INNOCARE
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InnoCare Pharma Limited
諾誠健華醫藥有限公司

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 9969

2025 | INTERIM REPORT

Contents

InnoCare Pharma Limited
2025 Interim Report

GLOSSARY AND DEFINITIONS

In this report, unless the context otherwise requires, the following terms have the following meanings. These terms and their definitions may not correspond to any industry standard definition and may not be directly comparable to similarly titled terms adopted by other companies operating in the same industries as the Company.

"AD"	atopic dermatitis
"AGM"	annual general meeting of the Company
"ALL"	acute lymphoblastic leukemia
"AML"	acute myeloid leukemia
"ARR"	annualized relapse rate
"ArriVent"	ArriVent Biopharma
"ASH"	American Society of Hematology
"AUD"	Australian dollars, the lawful currency of Australia
"Audit Committee"	the audit committee of the Board
"B-cell"	a type of white blood cell that differs from other lymphocytes like T-cells by the presence of the BCR on the B-cell's outer surface. Also known as B-lymphocytes
"Board"	the board of directors of our Company
"BTD"	breakthrough therapy designation
"BTK"	Bruton's tyrosine kinase, a human enzyme encoded by the BTK Gene
"CD20"	B-lymphocyte antigen CD20, a B-cell specific cell surface molecule that is encoded by the MS4A1 gene
"CDE"	Center for Drug Evaluation, an institution under the NMPA
"CEO" or "Chief Executive Officer"	the chief executive officer of the Company
"CG Code"	the Corporate Governance Code set out in Appendix C1 of the Listing Rules
"Chairperson"	Chairperson of the Board
"China" or "PRC"	the People's Republic of China, which for the purpose of this report and for geographical reference only, excludes Hong Kong, Macau and Taiwan
"CLL"	chronic lymphocytic leukemia
"CNSL"	central nervous system lymphoma

"Company", "our Company", "the Company" or "InnoCare"	InnoCare Pharma Limited (Stock code: 9969), an exempted company with limited liability incorporated under the laws of the Cayman Islands on 3 November 2015, the shares of which are listed on the Main Board of the Hong Kong Stock Exchange on 23 March 2020
"Compensation Committee"	the compensation committee of the Board
"Director(s)"	the director(s) of the Company
"DLBCL"	diffuse large B-cell lymphoma, a common type of non-Hodgkin lymphoma that starts in lymphocytes
"DLT"	dose-limiting toxicity, side effects of a drug or other treatment that are serious enough to prevent an increase in dose or level of that treatment
"EGFR"	Epidermal Growth Factor Receptor
"EULAR"	the European Alliance of Associations for Rheumatology
"FL"	follicular lymphoma
"Global Offering"	the Hong Kong public offering and the international offering of the Shares
"GMP"	good manufacturing practice
"Group", "our Group", "the Group", "we", "us" or "our"	the Company and its subsidiaries from time to time
"Guangzhou Kaide"	Guangzhou Kaide Technology Development Co., Ltd., which was renamed as Guangzhou Development Zone Financial Holding Group Co., Ltd since September 2019
"HK$" or "HKD"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"Hong Kong Stock Exchange" or "Stock Exchange" or "HKEx"	The Stock Exchange of Hong Kong Limited
"IBD"	inflammatory bowel disease
"ICP-105"	one of the Company's clinical stage drug candidates
"ICP-022" or "Orelabrutinib"	one of the Company's clinical stage drug candidates
"IL-12"	interleukin-12
"IL-23"	interleukin-23
"IND"	investigational new drug or investigational new drug application, also known as clinical trial application in China or clinical trial notification in Australia

GLOSSARY AND DEFINITIONS

"IPO"	the initial public offering of the Company on the Hong Kong Stock Exchange
"IRC"	Independent Review Board/Committee
"ITK"	inducible T cell Kinase
"ITP"	Immune Thrombocytopenia
"JAK"	janus tyrosine kinase
"Listing"	the listing of the Shares on the Main Board of the Hong Kong Stock Exchange
"Listing Date"	23 March 2020, being the date on which the Shares of the Company were listed on the Hong Kong Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"MCL"	mantle cell lymphoma, a type of B-cell non-Hodgkin lymphoma
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules
"MS"	multiple sclerosis
"MZL"	marginal zone lymphoma
"NDA"	new drug application
"NMPA"	National Medical Products Administration (國家藥品監督管理局) and its predecessor, the China Food and Drug Administration (國家食品藥品監督管理局)
"Nomination Committee"	the nomination committee of the Board
"NRDL"	National reimbursement drug list
"NSCLC"	non-small cell lung cancer
"NTRK"	neurotrophic tyrosine receptor kinase
"pan-TRK inhibitor"	pan-inhibitor of tropomyosin-related kinase family
"pharmacodynamics" or "PD"	the study of how a drug affects an organism, which, together with pharmacokinetics, influences dosing, benefit, and adverse effects of the drug
"pharmacokinetics" or "PK"	the study of the bodily absorption, distribution, metabolism, and excretion of drugs, which, together with pharmacodynamics, influences dosing, benefit, and adverse effects of the drug

"Prospectus"	the prospectus of the Company, dated 11 March 2020, in relation of its Global Offering
"R&D"	research and development
"R/R" or "r/r"	relapsed and refractory
"R-CHOP"	a combination of five drugs as first-line treatment for aggressive non-Hodgkin lymphoma
"RICE"	a combination of four drugs as a treatment for non-Hodgkin lymphoma or Hodgkin lymphoma that has come back after treatment
"RMB"	Renminbi, the lawful currency of the PRC
"RMB Share Issue"	the Company's initial issue of no more than 264,648,217 RMB Shares which have been listed on the STAR Market since 21 September 2022
"RMB Shares"	the ordinary Shares to be subscribed for in RMB by target subscribers in the PRC, to be listed on the STAR Market and traded in RMB
"SC"	subcutaneous
"Share(s)"	ordinary shares in the share capital of our Company with a nominal value of US$0.000002 each
"Shareholder(s)"	holder(s) of Share(s)
"SHP2"	non-receptor protein tyrosine phosphatase involved in mediating RAS signaling pathway and immune checkpoint pathway as well for regulation of cellular proliferation and survival
"SLE"	systemic lupus erythematosus
"SLL"	small lymphocytic lymphoma
"SRI"	the SLE Responder Index
"STAR Market"	the Science and Technology Innovation Board of the Shanghai Stock Exchange
"T-cell"	a type of lymphocyte produced or processed by the thymus gland and actively participating in the immune response. T-cells can be distinguished from other lymphocytes, such as B-cells and NK cells, by the presence of a T-cell receptor on the cell surface
"TDCC"	T-cell-dependent cellular cytotoxicity
"TRK"	a family of tyrosine kinases that regulates synaptic strength and plasticity in the mammalian nervous system

GLOSSARY AND DEFINITIONS

"TYK2"	tyrosine kinase 2
"United States" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"U.S. FDA" or "FDA"	U.S. Food and Drug Administration
"US$" or "USD"	United States dollars, the lawful currency of the United States
"Vivo"	Vivo Opportunity Fund, L.P, a company of Vivo Capital VIII, LLC
"WM"	Waldenstrom's macroglobulinemia

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Dr. Jisong Cui *(Chairperson and Chief Executive Officer)*
Dr. Renbin Zhao

Non-executive Directors

Dr. Yigong Shi
Mr. Ronggang Xie

Independent Non-executive Directors

Ms. Lan Hu
Dr. Dandan Dong
Prof. Kunliang Guan
(appointed with effect from 21 January 2025)

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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REGISTERED OFFICE

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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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PRINCIPAL BANKER

Bank of China (Hong Kong) Limited
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COMPANY SECRETARY

Ms. Angel Pui Shan Lee

AUTHORIZED REPRESENTATIVES

Dr. Jisong Cui
Ms. Angel Pui Shan Lee

AUDIT COMMITTEE

Ms. Lan Hu *(chairperson)*
Mr. Ronggang Xie
Dr. Dandan Dong

COMPENSATION COMMITTEE

Ms. Lan Hu *(chairperson)*
Dr. Jisong Cui
Dr. Dandan Dong

NOMINATION COMMITTEE

Dr. Jisong Cui *(chairperson)*
Ms. Lan Hu
Dr. Dandan Dong

AUDITOR

Ernst & Young
Certified Public Accountants
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Hong Kong

STOCK CODE

9969

COMPANY WEBSITE

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BUSINESS HIGHLIGHTS

In the first half of 2025, we made substantial progress in advancing our pipeline, with multiple key milestones achieved. Orelabrutinib received approval for first-line chronic lymphocytic leukemia/small lymphocytic lymphoma ("**CLL/SLL**"), tafasitamab in combination with lenalidomide was approved for adult patients with relapsed or refractory DLBCL ("**r/r DLBCL**") who are not eligible for Autologous Stem Cell Transplant ("**ASCT**"), our BCL-2 inhibitor, ICP-248 (mesutoclax), entered two registrational clinical studies, and our proprietary ADC platform reached a major breakthrough with its first IND submission and clinical trial approval.

Building on this R&D momentum, we further expanded our global footprint through strategic collaborations — in January 2025, we partnered with Prolium to explore the global potential of a CD3×CD20 bispecific antibody. We remain committed to advancing global partnerships that enhance innovation, maximize the value of our pipeline, and support long-term growth.

Commercial execution remained strong, with enhanced market penetration and significant revenue growth from orelabrutinib, underscoring our ability to translate scientific innovation into sustained business performance.

Key milestones and achievements include:

BUILDING A LEADING FRANCHISE IN HEMATO-ONCOLOGY

In the first half of 2025, we took major steps toward establishing a leadership position in hematology-oncology through key indication expansion, global clinical breakthroughs, and synergistic therapies development, driven by three cornerstone therapies — orelabrutinib, (BTK inhibitor), 明諾凱® (tafasitamab, anti-CD19 monoclonal antibodies), and ICP-248 (mesutoclax) (BCL2 inhibitor). With orelabrutinib's approval for first-line CLL/SLL and tafasitamab's approval in combination with lenalidomide for adult patients with r/r DLBCL who are ineligible for ASCT, our commercial hematology portfolio has significantly expanded.

Our next-generation BCL-2 inhibitor, ICP-248, further strengthens this franchise with two registrational trials now underway: a fixed-duration combination regimen with orelabrutinib in 1L CLL/SLL and a study for BTKi-failed relapsed and refractory mantle cell lymphoma ("**r/r MCL**") patients. Additionally, we completed dose exploration in 1L acute myeloid leukemia ("**AML**"), with data to be presented at ASH 2025, and received clearance to initiate a myelodysplastic syndromes ("**MDS**") trial with dose-confirmation studies expected to start in the second half of the year.

Together, these three products form the backbone of our hemato-oncology strategy, enabling us to address major blood cancers spanning NHL, leukemia, and multiple myeloma. Supported by a rich pipeline of innovative therapies under development, we are well positioned to build a leading, globally competitive hematology-oncology franchise.

Orelabrutinib

- We have achieved strong revenue growth of our core product 宜諾凱® (Orelabrutinib, Bruton Tyrosine Kinase ("**BTK**") inhibitor) in the six months ended 30 June 2025. Orelabrutinib generated product revenue of RMB637.3 million for the six months ended 30 June 2025, an increase of 52.8% compared to RMB417.0 million in the same period of 2024. The rapid sales growth was driven by several key factors, including:

    - Three approved indications, including relapsed and refractory chronic lymphocytic leukemia/small lymphocytic lymphoma ("**r/r CLL/SLL**"), r/r MCL and relapsed and/or refractory marginal zone lymphoma ("**r/r MZL**") have been covered under the National Reimbursement Drug List ("**NRDL**").

    - Orelabrutinib has been approved as the first and only BTK inhibitor for r/r MZL in China. MZL is the second most common B-cell NHL (Marginal zone lymphoma: 2023 update on diagnosis and management. DOI: 10.1002/ajh.27058). Orelabrutinib was officially included as a Class I recommended regimen for the treatment of r/r MZL patients in the Chinese Society of Clinical Oncology ("**CSCO**") Diagnosis and Treatment Guidelines for Malignant Lymphoma for 2024 and 2025.

- With a proven commercial model and strong execution track record established last year, our optimized commercial team is now operating with greater efficiency and sharper strategic focus. In the first half of 2025, we continued to deliver strong sales performance, demonstrating enhanced market penetration and operational excellence. These improvements provide a solid foundation for sustained revenue growth and long-term commercial success.

- Orelabrutinib's favorable safety profile has led to better patient compliance and an extended duration of therapy ("**DOT**").

- The expansion of orelabrutinib's indications continues to progress. The New Drug Application ("**NDA**") for orelabrutinib in the treatment of 1L CLL/SLL was approved by the Center for Drug Evaluation ("**CDE**") in April 2025. Meanwhile, orelabrutinib was listed as a Class I recommendation for first-line treatment of CLL/SLL in the CSCO Diagnosis and Treatment Guidelines for Malignant Lymphoma for 2025.

ICP-B04 (Tafasitamab ("CD19") (Minjuvi®))

In May 2025, the NMPA granted BLA approval for tafasitamab in combination with lenalidomide for adult patients with r/r DLBCL who are not eligible for ASCT. This marks the first CD19-targeted antibody therapy approved in China for this indication. The Company has completed a single-arm, open-label, multicenter Phase II clinical study that evaluated the safety and efficacy of tafasitamab plus lenalidomide. By July 30, 2024, data evaluated by the independent review committee ("**IRC**") showed an overall response rate ("**ORR**") of 73.1%, including 34.6% of patients who achieved complete response ("**CR**") and 38.5% who achieved partial response ("**PR**").

- Tafasitamab plus lenalidomide previously received accelerated approval by the FDA in July 2020 and conditional marketing authorization from the EMA in August 2021 for the same r/r DLBCL population. In June 2025, the FDA further approved tafasitamab-cxix in combination with lenalidomide and rituximab for relapsed or refractory follicular lymphoma ("**r/r FL**"), based on a randomized Phase III trial that demonstrated significant clinical benefit.

- In Greater China, the therapy was approved by the Department of Health of Hong Kong SAR, Macau, and Taiwan. We are actively advancing preparations for the upcoming commercial launch in mainland China, supported by dedicated teams and a strong hematology commercial network. Sales are expected to begin in the late third quarter to early fourth quarter of 2025, with the goal of quickly bringing this important new treatment to patients in need and strengthening our leadership in the hemato-oncology market. Moreover, tafasitamab has been officially included as a Class II recommended regimen in the CSCO Guidelines for adult r/r DLBCL patients ineligible for ASCT.

ICP-248 (Mesutoclax)

- ICP-248 (mesutoclax), our next-generation, orally bioavailable and highly selective BCL-2 inhibitor, has rapidly advanced toward becoming the next strategic pillar of our hematology-oncology franchise. In the first half of 2025, we officially initiated multiple registrational trials:

  - A Phase III trial in 1L CLL/SLL in combination with orelabrutinib that is actively enrolling patients following regulatory clearance in February 2025.

  - A Phase II registrational trial in BTKi-failed MCL has commenced patient enrollment and the first patient was enrolled in August 2025. Mesutoclax is the first BCL2 inhibitor to be granted the NMPA's Breakthrough Therapy Designation.

- Global expansion studies in AML and MDS are progressing following FDA's clearance, with dose-escalation studies completed in AML and a dose-confirmation study initiated in MDS.

- These milestones reflect significant regulatory momentum, positioning ICP-248 (mesutoclax) as a best-in-class, globally competitive BCL-2 therapy poised to strengthen our leadership in blood cancers.

- Early clinical data strongly supports these advancements. In a Phase II study of 42 treatment-naïve patients receiving ICP-248 (mesutoclax) plus orelabrutinib, no tumor lysis syndrome ("**TLS**") was observed. Preliminary data showed an ORR of 100%, target lesion CRR of 57.1%, and undetectable minimal residual disease ("**uMRD**") rate of 65% at 36 weeks, underpinning the launch of the Phase III registrational trial. In a Phase I/II trial across CLL/SLL, MCL, and other NHL types (81 patients treated), ICP-248 (mesutoclax) demonstrated a favorable safety and PK profile with promising efficacy, including ORRs of 100% in r/r CLL/SLL and 87.5% in r/r MCL, with durable responses even in BTKi-refractory patients. In 25 r/r MCL patients who were refractory to prior BTKi treatment, ORR reached 84% with a 36% CRR (These data were submitted for presentation at ASH 2025), demonstrating strong potential for addressing this high unmet need and supporting the registrational program.

- For first-line AML, a Phase I dose-escalation study of ICP-248 (mesutoclax) in combination with azacytidine demonstrated a favorable safety profile with no evidence of tumor lysis syndrome under prophylactic monitoring. Preliminary efficacy data showed a CR of 70%, and uMRD conversion rate of 57%. The 6 months OS rate was 100%. These data were submitted for presentation at ASH 2025, and will support the initiation of a global expansion trial in combination with standard-of-care AML therapies.

Early-Stage and Collaborative Programs

Our early-stage pipeline continues to progress steadily, supporting long-term innovation and globalization opportunities.

- ICP-B02 (CM355, CD20xCD3 bi-specific antibody): We are advancing clinical development to evaluate its potential in r/r NHL. In January 2025, Beijing InnoCare Pharma Tech Co., Ltd. ("**Beijing InnoCare**"), a subsidiary of the Company, Keymed Biosciences (Chengdu) Co., Ltd. ("**Chengdu Keymed**"), a subsidiary of Keymed Biosciences Inc. (stock code: 02162) ("**Keymed**"), and Beijing Tiannuo Jiancheng Pharmaceutical Technology Co., Ltd. (the "**Joint Venture**"), a joint venture of the Company and Chengdu Keymed (which is owned 50% by Beijing InnoCare and 50% by Chengdu Keymed), entered into an exclusive license agreement with Prolium Bioscience Inc. ("**Prolium**") for the development and commercialization of ICP-B02. Beijing InnoCare and Chengdu Keymed has collectively received an upfront and near-term payment of US$17.5 million based on their respective 50/50 ownership, and are entitled to receive additional milestone payments up to US$502.5 million based on the achievement of specific clinical, regulatory, and commercial milestones. Both Beijing InnoCare and Chengdu Keymed will also receive tiered royalties on future net sales of any products. As part of the consideration for the transaction, Beijing InnoCare and Chengdu Keymed (or their designated persons) has received a minority equity stake in Prolium.

