**	82,125
Total compensation paid to key management personnel	**37,991**	91,992

16 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and bank balances, equity investment designated at fair value through other comprehensive income, financial assets at fair value through profit or loss, financial assets included in prepayments and other receivables and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer and the audit committee. At the end of each reporting period, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The Directors review the results of the fair value measurement of financial instruments periodically for financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

16 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

The fair values of unlisted equity investments designated at fair value through other comprehensive income have been estimated at the most recent transaction price which equals to the original cost amounting to RMB2,161,000.

The Group invests in unlisted investments, which represent wealth management products issued by banks in Mainland China and Hong Kong. The Group has estimated the fair value of these unlisted investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value

As at June 30, 2021

	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Financial assets at fair value through profit or loss	–	32,446	–	32,446
Equity investment designated at fair value through other comprehensive income	–	–	2,161	2,161
	–	32,446	2,161	34,607

17 APPROVAL OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on August 20, 2021.