- ICP-490: Clinical studies are ongoing to assess its safety and efficacy in multiple myeloma and NHL. Preliminary data have demonstrated good tolerability and target degradation, and further combination strategies will be explored.

- ICP-B05 (CM369, anti-CCR8 monoclonal antibody): Dose escalation is ongoing in a Phase I trial for advanced solid tumors and r/r NHL. Early signals of partial responses and high progression-free survival rates support continued clinical evaluation and potential future combination approaches.

DEVELOPING B-CELL AND T-CELL PATHWAYS IN AUTOIMMUNE DISEASES

Autoimmune diseases impact multiple organs and often lead to chronic, debilitating conditions without effective cures. With the global autoimmune therapeutics market projected to reach US$185 billion by 2029, driven by rising disease prevalence and continuous innovation, the need for breakthrough treatments is clear.

Building on our strengths in oral small molecule drug discovery, we are advancing a robust portfolio of therapies targeting B-cell and T-cell pathways to address major autoimmune diseases. Orelabrutinib has made significant progress, receiving FDA clearance to initiate global Phase III trials for both primary progressive multiple sclerosis ("**PPMS**") and secondary progressive multiple sclerosis ("**SPMS**"), while completing patient enrollment in the Phase III trial for immune thrombocytopenia ("**ITP**") in China. Additionally, the Phase IIb trial in systemic lupus erythematosus ("**SLE**") is ongoing and Phase IIb data will be disclosed in the fourth quarter of 2025.

Our tyrosine kinase 2 ("**TYK2**") portfolio further strengthens this franchise through the T-cell pathway. ICP-332, a novel TYK2 inhibitor, is in Phase III trials for atopic dermatitis ("**AD**"), with a Phase II trial in vitiligo initiated in May 2025 and plans to start a global Phase II trial for prurigo nodularis ("**PN**") later this year. ICP-488, an allosteric TYK2 inhibitor, has advanced into a Phase III study for psoriasis, while exploratory studies in additional autoimmune indications are underway.

Together with multiple earlier-stage oral candidates, these programs create a comprehensive product pipeline spanning late-stage registration trials and innovative next-generation therapies. This strategic focus not only positions us as a leader in oral autoimmune drug development but also establishes a strong foundation for sustained competitiveness in China and global markets.

Orelabrutinib

- In September 2024, we reached an agreement with the U.S. FDA to initiate a global Phase III clinical trial of orelabrutinib in PPMS. In February 2025, we finalized the Phase III protocol for SPMS with the FDA. Following these U.S. regulatory milestones, we have also received approvals from the European Medicines Agency ("**EMA**"), paving the way for trial execution across major global regions. We are now accelerating site activation, with both PPMS and SPMS Phase III trials expected to begin patient enrollment in the second half of 2025, marking a critical advancement in our mission to bring innovative treatments to patients with progressive multiple sclerosis worldwide.

- We have made significant progress in advancing orelabrutinib for the treatment of ITP. The Phase III registrational trial in China has successfully completed patient enrollment, and we expect to submit the NDA in the first half of 2026. Early Phase II data, presented orally at the EHA 2023 Hybrid Congress and published in the American Journal of Hematology in April 2024, demonstrated promising efficacy, with 40% of patients achieving the primary endpoint and 75% (6/8) of prior GC/IVIG responders meeting the same endpoint at the 50mg QD dose. Leveraging the BTK inhibitor's unique mechanism of reducing macrophage-mediated platelet destruction and pathogenic autoantibody production, orelabrutinib holds strong potential to become a novel therapeutic option for patients with ITP.

- The Phase IIa trial for SLE showed promising results, with remarkable SLE Responder Index ("**SRI**")-4 response rates observed in a dose-dependent manner, along with trends indicating a reduction in proteinuria levels. The Phase IIb clinical trial of orelabrutinib in SLE has completed patient enrollment in 2024, with data expected to be disclosed in the fourth quarter of 2025.

BUSINESS HIGHLIGHTS

ICP-332

- ICP-332 is a novel TYK2 inhibitor that is being developed for the treatment of various T cell related autoimmune disorders. Building on the positive Phase II results in moderate-to-severe AD — presented as a late-breaking oral presentation at the 2024 American Academy of Dermatology ("**AAD**") Annual Meeting — we have advanced the program into a Phase III registrational trial in AD, with patient enrollment currently accelerating.

- In addition to AD, ICP-332 is being evaluated in other dermatological autoimmune indications. The Phase II/III clinical trial in vitiligo has received IND approval in China, and patient enrollment began in May 2025. In the U.S., following completion of the Phase I study, we are actively engaging with the FDA to finalize the protocol for a global Phase II trial in PN, which is expected to be initiated in the second half of 2025. These developments highlight ICP-332's potential as a first-in-class or best-in-class oral therapy across multiple dermatological autoimmune diseases.

ICP-488

- ICP-488 is a potent and selective TYK2 allosteric inhibitor that binds to the pseudokinase JH2 domain of TYK2, effectively blocking IL-23, IL-12, type I IFN, and other cytokine signaling pathways. It is being developed as a potential treatment for multiple autoimmune diseases.

- In October 2024, we reported positive results from the Phase II randomized, double-blind, placebo-controlled study of ICP-488 in patients with moderate-to-severe plaque psoriasis, which was also presented as a late-breaking oral presentation at the 2025 American Academy of Dermatology Annual Meeting. ICP-488 demonstrated strong efficacy and a favorable safety profile:

    - PASI 75 response rates were 77.3% and 78.6% for the 6 mg and 9 mg once-daily doses, respectively, versus 11.6% for placebo ($p<0.0001$).

    - PASI 90 and PASI 100 response rates were significantly higher for both ICP-488 dose groups compared with placebo ($p<0.05$).

    - sPGA 0/1 scores (indicating clear or almost clear skin) were achieved in 70.5% and 71.4% of patients receiving ICP-488 versus 9.3% for placebo ($p<0.0001$).

    - Most treatment-emergent and treatment-related adverse events were mild or moderate and self-limited.

- Building on these results, we have initiated a Phase III registrational trial in plaque psoriasis, with patient enrollment underway. In parallel, we are actively evaluating additional autoimmune indications to expand ICP-488's therapeutic potential and further strengthen our leadership in oral immunology drug development.

IL-17 Small Molecule

- IL-17 (Interleukin-17) is a pro-inflammatory cytokine that plays a critical role in the pathogenesis of several autoimmune and inflammatory diseases, such as psoriasis, rheumatoid arthritis, and ankylosing spondylitis. Oral small molecules targeting IL-17 represent a new and promising class of therapeutics, offering the potential for easier administration, flexible dosing, and broader patient access. We have identified a novel, orally available, small molecule that can potently block the binding of both IL-17AA and IL-17AF to IL-17R, thereby modulating immune responses and reducing inflammation.

- Preclinical studies have demonstrated the effectiveness of our IL-17 small molecule in reducing key inflammatory biomarkers and improving clinical outcomes in animal models of autoimmune diseases. For example, in a rat collagen-induced arthritis (CIA) model, our IL-17 small molecule showed significant efficacy in clinical scores. The development of this oral IL-17 small molecule inhibitor aims to provide an effective, convenient, and more accessible treatment option compared to injectable biologics.

Others

- The Company is actively developing innovative oral therapies for autoimmune diseases with diverse mechanisms of action and formulations, including small molecules, oral cyclic peptides, and molecular glues. We are committed to providing patients with autoimmune diseases with more convenient and diverse treatment options.

BUILDING A COMPETITIVE DRUG PORTFOLIO FOR SOLID TUMOR TREATMENT

As part of our strategic focus on solid tumor therapeutics, we are building a competitive and diversified drug portfolio to address significant unmet medical needs across multiple tumor types. In March 2025, our NDA submission for NTRK inhibitor ICP-723 (zurletrectinib) for the treatment of adult and adolescent patients (12 to 18 years old) with NTRK gene fusion-positive tumors, was accepted by the CDE and granted priority review. In parallel, we are advancing our proprietary antibody-drug conjugate ("**ADC**") platform, designed to enhance efficacy and safety through optimized linker and payload technologies. Our first in-house ADC candidate, a B7-H3–targeting ADC, received IND approval in July 2025, and we expect to initiate clinical trials later this year. Upon achieving proof of concept, we anticipate multiple ADC-based molecules from this platform to enter clinical development next year, which will significantly expanding our solid tumor pipeline. Through these efforts, we aim to establish a robust and innovative oncology portfolio, positioning the company as a future leader in innovative therapies for solid tumors.

ICP-723 (Zurletrectinib)

- ICP-723, a second-generation, small-molecule pan-tropomyosin receptor kinase ("**pan-TRK**") inhibitor, is designed to treat patients with NTRK gene fusion-positive cancers, including those naïve to or resistant to first-generation TRK inhibitors, regardless of tumor type. A Phase II registrational trial in mainland China for adult and adolescent patients (≥12 years old) with advanced solid tumors harboring NTRK gene fusions has been completed. The trial achieved robust efficacy results, with an IRC-assessed ORR of 85.5% (95% CI: 73.3–93.5) among 55 subjects included in the integrated summary of efficacy ("**ISE**") analysis. ICP-723 demonstrated the ability to overcome acquired resistance to first-generation TRK inhibitors, offering a promising treatment option for patients who have failed prior TRKi therapy.

- In April 2025, the CDE of the NMPA accepted the NDA for ICP-723 for the treatment of adult and adolescent patients with NTRK gene fusion-positive advanced solid tumors and subsequently granted priority review in May 2025. Additionally, a separate registrational trial in pediatric patients aged 2 to <12 years is ongoing, with NDA submission planned for later in 2025.

ICP-189

- ICP-189 is a highly selective, oral allosteric SHP2 inhibitor with strong potential to become a cornerstone therapy for solid tumors, both as monotherapy and in combination with targeted or immuno-oncology agents. In the ongoing Phase Ia study, dose escalation has been completed up to 160 mg with no dose-limiting toxicities or ≥grade 3 treatment-related adverse events observed. ICP-189 has demonstrated favorable pharmacokinetics, durable target engagement, and preliminary antitumor activity, including a cervical cancer patient achieving a sustained partial response for 14 treatment cycles.

- Building on its promising profile, we have partnered with ArriVent Biopharma to explore ICP-189 in combination with firmonertinib, a brain-penetrant, mutation-selective EGFR inhibitor, aiming to address resistance to third-generation EGFR therapies in NSCLC. The Phase Ib dose-finding study has been completed and the recommended combination dose has been established. Patient enrollment for the dose expansion cohort is ongoing, with a Phase Ib data readout anticipated in 2025.

In-House Developed Antibody-Drug Conjugate (ADC) Platform

- The Company has developed a cutting-edge ADC platform with proprietary linker-payload ("**LP**") technologies, aimed at the delivery of potent and targeted therapies for cancer treatment. This platform allows for the creation of highly differentiated ADCs with improved efficacy and safety profiles. Key features of the platform include:
    - Irreversible bioconjugation: ensuring stable antibody-linker bioconjugation for improved stability.
    - Hydrophilic linker: enhancing ADC stability and achieving a drug-to-antibody ratio ("**DAR**") of 8.
    - Novel payload: incorporating highly potent cytotoxic payloads with strong bystander killing effects.
- The platform is expected to deliver ADCs with strong tumor-killing efficacy and an adequate therapeutic window, thereby broadening treatment options for cancer patients and improving clinical outcomes. As the platform continues to evolve, the Company is poised to expand its portfolio with multiple differentiated ADC candidates, further advancing precision medicine in oncology.

ICP-B794: A Novel B7H3 Targeted ADC for Solid Tumors

- ICP-B794 is a novel ADC comprising a human anti-B7H3 monoclonal antibody conjugated to our potent payload via a protease-cleavable linker, with a drug-to-antibody ratio of 8. ICP-B794 was developed using InnoCare's innovative linker-payload platform, which is characterized by a highly hydrophilic linker-payload, a stable connector designed to avoid retro-Michael reactions, and remarkable stability in circulation. In preclinical studies, ICP-B794 exhibited potent anti-tumor activity in various CDX mouse models with SCLC, NSCLC and other solid tumors. In an efficacy comparison study in the NCI-H1155 NSCLC CDX model, a single dose as low as 0.3 mg/kg of ICP-B794 caused ~100% tumor growth inhibition ("**TGI**"), surpassing that of linker-payloads from competitor platforms conjugated to the same anti-B7H3 antibody. A single 5 mg/kg dose of ICP-B794 caused 100% tumor regression in the NCI-H1155 xenograft mouse model even when tumor volume was around 700 mm^3. The safety window was >200-fold in preclinical studies.

- In July 2025, the IND for ICP-B794 was approved in China, and we will initiate the first-in-human clinical trial in the second half of 2025.

FINANCIAL HIGHLIGHTS

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Revenue	**731,434**	419,738
Other income and gains	**130,842**	111,356
Selling and distribution expenses	**(244,071)**	(157,153)
Research and development expenses	**(449,698)**	(420,822)
Administrative expenses	**(94,762)**	(91,511)
Other expenses	**(141)**	(33,059)
Loss for the period	**(35,638)**	(267,952)
Adjusted loss for the period (as illustrated under "**Non-HKFRSs Measures**")	**(15,504)**	(242,992)

	30 June 2025	31 December 2024
	RMB'000	RMB'000
Cash and related accounts balances*	**7,676,926**	7,762,911

Total Revenue increased by 74.3% to RMB731.4 million for the six months ended 30 June 2025, compared to RMB419.7 million for the six months ended 30 June 2024, which was primarily attributable to the robust sales growth of Orelabrutinib and licensing revenue from Prolium. **Revenue of Orelabrutinib** increased by 52.8% to RMB637.3 million for the six months ended 30 June 2025, compared to RMB417.0 million for the six months ended 30 June 2024, driven by coverage expansion and an increase in the number of patients treated.

Total Operational Expenses, including selling and distribution expenses, research and development expenses and administrative expenses, increased by 17.8% from RMB669.5 million for the six months ended 30 June 2024 to RMB788.5 million for the six months ended 30 June 2025. This change was mainly from (i) increased selling and distribution expenses from RMB157.2 million for the six months ended 30 June 2024 to RMB244.1 million for the six months ended 30 June 2025, mostly as a result of commercialization expansion and the reversal of share-based payment expenses for the six months ended 30 June 2024; if excluding the share-based payment expenses, the selling and distribution expenses increased by 27.5% from the six months ended 30 June 2024 to the six months ended 30 June 2025 (ii) increased research and development expenses by 6.9% from RMB420.8 million for the six months ended 30 June 2024 to RMB449.7 million for the six months ended 30 June 2025, primarily due to increased investment in advanced technology platform innovation and clinical trials aimed at accelerating the Group's transformation, as well as license-in related expenses; and (iii) administrative expenses which slightly increased by 3.6% from RMB91.5 million for the six months ended 30 June 2024 to RMB94.8 million for the six months ended 30 June 2025.

Loss for the period decreased by 86.7% to RMB35.6 million for the six months ended 30 June 2025 from RMB268.0 million for the six months ended 30 June 2024.

Cash and related accounts balances stood at approximately RMB7.7 billion as of 30 June 2025. This robust cash position provides flexibility for the Company to expedite clinical development and invest in its competitive pipeline.

* Cash and related accounts balances include cash and bank balances, other financial assets balance and interest receivables balance.

NON-HKFRSs MEASURES

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

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

The table below sets forth a reconciliation of total loss to adjusted total loss for the period indicated:

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Loss for the period	**(35,638)**	(267,952)
Adjust:		
Unrealized foreign exchange loss/(gain)	**(11,905)**	25,308
Share-based payment expenses	**32,039**	(348)
Adjusted loss for the period	**(15,504)**	(242,992)

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

InnoCare has fully entered its 2.0 phase, marking a significant milestone in the Company's evolution. As a commercial-stage biopharmaceutical company, we are dedicated to discovering, developing, and commercializing innovative, best-in-class, and first-in-class drugs for the treatment of cancers and autoimmune diseases — two major therapeutic areas with significant market potential and synergies. Led by an experienced management team with global industry expertise, we have built a fully integrated biopharmaceutical platform encompassing in-house R&D, clinical development, manufacturing, and commercialization capabilities.

Our vision is to become a globally recognized biopharmaceutical leader that delivers transformative therapies to patients worldwide. In the first half of 2025, our flagship product orelabrutinib continued to demonstrate strong commercial momentum, underscoring both market acceptance and the solid foundation we have built.

In line with our InnoCare 2.0 strategy, we have further strengthened our focus on globalization. In January 2025, we entered into an exclusive license agreement with Prolium for the development and commercialization of ICP-B02. We will continue to advance the globalization of other promising pipeline products. As part of our strategy, we are actively exploring collaboration and licensing opportunities for our key assets, with a focus on expanding our presence outside of China. We remain committed to accelerating the global reach of our products through strategic partnerships, while also enhancing our regulatory and clinical capabilities in key markets.

OUTLOOK AND FUTURE DEVELOPMENT

Looking ahead, the second half of 2025 is poised to be a landmark period for InnoCare, driven by robust pipeline progression and accelerated global expansion to achieve sustainable growth. Key priorities include:

Accelerating Global Expansion Through Strategic Partnerships

In 2025, business development stands at the forefront of our strategic priorities as we accelerate our path toward globalization. We remain deeply committed to serving patients around the world through scientific innovation. With a differentiated and advanced clinical-stage pipeline, as well as promising early-stage candidates, we are uniquely positioned to address critical unmet medical needs in autoimmune diseases and oncology. Our innovative science and focused therapeutic strategy enable us to create value for both patients and partners globally.

We entered the year with strong momentum, launching a strategic collaboration with Prolium for the development and commercialization of ICP-B02, a CD20XCD3 bispecific antibody, marking a key step in expanding our international reach. With multiple assets progressing in parallel, we see clear potential for further strategic transactions. Business development will remain a key growth engine as we scale globally and realize the full commercial potential of our pipeline.

Building A Leading Franchise in Hemato-oncology

Orelabrutinib remains the cornerstone of our hemato-oncology portfolio, driving strong momentum alongside two other key pillars. Tafasitamab received BLA approval in May 2025, marking a significant regulatory milestone. ICP-248 has continued to advance with Phase III patient enrollment underway for first-line CLL/SLL, a Phase II registrational trial initiated in BTKi-failed MCL under NMPA's Breakthrough Therapy Designation — the first for a BCL-2 inhibitor in China — and ongoing global expansion studies in AML and MDS. This comprehensive development and global expansion strategy across our three core programs positions us well to capture increasing market opportunities domestically and internationally. We anticipate critical clinical data readouts and regulatory submissions in the near term to further strengthen our leadership in hematologic malignancies.

Expanding Autoimmune Disease Programs with B-Cell and T-Cell Pathway Modulators

Orelabrutinib continues to demonstrate strong clinical progress in autoimmune diseases by targeting the B-cell signaling pathway. The registrational Phase III trial in ITP has completed patient enrollment, with NDA submission planned for the first half of 2026. Following regulatory approvals, we have accelerated Phase III trials of orelabrutinib in PPMS and SPMS, targeting first-patient-in milestones by late 2025. With full data from the Phase IIb SLE trial expected in the fourth quarter of 2025, orelabrutinib shows promising potential to become a first-in-class BTK inhibitor for SLE patients.

Complementing this, our T-cell pathway modulators ICP-332 and ICP-488 are advancing rapidly in clinical development. ICP-332 demonstrated positive Phase II results in moderate-to-severe AD, and has entered a Phase III registrational trial. We are expanding the indications for ICP-332 with an ongoing trial in vitiligo in China and, following active engagement with the FDA, plans for a global Phase II study in PN. Meanwhile, ICP-488, a selective TYK2 allosteric inhibitor, has initiated its Phase III trial in plaque psoriasis with patient enrollment accelerating and additional autoimmune indications under evaluation.

Our strong focus and integrated pipeline in oral autoimmune therapies targeting both B-cell and T-cell pathways position us well for continued leadership and innovation. We will continue to deepen our efforts in this field, delivering differentiated and impactful treatments to patients worldwide.

Solid Tumors and ADC Platform

In the field of solid tumors, we are committed to building a competitive portfolio, combining targeted therapies, immuno-oncology approaches, and innovative ADC technologies. ICP-723's NDA for NTRK fusion-positive cancers is under priority review, with pediatric filings anticipated later this year. Our proprietary ADC platform is progressing well, highlighted by IND approval for ICP-B794, a novel B7H3-targeted ADC, with clinical trials slated to commence shortly. This platform's proprietary linker-payload technologies offer differentiated efficacy and safety profiles, positioning it as a major future growth driver in oncology.

Pipeline Enrichment via Internal Innovation and Strategic Collaborations

We continue to advance multiple IND-enabling candidates from our in-house discovery engine and actively seek strategic in-licensing and clinical partnerships to strengthen our portfolio. Our focus remains on assets that complement our pipeline and leverage our development and commercialization capabilities, particularly those with combination therapy potential. In addition, we have formed a strategic collaboration with Westlake University to jointly advance cutting-edge technology platforms, strengthening our innovation engine and reinforcing our long-term competitive advantage.

Leveraging AI to Drive Innovation and Enhance Efficiency

InnoCare continues to integrate AI-driven technologies into drug discovery, clinical development, and operational workflows. This commitment enhances our ability to analyze complex datasets, optimize trial design, and accelerate decision-making, ultimately shortening development timelines and improving success probabilities.

PRODUCT PIPELINE

Our current pipeline drugs cover a variety of novel and validated therapeutic targets and drug modalities including small molecules, monoclonal antibodies, bispecific antibodies, and ADCs for the treatment of various autoimmune diseases, hemato-oncology and solid tumors.

Pre -IND		Phase 1/2		Phase 3		Registration		Approved	
ADC		**Mesutoclax (ICP-248)**	**BCL2**	**Orelabrutinib**	**BTK**	**Orelabrutinib**	**BTK**	**Orelabrutinib**	**BTK**
● Solid tumor		● AML(CHN, Global)		● TN MCL (CHN)		● r/r MCL (AU)		● TN CLL/SLL (CHN)	
IL17	**Oral**	● MDS(CHN, Global)		● MZL confirmatory (CHN)		**Zurletrectinib**	**NTRK**	● r/r CLL/SLL (CHN)	
● Autoimmune disease		**Soficitinib (ICP-332)**	**TYK2/JAK1**	● ITP (CHN)		● NTRK fusion-positive cancers (CHN)		● r/r MCL (CHN)	
Others	**Oral**	● Prurigo nodularis (Global)	Phase 2	● SLE (CHN)	Phase 2b			● r/r MCL (SG)	
● Autoimmune disease		**ICP-189** +EGFRi	**SHP2**	● PPMS (Global)				● r/r MZL (CHN)	
		● NSCLC (CHN)		● SPMS (Global)				● r/r MZL (SG)	
		ICP-B02	**CD3XCD20**	**Tafasitimab**	**CD19**			**Tafasitimab**	**CD19**
		● NHL (CHN)		● DLBCL (CHN)				● r/r DLBCL (Mainland CHN)	
		ICP-490	**E3 Ligase**	**Mesutoclax**	**BCL2**			● r/r DLBCL (GBA)	
		● NHL (CHN)		● TN CLL/SLL (CHN)	+Orela			● r/r DLBCL (HK)	
		ICP-B05	**CCR8**	● BTKi failure r/r MCL	Phase 2 registrational			● r/r DLBCL (Macao)	
		● Hemato-oncology (CHN)		**Soficitinib (ICP-332)**	**TYK2/JAK1**			● r/r DLBCL (TW)	
		ICP-B794	**B7H3 ADC**	● Atopic Dermatitis (CHN)					
		● SCLC		● Vitiligo (CHN)	Phase 2/3				
				ICP-488	**TYK-2**				
				● Psoriasis (CHN)					

● Hemato-oncology
● Autoimmune Disease
● Solid Tumor

BUSINESS OVERVIEW

ORELABRUTINIB COMMERCIALIZATION ACHIEVEMENTS AND MILESTONES

(宜諾凱®, Orelabrutinib, BTK inhibitor)

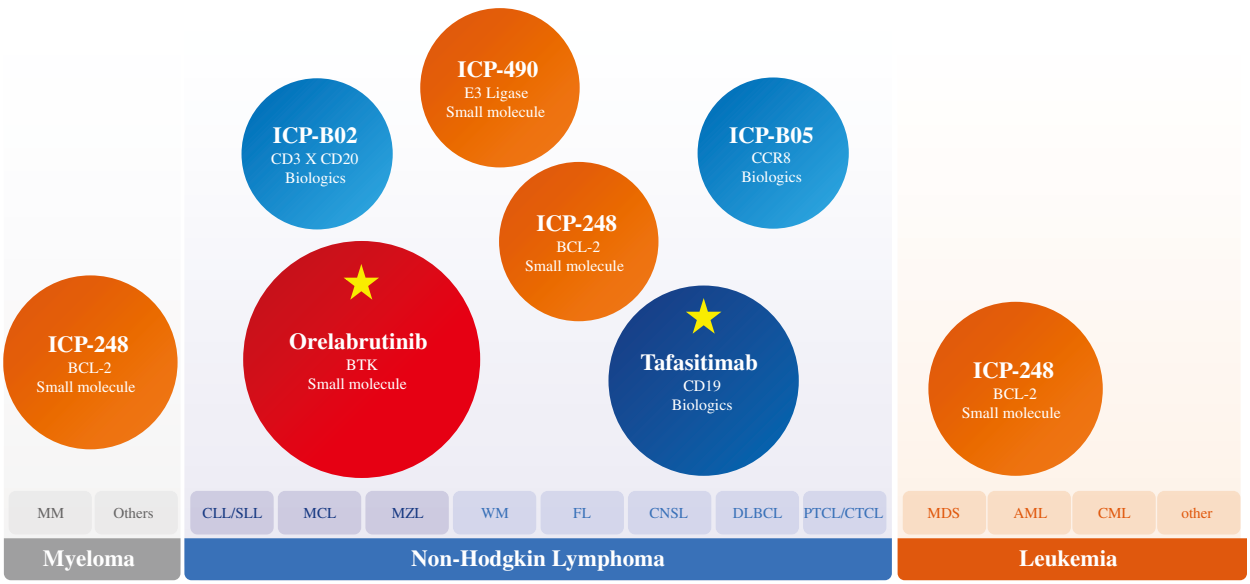
Orelabrutinib (宜諾凱®), our first and core commercial product, is a highly selective, irreversible BTK inhibitor and a cornerstone of our hemato-oncology franchise. Since its launch in mainland China, orelabrutinib has achieved significant market penetration and clinical recognition. It was included in China's NRDL in 2022 for r/r CLL/SLL and r/r MCL, and further expanded to cover r/r MZL in the 2024 NRDL update, while maintaining its competitive pricing. Orelabrutinib is also the first and only BTK inhibitor approved in China for r/r MZL. Since its launch in mainland China, orelabrutinib was included in the CSCO Guidelines as a Class I treatment for r/r CLL/SLL, 1L CLL/SLL, r/r MZL and r/r MCL, and as a recommended BTK inhibitor in combination regimens for r/r DLBCL and pCNSL. These milestones underscore its strong clinical value and broad adoption.

Total revenue of the Group was RMB731.4 million for the six months ended 30 June 2025, of which orelabrutinib generated sales of RMB637.3 million for the six months ended 30 June 2025, representing a 52.8% growth compared to the six months ended 30 June 2024. With its inclusion in NRDL for three approved indications, unique leadership position in r/r MZL, enhanced commercial execution, and improving patient compliance and treatment duration, we are well-positioned to capture further market share and sustain strong growth momentum.

BUILDING A LEADING FRANCHISE IN HEMATO-ONCOLOGY

With orelabrutinib as our backbone therapy, it plays a central role in our extensive pipeline in hemato-oncology. Alongside orelabrutinib, tafasitamab received BLA approval in May 2025, marking a significant regulatory milestone. ICP-248 has continued to advance with Phase III patient enrollment underway for first-line CLL/SLL, a Phase II registrational trial initiated in BTKi-failed MCL under NMPA's Breakthrough Therapy Designation–the first for a BCL-2 inhibitor in China–and ongoing global expansion studies in AML and MDS. This comprehensive development and global expansion strategy across our three core programs positions us well to capture increasing market opportunities domestically and internationally. We anticipate critical clinical data readouts and regulatory submissions in the near term to further strengthen our leadership in hematologic malignancies.

Comprehensive Coverage for Hemato-oncology



Orelabrutinib for Hemato-Oncology Diseases

As of the date of this report, we have dosed over 1,500 patients across all of our orelabrutinib trials for oncology and autoimmune diseases. Besides r/r CLL/SLL, 1L CLL/SLL and r/r MCL, orelabrutinib was approved for r/r MZL, marking it as the first and only BTK inhibitor approved for this use in mainland China. Additionally, multiple registrational trials are ongoing across China, including first line and second line treatments for various hematological malignancies. The clinical data indicates that orelabrutinib's high target selectivity and exceptional target occupancy rate have resulted in favorable safety and efficacy profiles.

Orelabrutinib for r/r MZL

MZL is an indolent B-cell NHL and the second most prevalent lymphoma in China, accounting for 8.3% of all lymphomas. It mainly affects middle-aged and elderly individuals. The annual incidence of MZL has been increasing globally. After first-line treatment, patients with r/r MZL lack effective treatment options.

In April 2023, orelabrutinib received approval from the Chinese NMPA for the treatment of patients with r/r MZL. Orelabrutinib is currently the first and only, BTK inhibitor approved for the treatment of r/r MZL in China.

On 16 June 2023, we announced the latest clinical data of orelabrutinib at the 17th International Conference on Malignant Lymphoma ("**ICML**") during the oral presentation section. Orelabrutinib demonstrated high response rates with durable disease remission and was well tolerated in Chinese patients with r/r MZL. The primary endpoint was ORR assessed by IRC based on the Lugano 2014 classification.

Among the enrolled Chinese patients, the majority had late-stage diseases, with stage IV accounting for 75.9%. After a median follow-up of 24.3 months, the IRC-assessed ORR was 58.9%. The median DoR and the median progression-free survival was 34.3 months and not reached, respectively. The 12-month Progression Free Survival ("**PFS**") rate was 82.8%, and the OS rate was 91%. Treatment was generally well tolerated with most TRAEs being grade of 1 or 2.

We are now conducting a randomized, controlled, double-blind, Phase III study to evaluate the efficacy and safety of orelabrutinib plus lenalidomide and rituximab ("**R2**") versus placebo plus R2 in r/r MZL.

According to publicly disclosed data presented at the EHA 2025 Hybrid Congress, orelabrutinib combined with bendamustine-rituximab or obinutuzumab followed by orelabrutinib maintenance was effective and well-tolerated in untreated patients with MZL. From June 2024 to January 2025, a total of 16 patients were enrolled. At the end of induction treatment, tumor evaluation was conducted in 6 patients in group A and 2 patients in group B. The CRR was 66.7% in group A and 100.0% in group B, with an ORR of 100.0% in both groups. At the data cutoff, the median PFS and OS remained immature. No BTKi-related AEs, such as atrial fibrillation or bleeding, were observed.

Orelabrutinib for 1L CLL/SLL

This is a randomized, multicenter, open-label, Phase III study to evaluate the efficacy and safety of orelabrutinib with previously untreated CLL/SLL. The primary endpoint of this study is PFS evaluated by the IRC.

The registrational Phase III trial for 1L CLL/SLL has been completed. The NDA for orelabrutinib in the treatment of 1L CLL/SLL was approved by the CDE in April 2025.

Orelabrutinib for 1L MCL

We are initiating a global randomized, double-blind, multicenter Phase III study of orelabrutinib in combination with rituximab and bendamustine ("**BR**") vs. BR in subjects with treatment-naïve MCL.

Orelabrutinib for Primary Central Nervous System Lymphoma ("pCNSL")

In July 2025, Leukemia, one of the leading journals in hematology and oncology, published the clinical study results of a prospective, multicenter, investigator-initiated, Phase II study investigating the rituximab, HD-MTX plus orelabrutinib ("**RMO**") regimen for newly diagnosed pCNSL ("**ND pCNSL**").

This study provided the first prospective evidence of orelabrutinib-containing regimen in newly diagnosed pCNSL, which represents the largest cohort involving BTKi-based targeted immunochemotherapy in this setting to date.

Between May 8, 2021, and September 15, 2023, 65 patients were enrolled across 9 centers in China. Of 65 treated patients, 61 (95.4%) completed four cycles of RMO therapy and were evaluable for primary efficacy analysis. At the end of four RMO cycles, 23 (35.4%) patients achieved CR and 37 (56.9%) PR, resulting in an ORR of 92.3% among the 65 treated patients. Among 61 evaluable patients, the primary endpoint of ORR was 98.4% at the end of four RMO cycles. Twenty patients proceeded to two additional cycles of RMO; of these patients in PR, 6 achieved CR, 1 Stable Disease ("**SD**"), and 1 Progressive Disease ("**PD**"), yielding a CRR of 72.2% and an ORR of 94.4% at the end of six RMO cycles. Among responders, RMO induced a rapid and durable response, achieving a median time to response of 0.7 months. As of the cutoff date (December 31, 2024), the estimated DoR, PFS, and OS rates at 2 years were 75.0%, 75.0%, and 91.7% for those who received orelabrutinib maintenance, and 66.7%, 66.7% and 83.3% for those under observation alone.

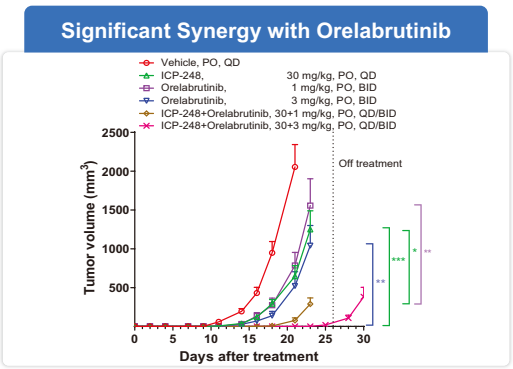
The RMO regimen was generally well-tolerated and consistent with known profiles of single agents. No other off-target toxicities (e.g., hypertension, diarrhea, atrial fibrillation/flutter, and major bleeding) occurred. No treatment-related death occurred during induction therapy.

RMO induction demonstrated clinically meaningful activity (92.3% ORR and 37.7% CRR at the end of 4-cycles) and increased CRR with additional RMO cycles, achieving a more encouraging CRR of 72.2% among patients who received 6 cycles of RMO. The high response rate to RMO offers patients the possibility of long-term benefits, with a 2-year PFS of ≥75% and 2-year OS of ≥85%, regardless of consolidation or maintenance therapy, exceeding those of most historical immunochemotherapy with or without BTKis series, and supports further investigation of this combination.

Combining orelabrutinib with ICP-248 (BCL-2 inhibitor)

The advent of BTK inhibitors has transformed the treatment landscape for B cell malignancies, particularly CLL/SLL, shifting therapy from fixed-duration chemoimmunotherapy to convenient oral targeted treatment. Combining BTK inhibition with BCL-2 inhibition offers a synergistic approach that enhances response depth and may enable longer-lasting, fixed-duration remissions.

BCL-2 is an anti-apoptotic protein that renders cells resistant to apoptosis. The BCL-2 dysregulation is a key process in the pathogenesis of B cell lymphoma.



We have initiated a Phase III registrational trial evaluating orelabrutinib in combination with ICP-248 (BCL-2 inhibitor) as a first-line therapy for patients with CLL/SLL, with patient enrollment currently accelerating. This dual oral regimen is designed to further improve treatment outcomes and provide patients with a highly effective and more convenient therapeutic option.

ICP-B04 (Tafasitamab)

In May 2025, the CDE of the NMPA approved the BLA for tafasitamab in combination with lenalidomide for adult patients with r/r DLBCL who are not eligible for ASCT, marking an important milestone in expanding treatment options for these patients in China.

Earlier this year, we successfully completed the bridging trial of tafasitamab in combination with lenalidomide for adult patients with r/r DLBCL who are not eligible for ASCT. This was a single-arm, open-label, multicenter Phase II clinical study evaluating the safety and efficacy of tafasitamab combined with lenalidomide. The primary endpoint was to evaluate the ORR assessed by investigator and IRC. The secondary endpoints were DCR, DoR, PFS, time to progression ("**TTP**"), time to response ("**TTR**"), OS, and safety. During the EHA 2024 Hybrid Congress, the clinical data was presented. By July 30, 2024, data evaluated by the IRC showed an ORR of 73.1%, including 34.6% of patients who achieved CR and 38.5% who achieved PR.

Tafasitamab plus lenalidomide had earlier received accelerated approval by the FDA in July 2020 and conditional marketing authorization from the EMA in August 2021 for the same r/r DLBCL population. In June 2025, the FDA further approved tafasitamab-cxix in combination with lenalidomide and rituximab for relapsed or refractory follicular lymphoma, based on a randomized clinical Phase III trial data demonstrating significant clinical benefit.

In Greater China, the therapy was approved by the Department of Health of Hong Kong SAR, Macau, and Taiwan. While commercial launch in mainland China is upcoming, we are actively advancing launch preparations with dedicated teams and a strong hematology commercial network. We expect to initiate sales in late third quarter to early fourth quarter of 2025, aiming to rapidly deliver this important new treatment option to patients in need and reinforce our leadership in the hematology-oncology market. Moreover, it has been officially included as a Class II recommended regimen in the CSCO Guidelines for adult r/r DLBCL patients ineligible for ASCT.

As of the date of this report, tafasitamab has been included in the overseas special drug list in over 34 provinces and cities in mainland China including Beijing, Shanghai, Hebei, Hainan provinces, Suzhou City, Wuxi City, Foshan City, and Chengdu City, etc.

ICP-248

ICP-248 (Mesutoclax) is a next-generation, orally bioavailable, and highly selective BCL-2 inhibitor, representing the Company's next strategic pillar in hemato-oncology with strong domestic and global competitiveness. In the first half of 2025, we made significant progress across multiple clinical programs, reinforcing ICP-248's potential to strengthen our leadership in blood cancers.

BCL-2 plays a crucial role in the apoptotic pathway and is overexpressed in a variety of hematologic malignancies. BCL-2 inhibitors have demonstrated anti-tumor effects by activating the endogenous mitochondrial apoptosis pathway, leading to rapid cancer cell apoptosis. We have developed ICP-248 as a selective BLC-2 inhibitor characterized by enhanced metabolic stability and reduced drug-drug interaction (DDI) liability.

Early clinical data strongly support these advancements. In a Phase II study of 42 treatment-naive patients receiving ICP-248 (mesutoclax) plus orelabrutinib, no tumor lysis syndrome was observed. Preliminary data showed an ORR of 100%, target lesion CRR of 57.1%, and uMRD rate of 65% at 36 weeks, underpinning the launch of the Phase III registrational trial. In a Phase I/II trial across CLL/SLL, MCL, and other NHL types (81 patients treated), ICP-248 (mesutoclax) demonstrated a favorable safety and PK profile with promising efficacy, including ORRs of 100% in r/r CLL/SLL and 87.5% in r/r MCL, with durable responses even in BTKi-refractory patients. In 25 r/r MCL patients who were refractory to prior BTKi treatment, ORR reached 84% with a 36% CRR (these data were submitted for presentation at ASH 2025), demonstrating strong potential for addressing this high unmet need and supporting the registrational program. We look forward to seeing further improvement in these results as follow-up continues. In February 2025, the CDE approved the initiation of the registrational Phase III clinical trial of ICP-248 in combination with orelabrutinib as a 1L therapy for the treatment of CLL/SLL patients in China. The first patient was enrolled in March 2025. We will make every effort to advance this combination therapy and bring benefits to 1L CLL/SLL patients as soon as possible.

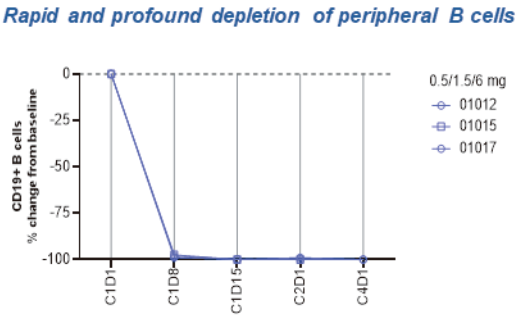
In May 2025, ICP-248 was granted Breakthrough Therapy Designation by the CDE of the NMPA for the treatment of BTKi-treated r/r MCL, which marks the first BCL-2 inhibitor to receive BTD recognition in China. We are also conducting a Phase II single-arm registrational trial of ICP-248 for r/r MCL patients who failed prior BTK inhibitor treatment and the first patient was enrolled in August 2025. Additionally, in the U.S. and EU, a monotherapy bridging trial for r/r NHL is currently underway.

For first-line AML, a Phase I dose-escalation study of ICP-248 (mesutoclax) in combination with azacytidine demonstrated a favorable safety profile with no evidence of tumor lysis syndrome under prophylactic monitoring. Preliminary efficacy data showed a CR of 70%, and uMRD conversion rate of 57%, with a 6 month OS rate of 100%. These data were submitted for presentation at ASH 2025, and will support the initiation of a global expansion trial in combination with standard-of-care AML therapies.

In May 2025, the IND approval was granted by the CDE to initiate the clinical trial for ICP-248 in combination with azacitidine for the treatment of myeloid malignancies, including but not limited to MDS. Additionally, the FDA has approved the IND application to conduct the clinical trial of ICP-248 in combination with azacitidine for the treatment of myeloid malignancies, such as AML and MDS in July 2025. Global expansion studies in AML and MDS are progressing, with dose-escalation studies completed in AML and a dose-confirmation study in MDS recently approved for initiation.

ICP-B02 (CM355)

ICP-B02 is a CD20xCD3 bispecific antibody co-developed with KeyMed for the treatment of B-cell non-Hodgkin's lymphoma as a monotherapy or in combination with other therapies. In preclinical studies, it demonstrated stronger T cell-dependent cellular cytotoxicity ("**TDCC**") activities with less cytokine release as compared to its leading competitors.



ICP-B02 induced rapid and deep B cell depletion in both peripheral blood and tissues in clinical studies. ICP-B02 (SC & IV) induced a profound and sustained depletion of peripheral B cells after the first infusion in our Phase I/II clinical trial in r/r NHL patients. Two patients with baseline bone marrow involvement were reassessed after achieving CR, and CD19 or CD20 positive B cells were completely depleted in the bone marrow, indicating deep B cell depletion in tissues. Given the critical role of B cells in a variety of severe autoimmune diseases, ICP-B02 may have wider applications in severe autoimmune diseases as it is more feasible and well tolerated.

In January 2025, Beijing InnoCare, a subsidiary of the Company, Chengdu Keymed, a subsidiary of Keymed (stock code: 02162), and Beijing Tiannuo Jiancheng Pharmaceutical Technology Co., Ltd., a joint venture of the Company and Chengdu Keymed, which is owned 50% by Beijing InnoCare and 50% by Chengdu Keymed, entered into an exclusive license agreement with Prolium for the development and commercialization of ICP-B02.

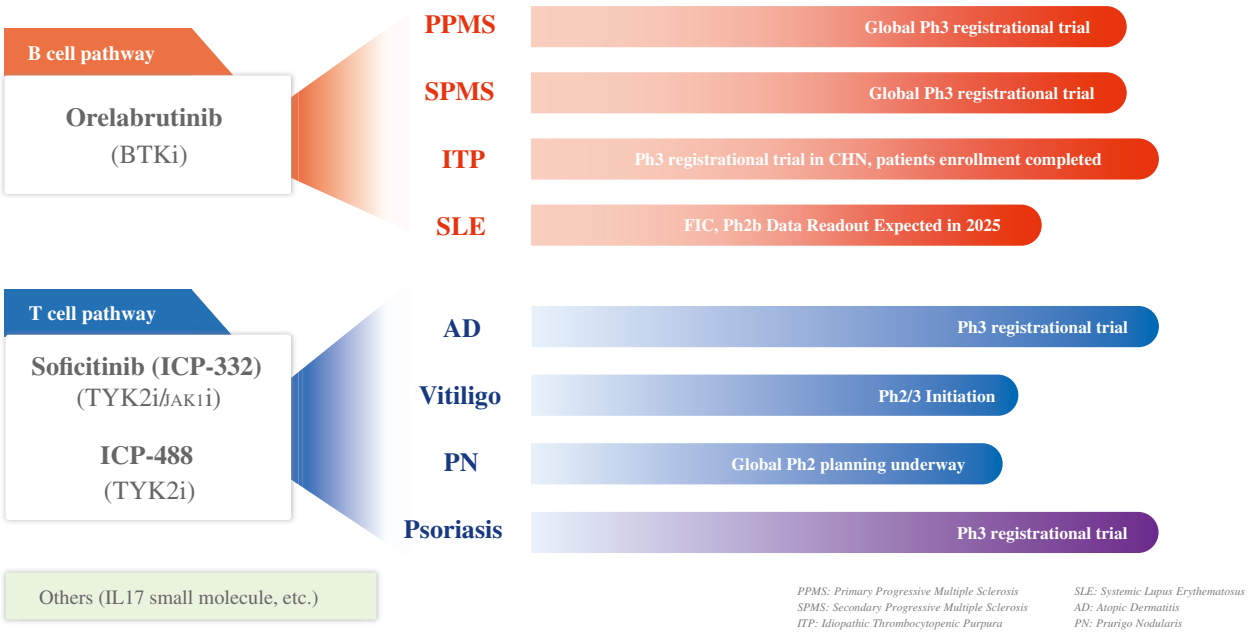
Under the terms of the Agreement, Prolium has been granted the exclusive right to develop, register, manufacture, and commercialize ICP-B02 globally in non-oncology fields and in the global oncology fields outside of Asia. Each of Beijing InnoCare and Chengdu Keymed owns 50% of the rights in ICP-B02, and future revenue from the collaboration will be shared equally between Beijing InnoCare and Chengdu Keymed.

Beijing InnoCare and Chengdu Keymed has collectively received an upfront and near-term payment of US$17.5 million based on their respective 50/50 ownership, and are entitled to receive additional milestone payments up to US$502.5 million based on the achievement of specific clinical, regulatory, and commercial milestones. Both Beijing InnoCare and Chengdu Keymed will also receive tiered royalties on future net sales of any products. As part of the consideration for the transaction, Beijing InnoCare and Chengdu Keymed (or their designated persons) has received a minority equity stake in Prolium.

For details, see our announcement dated 20 January 2025 published on the websites of the Stock Exchange and the Company.

Developing B-cell and T-cell Pathways in Autoimmune Diseases

Autoimmune diseases can affect almost every organ in the body and may arise at any stage of life. Many lead to chronic and debilitating conditions, and some have no known cure. The global markets for autoimmune diseases therapeutics are anticipated to reach US$185 billion by 2029, growing moderately at a CAGR of 3.7% over the forecast period, driven by the increasing prevalence of autoimmune diseases and immune-related secondary disorders, multiple new product launches, and rising treatment costs (3 October 2023, by iHealthcareAnalyst, Inc.). We have fortified our powerful discovery engine to focus on cutting-edge global targets for the development of autoimmune therapies through B-cell and T-cell pathways, with the aim of delivering first-in-class and/or best-in-class treatments to address the massive unmet clinical needs and strong market potential in China and globally.



Leveraging orelabrutinib's favorable safety profile, high selectivity, and central nervous system ("**CNS**") penetrance, we have established B-cell pathway regulation capabilities, enabling us to actively pursue its application in treating various auto-immune diseases. In September 2024, the FDA reached an agreement with the Company on the initiation of a Phase III study of orelabrutinib in patients with PPMS and also encouraged us to initiate a second Phase III clinical trial of orelabrutinib in SPMS. In February 2025, the Company reached an agreement with the FDA on the Phase III clinical trial protocol for SPMS. As of the date of this report, the Company is accelerating the initiation of the Phase III studies for PPMS and SPMS, with the goal of achieving first-patient-in for PPMS and for SPMS within 2025, and we plan to advance these efforts to deliver much-needed therapies to patients.

Orelabrutinib achieved favorable PoC results in the treatment of ITP patients, particularly in those who had responded to previous GC/IVIG therapies. The registrational Phase III trial for ITP in China has completed patient enrollment, with NDA submission targeted for the first half of 2026. Additionally, based on the positive results from the Phase IIa SLE clinical trial, we believe orelabrutinib could potentially become the first-in-class BTK inhibitor for the treatment of SLE. The Phase IIb trial in China completed patient enrollment in October 2024. This trial includes 186 patients with a treatment duration of 48 weeks, and the data readout is expected in the fourth quarter of 2025. Furthermore, the Company is evaluating potential indications such as Chronic Spontaneous Urticaria ("**CSU**") and Hidradenitis Suppuravativa ("**HS**"), among others.

Meanwhile, our T-cell pathway modulators ICP-332 and ICP-488 are advancing rapidly in clinical development. ICP-332 demonstrated positive Phase II results in moderate-to-severe AD, and has entered a Phase III registrational trial. We are expanding ICP-332's indications with an ongoing trial in vitiligo in China, and, following active engagement with the FDA, are planning a global Phase II study in PN. Meanwhile, ICP-488, a selective TYK2 allosteric inhibitor, has initiated its Phase III trial in plaque psoriasis with patient enrollment ongoing and additional autoimmune indications under evaluation.

Our strong focus and integrated pipeline in oral autoimmune therapies targeting both B-cell and T-cell pathways positions us well for continued leadership and innovation. We will continue to deepen our efforts in this field to bring differentiated and impactful treatments to patients globally.

B Cell Pathway — Orelabrutinib for Autoimmune Diseases

BTK is a member of the TEC family and is expressed in B lymphocytes, mast cells, macrophages, monocytes, and neutrophils. It is a key kinase in the BCR signaling pathway, and regulates B cell proliferation, survival, differentiation, and cytokine expression. Abnormal activation of BTK related signaling pathways can mediate autoimmune diseases. BTK has become a new and prominent therapeutic target for autoimmune diseases.

Because of orelabrutinib's high target selectivity and good safety profile, we are evaluating it as a novel therapy for the treatment of various autoimmune diseases.

Orelabrutinib for MS

In September 2024, the Company and the FDA reached an agreement on the initiation of a Phase III study of orelabrutinib in patients with PPMS. The FDA also encouraged us to initiate a second Phase III clinical trial of orelabrutinib in PMS within the SPMS population. In February 2025, the Company reached an agreement with the FDA on the Phase III clinical trial protocol for SPMS. As of the date of this report, the Company is accelerating the initiation of the Phase III studies for PPMS and SPMS, with the goal of achieving first-patient-in for both PPMS and for SPMS within 2025.

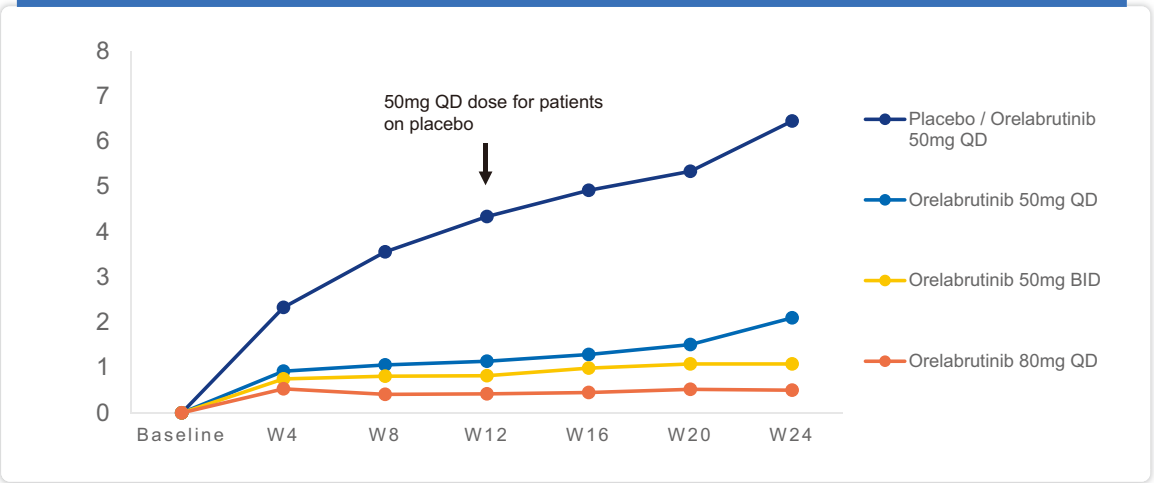
The Phase II results of orelabrutinib for the treatment of relapsing-remitting multiple sclerosis ("**RRMS**") were released at the 10th annual Americas Committee for Treatment and Research in Multiple Sclerosis ("**ACTRIMS**") Forum, a premier global event in neuroimmunology exploring cutting-edge developments in MS and related disorders. The results were also presented as an on-site poster (Poster No.: P094) on 27 February 2025.

Orelabrutinib was shown to be highly effective for the treatment of RRMS patients. The 80 mg once daily dose showed the best efficacy and safety profile and was therefore selected for Phase III progressive MS studies.

In this double-blind, Phase II trial, 158 eligible RRMS subjects were randomized in a 1:1:1:1 ratio to one of four treatment groups: placebo, orelabrutinib 50 mg QD, orelabrutinib 80 mg QD, and orelabrutinib 50 mg twice daily ("**BID**"). Subjects in the placebo group were switched to orelabrutinib 50 mg QD at Week 13. The primary endpoint was the cumulative number of new gadolinium-enhancing ("**Gd+**") T1 brain lesions at Week 12 (based on new Gd+ T1 lesions at Weeks 4, 8, and 12) compared to placebo.

At Week 12, all three treatment groups showed statistically significant reductions in the cumulative number of new Gd+ T1 lesions and new/enlarging T2 lesions compared to the placebo group ($p < 0.05$), while the 80 mg QD and 50 mg BID groups showed statistically significant reductions throughout 24 weeks compared to the placebo/50 mg QD group ($p < 0.05$). The 80 mg QD group demonstrated the highest reductions of 90.4% at Week 12 compared to placebo and 92.3% at Week 24 compared to the placebo/50 mg QD group. New lesion control in each orelabrutinib group occurred at the earliest assessment timepoint of Week 4 and was sustained through Week 24.

ADJUSTED MEAN CUMULATIVE NUMBER OF NEW GD+ T1 BRAIN LESIONS UP TO WEEK 24 (N=115)



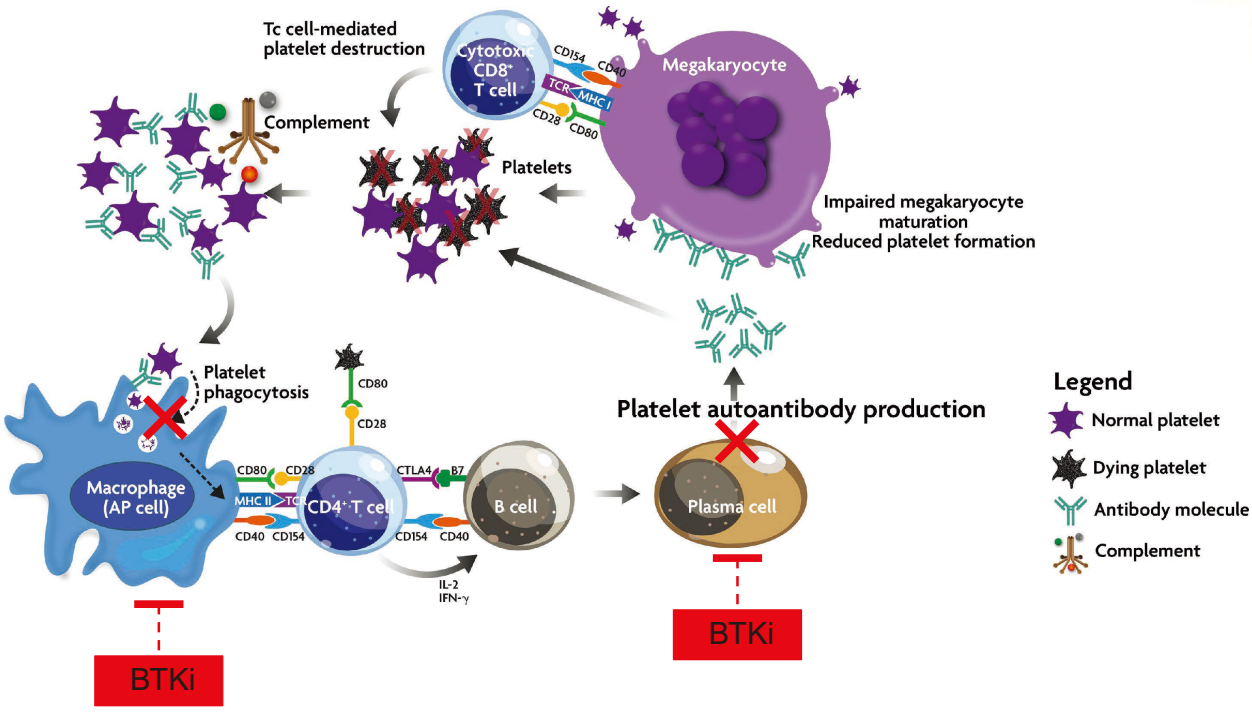
Cumulative number of New Gd+ T1 Lesion from Week 4 to Week 24	Placebo / Orelabrutinib 50mg QD (N=27)	Orelabrutinib 50mg QD (N=30)	Orelabrutinib 50mg BID (N=29)	Orelabrutinib 80mg QD (N=29)
Adjusted mean cumulative number (95% CI) of lesions from W4 to W24	6.45 (3.62, 11.52)	2.10 (0.62, 7.11)	1.08 (0.30, 3.81)	0.50 (0.09, 2.74)
Percent reduction		**67.4** (-22.0, 91.3)	**83.3** (33.2, 95.8)	**92.3** (56.5, 98.6)
P-value		**0.0958**	**0.0114**	**0.0037**

Orelabrutinib for ITP

ITP, also referred to as immune thrombocytopenic purpura, is an acquired immune mediated disorder characterized by a decrease in peripheral blood platelet counts, resulting in an increased risk of bruising and bleeding. The main pathogenesis of ITP is the loss of immune tolerance to platelet auto-antigens. This immune intolerance leads to increased platelet destruction and decreased platelet production from megakaryocytes by autoantibodies and cytotoxic T lymphocytes.

ITP, which has a U.S. prevalence of 23.6 cases out of 100,000 and a China prevalence of 9.5 cases out of 100,000, represents hundreds of thousands of patients globally. Current therapies, including corticosteroids, thrombopoietin receptor agonists, anti-CD20 monoclonal antibodies, and spleen tyrosine kinase inhibitors lack long-term tolerability or durable sustained responses. New safe and effective treatment options are needed for patients who have inadequate responses to previous lines of therapy.

BTK is a key kinase in the B cell receptor signaling pathway, which is essential for the activation of B lymphocytes, macrophages, and other immune cells as well as the production of antibodies in the pathological process of ITP. No BTK inhibitor has yet been approved for the treatment of patients with ITP. Orelabrutinib, with its high target selectivity and good safety profile, has the potential to become a novel treatment option for ITP patients.



Source: https://doi.org/10.1016/j.ebiom.2022.103820

Current Status

In the first half of 2023, the Phase II clinical trial of orelabrutinib for the treatment of ITP was completed in mainland China. This is a randomized, multicenter, open-label Phase II study to evaluate the efficacy and safety of orelabrutinib in adult patients with persistent or chronic primary ITP and provide a basis for a Phase III study design and dose selection. The primary endpoint was the proportion of subjects with platelet count ≥50×10^9/L (confirmed by two consecutive platelet counts, with an interval of at least 7 days) without rescue medication in the 4 weeks preceding the count elevation. Both the 50mg QD and 30mg QD doses of orelabrutinib were safe in the treatment of patients with ITP. Generally, patients receiving the 50mg QD dose responded rapidly and showed better efficacy, especially in those who had responded to previous GC/IVIG therapies. Overall, 36.4% (12/33) of patients met the primary endpoint, with 40% (6/15) of patients at the 50mg cohort reaching the primary endpoint. Among the 12 patients who met the primary endpoint, 83.3% (10/12) of the patients achieved a durable response, defined as the percentage of patients with platelet count ≥50×10^9/L for at least 4 of the 6 visits between weeks 14 and 24. Among the 22 patients who previously responded to GC or IVIG, 75.0% (6/8) of patients at the 50mg arm met the primary endpoint. Orelabrutinib demonstrated a favorable safety profile in the treatment of ITP, with all TRAEs being of grade 1 or 2.

The favorable Phase II results demonstrated a PoC of orelabrutinib in ITP and provided us with the confidence to advance the program. By leveraging the BTK inhibitor's advantage in ITP of decreased macrophage-mediated platelet destruction and reduced production of pathogenic autoantibodies, we positioned orelabrutinib as a preferred BTK inhibitor to obtain approval for the treatment in this idiopathic disease.

The PoC data from the ITP Phase II trial was selected as an oral presentation at the EHA 2023 Hybrid Congress on 12 June 2023 and published in The American Journal of Hematology in April 2024.

The registrational Phase III trial in ITP has completed patient enrollment, with NDA submission planned for the first half of 2026.

Orelabrutinib for SLE

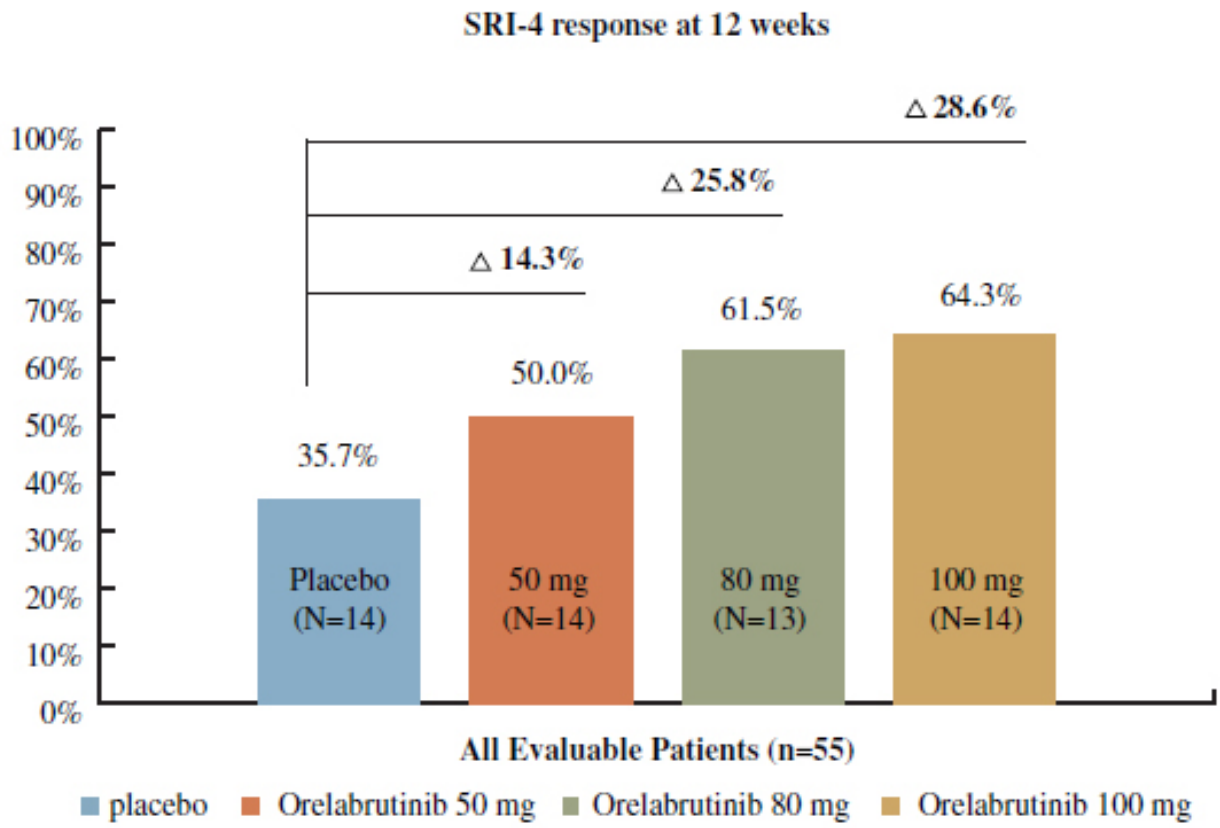
Orelabrutinib inhibits the BCR signaling cascade by binding to BTK, thereby preventing the proliferation and activation of B cells in autoimmune diseases. Pre-clinical data demonstrated that orelabrutinib has dose-dependent effects on improving kidney function, inhibiting arthritis, and reducing inflammation in SLE mouse models.

The root causes of SLE include family history, hormones, unhealthy lifestyles, certain environmental factors, drugs, and infections. The number of SLE patients in China is estimated to reach 1.06 million by 2025 with a compound annual growth rate of 0.7% from 2020 to 2025, and approximately to 1.09 million by 2030 with a compound annual growth rate of 0.5% from 2025 to 2030.

Current Status

In China, orelabrutinib's Phase IIa trial for SLE showed positive results. This was a randomized, double-blind, placebo-controlled, dose-finding study designed to evaluate the safety and tolerability of orelabrutinib in patients with mild to moderate SLE. Patients receiving standard therapy were randomized at a ratio of 1:1:1:1 to receive oral orelabrutinib at 50mg QD, 80mg QD, 100mg QD or placebo once daily for 12 consecutive weeks.

The Phase IIa results showed that orelabrutinib was safe and well tolerated at all doses. A dose-dependent efficacy was observed in evaluable patients treated with orelabrutinib. The SRI-4 response rates at 12-week were 35.7%, 50.0%, 61.5% and 64.3% in patients treated with placebo, 50mg/day, 80mg/day and 100mg/day of orelabrutinib, respectively. Treatment with orelabrutinib led to a reduction in proteinuria levels and improvement in immunologic markers, including reduced immunoglobulin G and increased complements C3 and C4. The results of this Phase IIa study was presented through a late-breaking oral presentation at 2022 European Alliance of Associations for Rheumatology ("**EULAR**") Congress.



Based on the Phase IIa results, we have initiated a Phase IIb study, and have completed patient recruitment in China. This randomized, double-blind, placebo controlled, multicenter, Phase IIb aims primarily to evaluate the efficacy of orelabrutinib in SLE patients, with a secondary objective of evaluating the safety, tolerability, and impact on the quality of life of subjects with moderate to severe SLE. Patients receiving standard therapy were randomized at a ratio of 1:1:1 to receive oral orelabrutinib at 50mg, 75mg, or placebo once daily for 48 consecutive weeks. The primary endpoint is the SRI-4 response rate, with other secondary points including time to first flare, steroid dose reduction, proteinuria, change in the number of swollen and tender joints, and changes from baseline in complement C3, complement C4, and anti-dsNDA antibody levels, etc. The Phase IIb trial in China completed patient enrollment in October 2024. The complete Phase IIb data readout is expected in the fourth quarter of 2025. Orelabrutinib shows promising potential to become a first-in-class BTK inhibitor for SLE patients.

T Cell Pathway — TYK2 for Autoimmune Diseases

ICP-332

ICP-332 is a small molecule inhibitor of TYK2 that is being developed for the treatment of various autoimmune disorders. TYK2 is a member of the JAK family and plays a critical role in transducing signals downstream of IL-12/IL-23 family interleukin receptors as well as type I interferon ("**IFN**") receptor. These cytokine/receptor pathways drive the functions of T helper 17 ("**TH17**"), THl, B and myeloid cells which are critical in the pathobiology of multiple autoimmune and chronic inflammatory diseases including psoriasis, psoriatic arthritis, IBD, lupus, AD, etc. ICP-332 was designed to be a potent and selective TYK2 inhibitor with 400-fold selectivity against JAK2 to avoid the adverse events associated with nonselective JAK inhibitors. Thus, by selective inhibition of TYK2, ICP-332 may become a potential therapy for multiple autoimmune diseases, such as AD, psoriasis, psoriatic arthritis, systemic lupus erythematosus, IBD, dermatomyositis and uveitis, with a better safety profile.

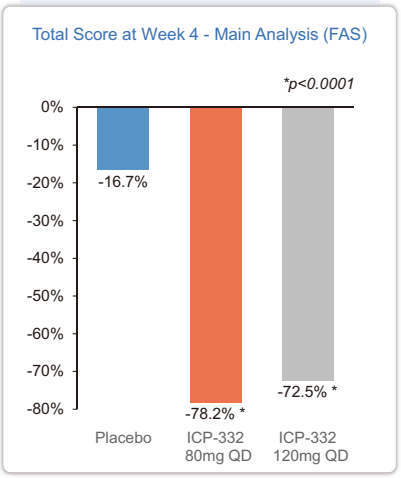
Atopic dermatitis is one of the most common skin eczemas and causes itching, redness and inflammation. According to Pharma Intelligence, AD has become a major autoimmune disease, with a 12-month prevalence rate ranging from 0.96–22.6% in children and 1.2– 17.1% in adults, indicating a global market potential of US$10 billion in 2030. In China, according to Frost & Sullivan Analysis, AD patients numbered 65.7 million in 2019 and is estimated to reach 81.7 million people by 2030, reflecting a compound annual growth rate of 1.7%. For moderate and severe patients, AD could seriously impact life quality due to recurring itching, which is associated with sleep disturbances in 33% to 90% of adult patients (*J Allergy Clin Immunol Pract*. 2021 Apr; 9(4): 1488–1500). Thus, reducing itching was an urgent need for most patients with moderate to severe AD. With the tremendous potential to address the massive unmet medical needs of millions of patients outlined above, we anticipate ICP-332 will become a cornerstone product of our autoimmune franchise.

Current Status

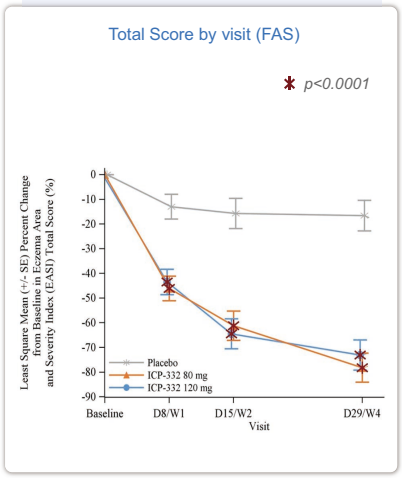
We have announced the positive Phase II PoC data in December 2023. The Phase II study was a randomized, double-blind, placebo-controlled trial evaluating the safety, efficacy, pharmacokinetics, and pharmacodynamics of ICP-332 in moderate-to-severe AD. A total of 75 adult subjects with moderate to severe AD were enrolled, with 25 subjects in the 80mg QD treatment group, 120mg QD treatment group, and placebo group. Patients received four weeks of treatment with a 28-day safety follow-up.

Patients with AD treated with ICP-332 for 4 weeks showed excellent efficacy and safety profiles. ICP-332 achieved multiple efficacy endpoints, including percentage reductions from baseline in Eczema Area and Severity Index score, EASI 50, EASI 75, EASI 90 (improvement of at least 50%, 75%, and 90% in EASI score from baseline) and Investigator's Global Assessment (IGA) 0/1 (score of 0 clear or 1 almost clear) in the 80mg and/or 120mg group respectively.

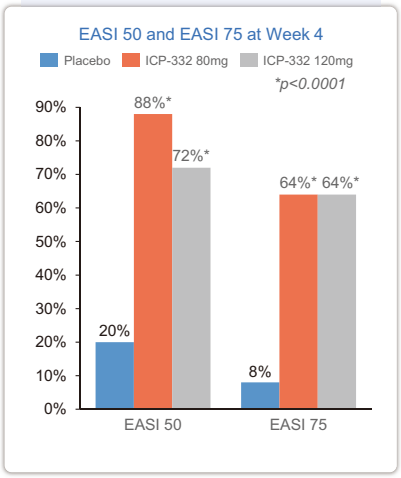
Percent Change from Baseline in EASI



Percent Change from Baseline in EASI

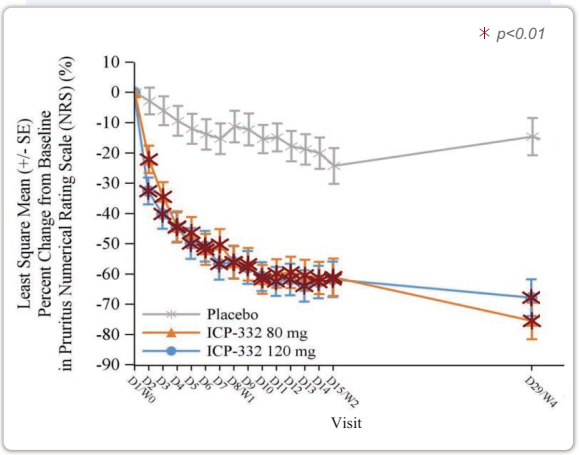


High Proportion of Patients Achieved



Quick and Statistically Significant Response from Day 2

Pruritus Numerical Rating Scale (NRS)



Improvement of Patient Quality of Life

Dermatology Life Quality Index (DLQI) Score Change from Baseline by Visits (Full Analysis Set)

	Placebo (N=25)	ICP-332 80mg (N=25)	ICP-332 120mg (N=25)
D8/W1	-3.3(-4.8,-1.9)	-6.5(-8.0,-5.1)	-6.8(-8.4,-5.3)
	p-value	**0.0027**	**0.0018**
D15/W2	-2.2(-4.2,-0.2)	-8.7(-10.7,-6.7)	-7.9(-9.9,-5.9)
	p-value	**<0.0001**	**0.0002**
D29/W4	-1.2(-3.3,0.9)	-10.8(-12.8,-8.8)	-8.9(-11.0,-6.8)
	p-value	**<0.0001**	**<0.0001**

The mean percentage change from baseline in the EASI score reached 78.2% and 72.5% for the once-daily dosing groups of 80mg and 120mg, respectively, both with a highly statistically significance (p<0.0001), compared to 16.7% for patients receiving placebo. EASI 75 reached 64% and 64% in the 80mg and 120mg dosing group respectively, compared to 8% percent for patients receiving placebo (p<0.0001). In the 80mg QD treatment group, the difference from placebo reached 56% in EASI 75, 40% in EASI 90, 32% in (IGA) 0/1 and 56% in pruritic numerical rating scale ("**NRS**") ≥4 Improvement (p<0.01).

In addition, significant improvement was observed with respect to pruritus (itch). Patients treated with ICP-332 experienced quick response in improving pruritus numerical rating from day 2 onwards both in severity and frequency across the 80/120mg ICP-332 doses, as measured by the NRS (p<0.01).

ICP-332 was safe and well tolerated in AD patients. In this study, all treatment-related adverse events were mild or moderate. The overall incidence rates of TRAEs and TRAEs related to infections and infestations in the two treatment groups were comparable to the placebo group.

The results of this Phase II study were presented through a late-breaking oral presentation at 2024 American Academy of Dermatology Annual Meeting.

Building on the positive Phase II results in AD, we have advanced the program into a Phase III registrational trial in AD, with patient enrollment currently accelerating. In addition to AD, ICP-332 is being evaluated in other dermatological autoimmune indications. The Phase II/III clinical trial in vitiligo has received IND approval in China, and patient enrollment began in May 2025. In the U.S., following completion of the Phase I study, we are actively engaging with the FDA to finalize the protocol for a global Phase II trial in PN, which is expected to commence in the second half of 2025. These developments highlight ICP-332's potential as a first-or best-in-class oral therapy across multiple dermatological autoimmune diseases.

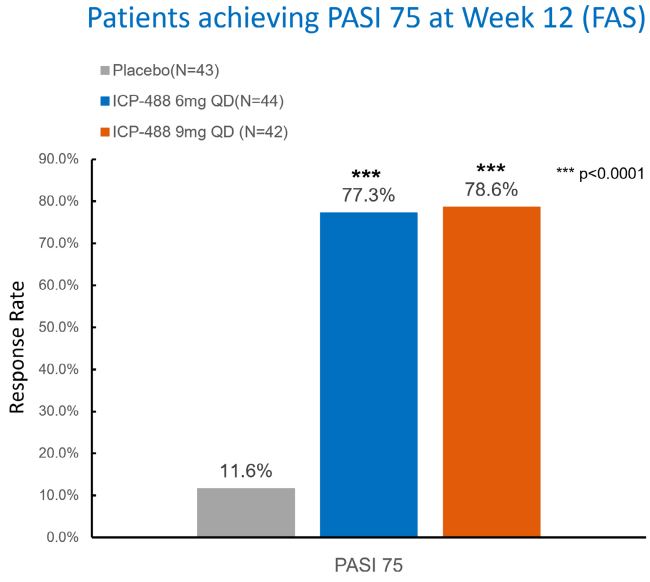
ICP-488

ICP-488 is a small molecule inhibitor of the pseudo kinase domain JH2 of TYK2. JH2 has an important regulatory role in TYK2 kinase catalytical activity, and mutations in JH2 have been shown to be the cause of or be linked with impaired TYK2 activity. ICP-488 is a potent and selective TYK2 allosteric inhibitor that, by binding to the TYK2 JH2 domain, blocks IL-23, IL-12, type 1 IFN and other autoimmune cytokine receptors. We intend to develop ICP-488 for the treatment of autoimmune diseases such as psoriasis, psoriatic arthritis, SLE, etc. Together with ICP-332, ICP-488 will further enrich our TYK2 portfolio.

Psoriasis is an immune-mediated disease that causes raised, scaly patches on the skin due to systemic inflammation. The typical clinical manifestations are scaly plaques, either localized or widely distributed, and are often difficult to treat. The cause of psoriasis involves multiple factors such as genetics, immunity, and the environment. The immune response is mainly mediated by T lymphocytes with involvement from a variety of immune cells. The immune pathways related to interleukin 23 (IL-23) and helper T cells 17 (Th17) serve as key regulators of psoriasis. According to the World Psoriasis Day consortium, over 125 million people worldwide had psoriasis in 2022, accounting for 2%-3% of total population.

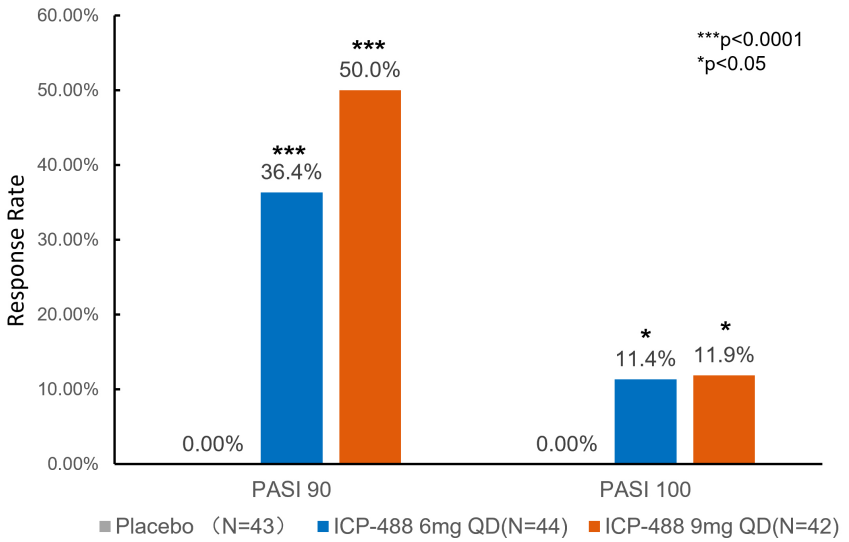
Current Status

As of the date of this report, we have obtained positive results from the Phase II randomized, double-blind, placebo-controlled study of ICP-488 in patients with moderate-to-severe plaque psoriasis. Additionally, a statistically significant greater proportion of patients achieved PASI 90, PASI 100 and static Physician Global Assessment scores of 0/1 in the ICP-488 dosing arms compared to placebo.



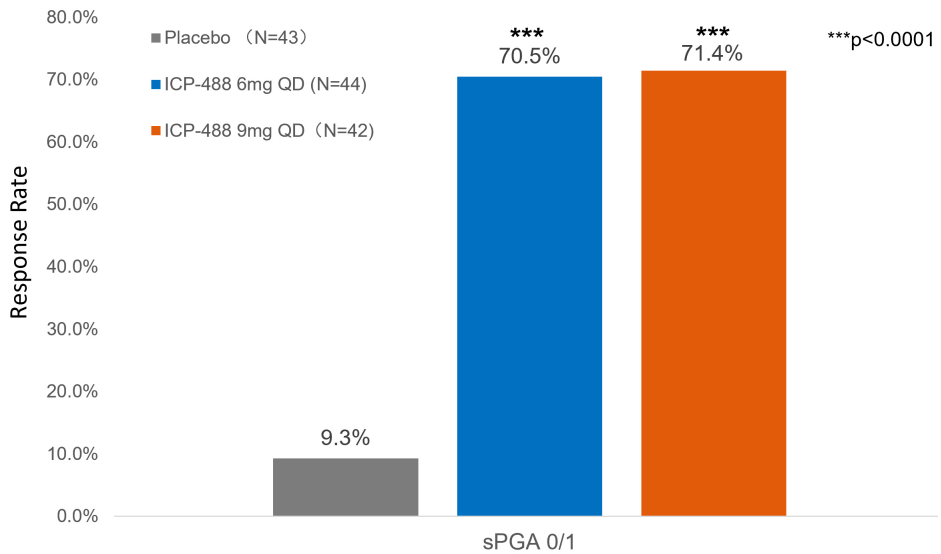
A significantly greater proportion of patients treated with ICP-488 for 12 weeks achieved PASI 75 (77.3%, 78.6%; 6mg, 9mg, respectively) versus placebo (11.6%; p<0.0001), meeting the study's primary endpoint.

Patients achieving PASI 90/PASI 100 at Week 12 (FAS)



A significantly greater proportion of patients treated with ICP-488 for 12 weeks achieved PASI 90 (36.4%, 50.0%; 6mg, 9mg, respectively) versus placebo (0%; p<0.05), and PASI 100 (11.4%, 11.9%; 6mg, 9mg, respectively) versus placebo (0%; p<0.05).

Patients achieving sPGA 0/1 at Week 12 (FAS)



A significantly greater proportion of sPGA scores of 0/1 (70.5%, 71.4%; 6mg, 9mg, respectively) versus placebo (9.3%; p<0.0001) at 12 weeks. An sPGA score of 1 indicates almost clear skin, while a score of 0 indicates totally clear skin.

In this study, most TEAEs and TRAEs were mild or moderate in severity and self-limited.

The results of this Phase II study was presented as a late-breaking oral presentation at 2025 American Academy of Dermatology Annual Meeting.

Building on these results, we have initiated a Phase III registrational trial in plaque psoriasis, with patient enrollment underway. In parallel, we are actively evaluating additional autoimmune indications to expand ICP-488's therapeutic potential and further strengthen our leadership in oral immunology drug development.

BUILDING A COMPETITIVE DRUG PORTFOLIO FOR SOLID TUMOR TREATMENT

As part of our strategic focus on solid tumor therapeutics, we are building a competitive and diversified drug portfolio to address significant unmet medical needs across multiple tumor types. In March 2025, our NTRK inhibitor ICP-723 (zurletrectinib) submitted its NDA for the treatment of adult and adolescent patients (12 to 18 years old) with NTRK gene fusion-positive tumors, which was accepted by the CDE and granted priority review. In parallel, we are advancing our proprietary ADC platform, designed to enhance efficacy and safety through optimized linker and payload technologies. Our first in-house ADC candidate, a B7-H3–targeting ADC, received IND approval in July 2025, and we expect to initiate clinical trials later this year. Upon achieving proof of concept, we anticipate multiple ADC-based molecules from this platform to enter clinical development next year, significantly expanding our solid tumor pipeline. Through these efforts, we aim to establish a robust and innovative oncology portfolio, positioning the company as a future leader in innovative therapies for solid tumors.

ICP-723 (Zurletrectinib)

ICP-723 is a second-generation small molecule pan-inhibitor of tropomyosin-related kinase designed to treat patients with NTRK gene fusion-positive cancers who were TRK inhibitor treatment-naive or who have developed resistance to the first generation TRK inhibitors, regardless of cancer types. First generation pan-TRK inhibitors have shown rapid and durable responses in patients with TRK gene fusions, however, patients can develop acquired resistance. Preclinical data showed that ICP-723 markedly inhibited the activity of the wild type TRKA/B/C as well as mutant TRKA with resistant mutation G595R or G667C. This finding provides strong evidence that ICP-723 could overcome acquired resistance to the first generation TRK inhibitors.

In July 2024, the British Journal of Cancer, part of the leading science journal Nature, published a paper on zurletrectinib. The journal concluded that zurletrectinib is a novel, highly potent next-generation TRK inhibitor with superior in vivo brain penetration and stronger intracranial activity compared to other next-generation agents. The paper highlighted zurletrectinib's strong potency against TRKA, TRKB, and TRKC wildtype kinases, as well as acquired resistance mutations TRKA G595R and TRKA G667C. Zurletrectinib also demonstrated improved blood-brain barrier penetration, translating into enhanced antitumor activity compared to selitrectinib and repotrectinib. In an orthotopic mouse glioma xenograft model carrying the TRKA G598R/G670A resistance mutation, zurletrectinib (15 mg/kg) significantly improved the survival of mice harboring orthotopic NTRK fusion-positive, TRK-mutant gliomas (median survival = 41.5, 66.5, and 104 days for selitrectinib, repotrectinib, and zurletrectinib respectively; $P < 0.05$), showing superior efficacy compared to repotrectinib (15 mg/kg) and selitrectinib (30 mg/kg) (P=0.0384 and 0.0022, respectively), with an excellent safety profile.

Mechanism of Action

The TRK family consists of three proteins referred to as TRKA, TRKB and TRKC, respectively, which are encoded by neurotrophic receptor tyrosine kinase genes NTRKl, NTRK2 and NTRK3, respectively. TRKs play an important role in maintaining normal nervous system function. Unwanted joining of separated NTRK genes, or NTRK gene fusions, have been found to contribute to tumorigenesis in a variety of different cancers, with high prevalence in infantile fibrosarcoma, salivary gland carcinomas and thyroid carcinoma. NTRK fusions have also been detected at lower frequencies, in soft-tissue sarcomas, thyroid cancer, mammary analogue secretory carcinoma of salivary glands, lung cancer, colorectal cancer, melanoma, breast cancer, etc.

Current Status

A Phase II registrational trial has been completed in mainland China for ICP-723 in adult and adolescent patients (12+ years of age) with advanced solid tumors harboring NTRK gene fusions. The primary efficacy endpoint was the ORR assessed by IRC. Among the 55 subjects included in the ISE analysis, the IRC-assessed ORR was 85.5% (95% CI: 73.3, 93.5). Zurletrectinib was shown to overcome acquired resistance to first-generation TRK inhibitors, bringing hope to patients who failed prior TRKi therapy. In April 2025, the CDE of the NMPA accepted the NDA for ICP-723 for the treatment of adult and adolescent patients with NTRK gene fusion-positive advanced solid tumors and subsequently granted it priority review in May 2025. Additionally, a separate registrational trial in pediatric patients aged 2 to <12 years is ongoing, with NDA submission planned for later in 2025.

ICP-189

ICP-189 is a potent oral allosteric inhibitor of SHP2 with reliable selectivity over other phosphatases. It is being developed for the treatment of solid tumors as a potential cornerstone therapy in combination with other antitumor agents. SHP2 is a key upstream regulator of the RAS-MAPK pathway and thus plays an essential role in the signaling by multiple oncogenic driver kinases, as well as a key signal transducer of PD-1 signaling, making SHP2 inhibitor an ideal partner for combination with multiple targeted and immune-oncology therapies.

In preclinical in vivo efficacy studies, ICP-189 demonstrated significant anti-tumor effects in various xenograft models as monotherapy. ICP-189 has also shown promising preliminary activity in combination with a range of targeted therapies and immunotherapies, including inhibitors of EGFR, KRAS, MEK and PD-1, in preclinical studies. The in vivo efficacy of ICP-189 is well accompanied by pharmacodynamic modulations, where ICP-189 exposure levels correlate with reduced p-ERK and DUSP6 mRNA levels in tumors.

We are conducting a Phase Ia dose escalation study to evaluate the safety, tolerability, pharmacokinetics, and preliminary anti-tumor activity of ICP-189 in patients with advanced solid tumors in China. As of the date of this report, we already completed the single agent dose escalation. There were no DLTs nor ≥grade3 TRAEs observed up to 160 mg. ICP-189 demonstrated dose-proportional pharmacokinetics and long half-life. ICP-189 achieved sufficient exposure to effectively target IC_{90} against DUSP6, a downstream biomarker of MAPK pathway. Preliminary efficacy was observed in ICP-189 monotherapy, 1 patient with cervical cancer in the 20mg dose cohort achieved PR which sustained for 17 cycles.

On 14 July 2023, InnoCare and ArriVent announced a clinical development collaboration to evaluate the combination of InnoCare's novel SHP2 allosteric inhibitor, ICP-189, with ArriVent's firmonertinib, a highly brain-penetrant, broadly active mutation-selective EGFR inhibitor in patients with advanced NSCLC. Preclinical studies demonstrated that the combination of ICP-189 and firmonertinib could overcome the resistance to third-generation EGFR inhibitors.

We have completed the Phase Ib dose finding study of ICP-189 combined with firmonertinib. No DLTs were observed during the dose finding phase. The preliminary dose for expansion was determined as ICP-189 160 mg plus firmonertinib 80 mg by the SMC. Among the 9 patients enrolled, 8 patients achieved stable disease, including 2 patients who are still on treatment in the ICP-189 160 mg plus firmonertinib 80 mg dose cohort. As of the date of this report, we enrolled 14 patients in the expansion cohort. Inhibition of peripheral DUSP6 was observed following combo treatment. The safety profile observed in the combo therapy was consistent with which reported in single agent studies.

In-House Developed Antibody-Drug Conjugate (ADC) Platform

Antibody-Drug Conjugates (ADCs) are a class of targeted therapies that combine the specificity of antibodies with the potency of cytotoxic drugs, enabling the precise delivery of therapeutic agents directly to cancer cells. ADCs consist of three main components: an antibody that specifically binds to cancer cell surface antigens, a cytotoxic payload that delivers cell-killing activity, and a linker that connects the antibody to the payload.

The Company has developed a cutting-edge, in-house ADC platform with proprietary linker-payload technologies, designed to deliver potent and targeted therapies for cancer treatment. This platform allows for the creation of highly differentiated drug candidates with improved efficacy and safety profiles. Key features of the platform include:

- Irreversible bioconjugation: Ensures stable bioconjugation, optimizing the stability and consistency of the ADC molecules.
- Hydrophilic Linker: enhancing ADC stability and achieving a drug-to-antibody ratio of 8.
- Novel Payload: Incorporates highly potent cytotoxic payloads with strong bystander effects.

The advantages of this platform are expected to significantly enhance the efficacy and therapeutic window of drug candidates, thereby broadening treatment options for patients and improving their clinical outcomes. As the platform continues to evolve, the Company is well positioned to expand its portfolio with multiple differentiated ADC candidates, further advancing precision medicine in oncology.

ICP-B794: A Novel B7H3 Targeted ADC for Solid Tumors

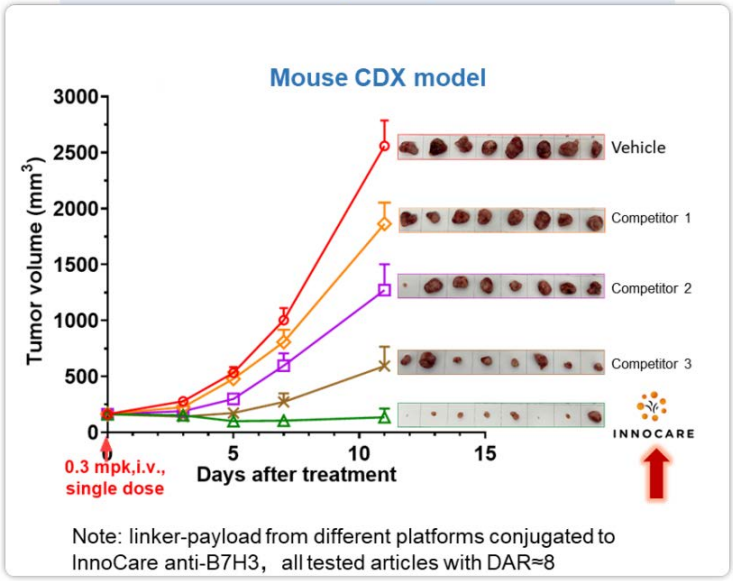
ICP-B794 is a novel ADC comprising a human anti-B7H3 monoclonal antibody conjugated to our potent payload (a novel topoisomerase 1 inhibitor) via a protease-cleavable linker, with a drug-to-antibody ratio of 8. ICP-B794 was developed using InnoCare's innovative linker-payload platform, which is characterized by a highly hydrophilic linker-payload, a stable connector designed to avoid retro-Michael reactions, and remarkable stability in circulation. In preclinical studies, ICP-B794 exhibited potent anti-tumor activity in various CDX mouse models with SCLC, NSCLC and other solid tumors.

B7H3, a member of the B7 family of immune checkpoint molecules, is a single-pass transmembrane glycoprotein. Elevated expression of B7H3 has been found in various solid tumors, including prostate, ovarian, pancreatic, colorectal cancers, and melanoma. Due to its tumor-specific expression, B7H3 is considered a promising target for broad cancer therapy.

In vivo antitumor activities of ICP-B794

In an efficacy comparison study in the NCI-H1155 NSCLC CDX model, a single dose as low as 0.3 mg/kg of ICP-B794 caused ~100% TGI, surpassing that of linker-payloads from competitor platforms conjugated to the same anti-B7H3 antibody. Throughout the treatment period, no abnormal clinical observations or significant changes in body weight were noted, indicating good tolerability of ICP-B794 in the NCI-H1155 model.

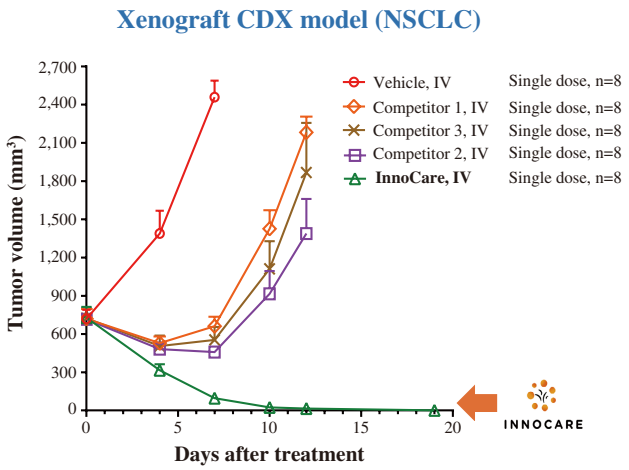
ICP-B794 Demonstrates Superior In Vivo Anti-Tumor Activity Compared to Others



Robust anti-tumor activity in large tumor

Typically, preclinical ADC therapeutic studies in mice focus on treating small subcutaneous tumors ranging from 100 to 200 mm^3 in size. However, tumors or metastases found in patients with cancer are frequently much larger by the time they are detectable. Success in treating larger tumors is crucial, as large tumors are more clinically relevant.

ICP-B794 Exhibits Significant Tumor-killing Effect Even in Large Tumors



A single 5 mg/kg dose of ICP-B794 caused 100% tumor regression in the NCI-H1155 xenograft mouse model even when tumor volume was around 700 mm^3.

Superior safety with significantly larger therapeutic window

By combining the specificity of an antibody with the cytotoxicity of a potent small molecule drug, ADCs can precisely deliver toxins to tumors while sparing normal tissues, thereby increasing the therapeutic window of a drug. In support of this concept, preclinical data demonstrate that conjugating a drug to an antibody can lower the minimum effective dose and increase the maximum tolerated dose ("**MTD**") of the drug.

The safety window is >200-fold, calculated using the minimum effective dose ("**MED**") of 0.15 mg/kg in preclinical studies. We believe InnoCare's ADC platform has the potential to be best-in-class.

In July 2025, the IND for ICP-B794 was approved in China, and we will initiate the first-in-human clinical trial in the second half of 2025.

MANUFACTURING

Guangzhou Manufacturing Facility

Our 83,000 m^2 small molecule in-house Guangzhou manufacturing facility ("**Guangzhou Base**") complies with Good Manufacturing Practice ("**GMP**") requirements of the U.S., Europe, Japan, and China, and has an annual production capacity of one billion pills. We have successfully obtained a manufacturing license for the facility. Upon receiving approval from the China NMPA to begin the production of commercial supply of our self-developed BTK inhibitor orelabrutinib at the Guangzhou Base, we began manufacturing orelabrutinib at the Guangzhou small molecule production facility, which has been commercially available since August 2022.

Improving the solubility of poorly soluble drugs has become a focus and challenge in the research and development of innovative drug formulation. Our Guangzhou Base has built a technical platform to address such challenges, including three major platform technologies: solubilization preparation technology for poorly soluble drugs, controlled release technology for oral solid dosage forms, and targeted drug delivery technology. We installed international advanced production lines featured with spray-dried and hot-melt extrusion solid dispersion technology, thus improving the bioavailability of drugs and better supporting the development and production of new drugs. In 2022, our Guangzhou Base was honored by the Guangdong Government as a Guangdong Engineering Technology Research Center of Insoluble Drug Innovation Preparation (廣東省難溶性藥物創新製劑工程技術研究中心) and recognized as a Guangdong Specialized and Sophisticated SMEs (廣東省專精特新中小型企業).

Additionally, we have successfully completed the second and third phase of construction. In the second phase, several process performance qualification (PPQ) projects were completed. The third phase of construction will support the rapid growth of orelabrutinib and upcoming new product launches. Together, these projects add an additional 21,541 m^2 of area to support our growing drug pipeline and continued business expansion.

Beijing Manufacturing Facility

We have established a large molecules CMC (Chemistry, Manufacturing and Controls) pilot facility in Changping, Beijing, which is poised to enter the operational phase for early clinical supplies. Meanwhile, a 70,381 m^2 plot of land in Beijing, adjacent to our Company's headquarters inside the Life Science Park, was selected for the construction of a landmark R&D center and large molecule production facility.

EVENTS AFTER THE REPORTING PERIOD

Apart from note 21 to the interim condensed consolidated financial information, no other important events affecting the Company occurred after 30 June 2025 and up to the date of this report.

FINANCIAL REVIEW

Revenue

	For the six months ended 30 June			
	2025		2024	
	RMB'000	%	RMB'000	%
Revenue from continuing operations				
Net sales of drugs	**641,228**	**87.7**	417,820	99.5
Business collaboration	**88,051**	**12.0**	—	—
Research and development and other services	**2,155**	**0.3**	1,918	0.5
Total Revenue	**731,434**	**100.0**	419,738	100.0

Total revenue increased from RMB419.7 million for the six months ended 30 June 2024 to RMB731.4 million for the six months ended 30 June 2025. Net sales of drugs revenue increased by 53.5% from RMB417.8 for the six months ended 30 June 2024 to RMB641.2 million for the six months ended 30 June 2025, which is attributed to the robust sales growth of orelabrutinib with growth rate of 52.8% compared to last year's same period. Business collaboration revenue was mainly from the licensing revenue for the exclusive license agreement with Prolium.

Gross Profit and Gross Profit Margin

	For the six months ended 30 June			
	2025		2024	
	RMB'000	%	RMB'000	%
Sales of drugs	**565,418**	**86.4**	358,443	99.7
Business collaboration	**88,051**	**13.4**	—	—
Research and development and other services	**1,252**	**0.2**	1,155	0.3
	654,721	**100.0**	359,598	100.0

Gross profit increased by 82.1% to RMB654.7 million for the six months ended 30 June 2025 from RMB359.6 million for the six months ended 30 June 2024. Gross profit margin was 89.5% for the six months ended 30 June 2025, representing an increase of 3.8 percentage points as compared with 85.7% for the six months ended 30 June 2024. The increase of gross profit margin ratio was primarily due to the contribution from business collaboration revenue.

Segmental Information

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

Other Income and Gains

Other income and gains increased from RMB111.4 million for the six months ended 30 June 2024 to RMB130.8 million for the six months ended 30 June 2025, primarily attributable to RMB17.5 million increase in the government grants from RMB11.5 million for the six months ended 30 June 2024 to RMB29.0 million for the six months ended 30 June 2025.

Selling and Distribution Expenses

Selling and distribution expenses increased from RMB157.2 million for the six months ended 30 June 2024 to RMB244.1 million for the six months ended 30 June 2025, mostly as a result of commercialization expansion and the reversal of share-based payment expenses for the six months ended 30 June 2024.

	For the six months ended 30 June			
	2025		2024	
	RMB'000	%	RMB'000	%
Market research, market promotion and education	113,297	46.4	82,029	52.2
Employee expense	108,163	44.3	93,087	59.2
Share-based compensation	3,436	1.4	(31,589)	(20.1)
Others	19,175	7.9	13,626	8.7
Selling and Distribution Expenses	244,071	100.0	157,153	100.0

Research and Development Expenses

Research and development expenses increased by 6.9% from RMB420.8 million for the six months ended 30 June 2024 to RMB449.7 million for the six months ended 30 June 2025, primarily due to increased investments in advanced technology platform innovation, clinical studies as well as the license-in related expenses

	For the six months ended 30 June			
	2025		2024	
	RMB'000	%	RMB'000	%
Direct clinical trial, third-party contracting and license-in expenses	179,531	39.9	162,338	38.6
Employee expenses	146,097	32.5	143,870	34.2
Share-based compensation	15,618	3.5	18,329	4.4
Depreciation and amortization	40,484	9.0	37,404	8.9
Others	67,968	15.1	58,881	13.9
Research and development expenses	449,698	100.0	420,822	100.0

(i) RMB17.2 million increase of direct clinical trial, third party contracting and license-in expenses from RMB162.3 million to RMB179.5 million;

(ii) RMB2.2 million increase of R&D employee expenses from RMB143.9 million to RMB146.1 million;

(iii) RMB2.7 million decrease of share-based payment expense from RMB18.3 million to RMB15.6 million;

(iv) RMB3.1 million increase of depreciation and amortization from RMB37.4 million to RMB40.5 million;

(v) RMB9.1 million increase of other R&D expenses such as trial materials, consumables and energy, etc., from RMB58.9 million to RMB68.0 million.

Administrative Expenses

Administrative expenses increased from RMB91.5 million for the six months ended 30 June 2024 to RMB94.8 million for the six months ended 30 June 2025, primarily attributable to increase of employee expense, and taxes and surcharges. The effects of the foregoing factors were mainly offset by the decrease of professional fees.

	For the six months ended 30 June			
	2025		2024	
	RMB'000	%	RMB'000	%
Employee expense	43,875	46.3	41,676	45.5
Share-based compensation	12,985	13.7	12,913	14.1
Professional fees	5,756	6.1	9,806	10.7
Depreciation and amortisation	9,005	9.5	8,166	8.9
Taxes and surcharges	10,874	11.5	6,641	7.3
Others	12,267	12.9	12,309	13.5
Administrative Expenses	94,762	100.0	91,511	100.0

Other Expenses

Other expenses decreased from RMB33.1 million for the six months ended 30 June 2024 to RMB0.1 million for the six months ended 30 June 2025. Due to the depreciation of the US dollar against the RMB for the six months ended 30 June 2025, the unrealized exchange loss for the six months ended 30 June 2024 turned into gains for the six months ended 30 June 2025.

Fair value changes of a convertible loan

Fair value changes of a convertible loan with Guangzhou Kaide changed from a loss of RMB23.7 million for the six months ended 30 June 2024 to nil for the six months ended 30 June 2025. We fully repaid this convertible loan in August 2024.

Share of loss of a joint venture

Share of loss of a joint venture was RMB0.4 million for the six months ended 30 June 2025 comparing to a loss of RMB1.5 million for the six months ended 30 June 2024.

Finance Costs

Finance costs increased from RMB10.5 million for the six months ended 30 June 2024 to RMB27.2 million for the six months ended 30 June 2025, mainly because of RMB16.0 million bank loan interest cost for the six months ended 30 June 2025.

Analysis of Key Items of Financial Position

Net Current Assets

The following table sets forth our current assets and current liabilities as of the dates indicated:

	As of	
	30 June 2025	31 December 2024
	RMB'000	RMB'000
CURRENT ASSETS		
Trade and bills receivables	**392,691**	351,002
Prepayments, other receivables and other assets	**91,781**	88,084
Inventories	**117,755**	95,577
Other financial assets	**284,235**	1,062,899
Cash and bank balances	**6,958,284**	6,222,626
Total current assets	**7,844,746**	7,820,188
CURRENT LIABILITIES		
Interest-bearing bank borrowings	**144,377**	193,797
Trade payables	**178,053**	128,363
Income tax payable	**3,848**	—
Other payables and accruals	**667,845**	695,512
Deferred income	**11,642**	11,724
Lease liabilities	**29,972**	31,608
Total current liabilities	**1,035,737**	1,061,004
NET CURRENT ASSETS	**6,809,009**	6,759,184

We had net current assets of RMB6,809.0 million as of 30 June 2025, which was primarily attributable to our cash and bank balances of RMB6,958.3 million, trade and bills receivables of RMB392.7 million, other financial assets of RMB284.2 million, which was partially offset by trade payables of RMB178.1 million, other payables and accruals of RMB667.8 million and interest-bearing bank borrowings of RMB144.4 million.

Trade and bills receivables

Trade and bills receivables mainly consist of the receivables from drug sales and other receivables from providing R&D services. An ageing analysis of the trade receivables as at the end of the Reporting Period, based on the invoice date and net of loss allowance, is as follows:

	As of	
	30 June 2025	31 December 2024
	RMB'000	RMB'000
Within 3 months	**368,916**	345,906
3 months to 6 months	**23,775**	5,096
Trade and bills receivables	**392,691**	351,002

Our trading terms with our customers are mainly on credit, except for new customers where payment in advance is normally required. The credit period is generally one to three months, and may be extended for certain customers. The Group seeks to maintain strict control over its outstanding receivables to minimize credit risk. Overdue balances are reviewed regularly by senior management. The Group's major customers are state-owned large-scale drug distributors located in the PRC with whom the Group has been cooperating since 2021. The Group considers that such practice is in line with the prevailing norms of the bio-pharmaceutical industry in the PRC where primary drug distributors are state-owned enterprises. The Group does not hold any collateral or other credit enhancements over its trade and bills receivable balances. Trade and bills receivables are non-interest-bearing.

Prepayments, other receivables and other assets

Prepayments, other receivables and other assets increased from RMB88.1 million as of 31 December 2024 to RMB91.8 million as of 30 June 2025, primarily due to (i) RMB4.1 million increase in prepayments from RMB57.3 million as of 31 December 2024 to RMB61.4 million as of 30 June 2025; (ii) RMB4.6 million increase in interest receivable from RMB18.2 million as of 31 December 2024 to RMB22.8 million as of 30 June 2025; offset by (iii) RMB3.4 million decrease in tax recoverable from RMB10.6 million as of 31 December 2024 to RMB7.2 million as of 30 June 2025.

	As of	
	30 June 2025	31 December 2024
	RMB'000	RMB'000
Prepayments	**61,365**	57,291
Interest receivable	**22,846**	18,199
Tax recoverable	**7,212**	10,631
Other receivables	**358**	1,963
Prepayments, other receivables and other assets	**91,781**	88,084

Inventories

To stock up for sales, the inventories, which mainly include raw materials, work in progress and finished goods, increased from RMB95.6 million as of 31 December 2024 to RMB117.8 million as of 30 June 2025.

Other financial assets

	As of	
	30 June 2025	31 December 2024
	RMB'000	RMB'000
Financial assets measured at amortised cost	**620,732**	762,907
Financial assets at fair value through profit or loss	**75,064**	759,179
Other financial assets	**695,796**	1,522,086
Classified as:		
Current assets	**284,235**	1,062,899
Non-current assets	**411,561**	459,187
Other financial assets	**695,796**	1,522,086

Total other financial assets, classified in financial assets measured at amortised cost and financial assets at fair value through profit or loss were wealth management products denominated in RMB and USD, with RMB284.2 million in current assets and RMB411.6 million in non-current assets as of 30 June 2025, compared to RMB1,062.9 million and RMB459.2 million, respectively, as of 31 December 2024.

Trade Payables

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

	As of	
	30 June 2025	31 December 2024
	RMB'000	RMB'000
Within 1 year	**168,955**	111,795
1 year to 2 years	**6,519**	13,457
2 years to 3 years	**2,377**	2,990
Over 3 years	**202**	121
	178,053	128,363

Other Payables and Accruals

Other payables and accruals decreased from RMB695.5 million as of 31 December 2024 to RMB667.8 million as of 30 June 2025, primarily due to (i) a decrease in payable for property, plant and equipment from RMB47.8 million as of 31 December 2024 to RMB31.6 million as of 30 June 2025; (ii) a decrease in payroll payable from RMB62.6 million as of 31 December 2024 to RMB48.8 million as of 30 June 2025; and (iii) a decrease in accruals from RMB39.8 million as of 31 December 2024 to RMB28.2 million as of 30 June 2025.

	As of	
	30 June 2025	31 December 2024
	RMB'000	RMB'000
Payable for property, plant and equipment	**31,612**	47,848
Payroll payables	**48,775**	62,649
Individual income tax and other taxes	**31,181**	31,113
Sales rebate	**22,722**	19,504
Accruals	**28,180**	39,837
Other current liability	**476,336**	476,336
Others	**29,039**	18,225
Other Payables and Accruals	**667,845**	695,512

Indebtedness and finance lease

The following table sets forth the breakdown of our indebtedness and finance lease as of the dates indicated:

	As of	
	30 June 2025	31 December 2024
	RMB'000	RMB'000
Included in current liabilities		
Interest-bearing bank borrowings	**144,377**	193,797
Lease liabilities	**29,972**	31,608
Other current liability	**476,336**	476,336
Included in non-current liabilities		
Interest-bearing bank borrowings	**1,033,900**	1,018,700
Lease liabilities	**17,639**	27,440
Long term payables	**312,358**	303,134
Total indebtedness	**2,014,582**	2,051,015

Our total indebtedness decreased from RMB2,051.0 million as of 31 December 2024 to RMB2,014.6 million as of 30 June 2025, mainly due to the repayment of short-term bank borrowings.

Deferred income

Total deferred income, classified in current liabilities and non-current liabilities, decreased from RMB263.0 million as of 31 December 2024 to RMB257.3 million as of 30 June 2025, mainly due to government grants recognized in profit.

Property, Plant and Equipment

Property, plant and equipment decreased from RMB784.3 million as of 31 December 2024 to RMB753.0 million as of 30 June 2025, which is mainly caused by the depreciation of buildings, plant and equipment.

Right-of-use Assets

Right of use assets decreased from RMB281.8 million as of 31 December 2024 to RMB269.7 million as of 30 June 2025, which is mainly caused by the amortization.

Other intangible Assets

Other intangible assets decreased from RMB35.9 million as of 31 December 2024 to RMB32.7 million as of 30 June 2025, which was mainly due to the amortization of the intangible assets.

Investments in a Joint Venture

Investments in a joint venture decreased from RMB0.4 million as of 31 December 2024 to nil as of 30 June 2025, because the share of loss of the joint venture increased.

Unlisted equity investments measured at FVTPL

According to the exclusive license agreement with Prolium, we have received a minority stake in Prolium as part of the consideration for the transaction, which were represented in unlisted equity investments measured at FVTPL, amounting to RMB14.9 million as of 30 June 2025.

Other Non-Current Assets

Other non-current assets, mainly included tax recoverable for long-term, the prepayments for property, plant and equipment and undelivered unlisted equity investments measured at FVTPL etc., increased from RMB22.6 million as of 31 December 2024 to RMB33.8 million as of 30 June 2025.

Key Financial Ratio

The following table sets forth our selected key financial ratio:

	As of	
	30 June 2025	31 December 2024
Current ratio	**7.6**	7.4

Current ratio equals current assets divided by current liabilities as of the end of the year/period.

The increase in current ratio was primarily due to the repayment of short-term bank borrowings.

LIQUIDITY AND FINANCIAL RESOURCES

We expect our liquidity requirements to be satisfied by a combination of cash generated from operating activities, bank facilities and other borrowing, other funds raised from the capital markets from time to time and the net proceeds from the IPO and the RMB Share Issue. We will continue to evaluate potential financing opportunities based on our need for capital resources and market conditions.

On 23 March 2020, 250,324,000 Shares of US$0.000002 each were issued at a price of HK$8.95 per Share in connection with the Company's Listing on the Hong Kong Stock Exchange. The proceeds of HK$3,883 representing the par value of shares, were credited to the Company's share capital. The remaining proceeds of HK$2,240.4 million (before deduction of the expenses relating to the Company's IPO) were credited to the share premium account. The translation from U.S. dollar to Hong Kong dollar is made at the exchange rate set forth in the H.10 weekly statistical release of the Federal Reserve System of the U.S. as of 23 March 2020.

On 15 April 2020, the international underwriters of the Global Offering exercised the overallotment option in full, pursuant to which the Company is required to allot and issue the option shares, being 37,548,000 Shares, representing approximately 15% of the maximum number of shares initially available under the Global Offering, at the offer price under the Global Offering. The net proceeds from the exercise of the over-allotment option were approximately HK$322.59 million (after deducting the commissions and other offering expenses payable by the Company in relation to the exercise of the over-allotment option).

On 10 February 2021, pursuant to two subscription agreements entered between the Company and certain investors, a total of 210,508,000 Shares of the Company were subscribed at a subscription price of HK$14.45 per subscription share. For further details, please refer to the announcements of the Company dated 3 February 2021 and 10 February 2021, respectively.

On 21 September 2022, 264,648,217 RMB Shares of US$0.000002 each were issued at a price of RMB11.03 per RMB Share and listed on the STAR Market. Net proceeds after deducting underwriting discounts and commission and offering expenses were RMB2,778.82 million. As required by the PRC securities laws, the net proceeds from the RMB Share Issue must be used in strict compliance with the planned uses as disclosed in the PRC prospectus as well as the Company's proceeds management policy for the RMB Share Issue approved by the board of directors.

As of 30 June 2025, our cash and related accounts balances were RMB7,676.9 million, as compared to RMB7,762.9 million as of 31 December 2024. The decrease was mainly due to the operating activities. Our primary uses of cash are to fund research and development efforts of new drug candidates, sales promotion, working capital and other general corporate purposes. Our cash and cash equivalents are held in RMB, USD, AUD and HKD.

Save as disclosed in this report, during the Reporting Period and until the date of this report, the Company has not made any issue of equity securities for cash.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS

Subscription of Wealth Management Products

During the Reporting Period, the Company has purchased certain wealth management products, none of which, individually or on an aggregate basis, has surpassed 5% with respect to the applicable percentage ratios as calculated under Rule 14.07 of the Listing Rules.

Our wealth management products' performance were reflected as such in our profit and loss accounts.

As of 30 June 2025, the subscriptions were classified in financial assets measured at amortised cost and financial assets at fair value through profit or loss.

The financial assets at fair value through profit or loss generated (i) an investment income of RMB13.1 million; and (ii) a fair value gain of RMB4.9 million measured at fair value through the Company's profit/loss account. As of 30 June 2025, the aggregated outstanding principal amount of financial assets at fair value through profit or loss was RMB75 million.

The financial assets measured at amortised cost generated investment income of RMB20.7 million. As of 30 June 2025, the aggregated outstanding principal amount of financial assets measured at amortised cost was RMB608 million.

As of 30 June 2025, we did not hold any significant investments of the Company.

Other Significant Investments, Material Acquisitions and Disposals

For the Reporting Period, we did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures of the Company. We did not have any future plans for material investments and capital assets as of 30 June 2025.

GEARING RATIO

The gearing ratio (calculated as total debt (includes other current liability, loans and borrowings and long term payables) divided by total assets and multiplied by 100%) as of 30 June 2025 was 21.0% (31 December 2024: 21.2%).

The Board and the Audit Committee constantly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash to meet its liquidity requirements in the short and long term.

BANK LOANS AND OTHER BORROWINGS

As of 30 June 2025, we had RMB1,178.3 million of interest-bearing bank borrowings, RMB144.4 million of which are due within a year, RMB312.4 million of long term payable with Beijing Changxin Construction Investment Co., Ltd, RMB476.3 million of other current liability with Guangzhou Kaide. To obtain the interest-bearing bank borrowings and long term payable mentioned-above, RMB629.2 million of assets were mortgaged. As of 30 June 2025, the unutilized bank facility is RMB424.0 million.

Save as disclosed above, as of 30 June 2025, we did not have any other material mortgages, charges, debentures, loan capital, debt securities, loans, unutilized banking facilities, bank overdrafts or other similar indebtedness, hire purchase commitments, liabilities under acceptances (other than normal trade bills), acceptance credits, which are either guaranteed, unguaranteed, secured or unsecured, or guarantees.

CONTINGENT LIABILITIES

As of 30 June 2025, we did not have any material contingent liabilities.

FOREIGN EXCHANGE RISK

Our financial statements are presented in RMB, but certain of our cash and cash equivalents, other financial assets, trade and other receivables, trade and other payables 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.

LIQUIDITY RISK

In the management of the liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by its management to finance the operations and mitigate the effects of fluctuations in cash flows.

CHARGE ON GROUP ASSETS

Except for the mortgage on assets under the paragraph of "Bank Loans and Other Borrowings", there was no pledge of the Group's assets as of 30 June 2025.

EMPLOYEES AND REMUNERATION

As of 30 June 2025, the Group had a total of 1,176 employees.

Our success depends on our ability to attract, retain and motivate qualified personnel, and we believe that our high-quality talent pool is one of the core strengths of our Company. We adopt high standards and strict procedures in our recruitment, including campus recruitment, online recruitment, internal recommendation and recruitment through executive search, to satisfy our demands for different types of talents.

We provide regular and specialized trainings tailored to the needs of our employees in different departments. Our employees can also improve their skills through mutual learning among colleagues. New employees will receive pre-job training and general training.

Our employees' remuneration comprises salaries, bonuses, employee provident fund and social security scheme and other welfare payments. In accordance with applicable Chinese laws, we have provided social security insurance (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds for our employees. The employee benefit expenses for the six months ended June 30, 2025 were disclosed in Note 6 to the Interim Condensed Consolidated Financial Information of this report.

The Company was incorporated in the Cayman Islands on 3 November 2015 as an exempted company with limited liability, and the shares of the Company were listed on the Stock Exchange on 23 March 2020. On 21 September 2022, the RMB Shares of the Company were listed on the STAR Market.

CHANGES IN INFORMATION OF DIRECTORS, COMPANY SECRETARY AND CHIEF EXECUTIVES

During the Reporting Period and up to the date of this report, the composition of the Board of Directors, company secretary, and chief executive of the Company changed as follows: Prof. Kunliang Guan was appointed as an independent non-executive Director with effect from 21 January 2025. For details, please refer to the announcement of the Company dated 21 January 2025.

Save as disclosed in this report, there were no changes in the information of Director which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules during the Reporting Period.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has applied the principles and code provisions as set out in the CG Code contained in Appendix C1 to the Listing Rules. During the Reporting Period, the Board is of the opinion that the Company has complied with all applicable code provisions apart from the deviation below.

Pursuant to code provision C.2.1 of the CG Code, the responsibilities between the Chairperson and the Chief Executive should be segregated and should not be performed by the same individual. The roles of the Chairperson and Chief Executive Officer of the Company are held by Dr. Jisong Cui who is a co-founder of the Company. The Board believes that this structure will not impair the balance of power and authority between our Board and the management of the Company, given that: (i) a decision to be made by the Board requires approvals by at least a majority of Directors and that the Board comprises three independent non-executive Directors out of seven Directors, and the Board believes there is sufficient check and balance in the Board; (ii) Dr. Jisong Cui and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that they act for the benefits and in the best interests of the Company and will make decisions for the Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of the Company. Moreover, the overall strategic and other key business, financial and operational policies of the Group are made collectively after thorough discussion at both the Board and senior management levels. The Board also believes that the combined role of Chairperson and Chief Executive Officer can promote the effective execution of strategic initiatives and facilitate the flow of information between management and the Board. Further, in view of Dr. Jisong Cui's experience, personal profile and her roles in the Company as mentioned above, Dr. Jisong Cui is the Director best suited to identify strategic opportunities and focus of the Board due to her extensive understanding of our business as the Chief Executive Officer. Finally, as Dr. Jisong Cui is the co-founder of the Company, the Board believes that vesting the roles of both Chairperson and Chief Executive Officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for and communication within the Group. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of Chairperson and Chief Executive Officer is necessary.

The Company will continue to regularly review and monitor the corporate governance practices to ensure the compliance with the CG Code and maintain a high standard of the best practices. We aim to implement a high standard of corporate governance, which is crucial to safeguard the interests of the Shareholders.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules.

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

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

On 8 September 2023, the Board approved and the Company announced a HK$200 million share repurchase plan (the "**Share Repurchase Plan**") of the Shares listed on the Main Board of the Stock Exchange.

At the 2023 AGM, the Shareholders passed an ordinary resolution to grant a general mandate (the "**2024 General Repurchase Mandate**") to the Directors to repurchase shares not exceeding 10% of the total number of Hong Kong Shares and RMB Shares, respectively, in issue of the Company as at 27 June 2024. For details, please refer to the Company's circular dated 27 April 2024. During the Reporting Period, the Company repurchased 1,126,000 Shares on-market for a total consideration of HK$6,421,700 pursuant to the 2024 General Repurchase Mandate. As of 30 June 2025, 1,686,000 Shares repurchased were held as treasury shares. Subject to compliance with the Listing Rules, the Company may consider applying such treasury shares for resale, consideration of future acquisitions, or funding existing share schemes of the Company.

The Directors are of the view that repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share.

Details of the share repurchases during the Reporting Period are as follows:

Month of repurchase	Number of Shares and method of repurchased	Price per Share paid		Total consideration paid
		Highest	Lowest	
January 2025	1,126,000 Shares on the Stock Exchange	HK$5.82	HK$5.57	HK$6,421,700
Total	**1,126,000 Shares on the Stock Exchange**			**HK$6,421,700**

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Reporting Period. Save as disclosed above, there was no transaction in the Company's securities, or securities of its subsidiaries (in each case, in the nature of (1) convertible securities, options, warrants or similar rights issued or granted; (2) exercise of any conversion or subscription rights attached to the aforesaid; or (3) redemption, purchase or cancellation of redeemable securities) during the Reporting Period.

No treasury shares (as defined under Chapter 1 of the Listing Rules) of the Company had been sold during the Reporting Period.

INTERIM DIVIDEND

The Board has resolved not to declare the payment of an interim dividend for the six months ended 30 June 2025 (2024: Nil).

SCOPE OF WORK OF THE GROUP'S AUDITORS

The figures in respect of the Group's condensed consolidated statement of financial position, condensed consolidated statement of profit or loss and condensed other comprehensive income and the related notes thereto for the six months ended 30 June 2025 as set out in this report have been agreed by the Group's auditors to the amounts set out in the Group's unaudited condensed consolidated financial statements for the six months ended 30 June 2025. The work performed by the Group's auditors in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the Group's auditors in this report.

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in accordance with the Listing Rules. As at the date of this report, the Audit Committee comprises one non-executive Director, namely Mr. Ronggang Xie, and two independent non-executive Directors, namely Ms. Lan Hu and Dr. Dandan Dong. Ms. Lan Hu, being the chairperson of the Audit Committee, holds the appropriate professional qualification as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The Audit Committee has reviewed the interim results and condensed consolidated financial statements of the Group for the six months ended 30 June 2025 including this interim report and has met with the independent auditors. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management members of the Company.

MATERIAL LITIGATION

The Company was not involved in any material litigation or arbitration during the Reporting Period. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group as at the end of the Reporting Period.

INDEPENDENT NON-EXECUTIVE DIRECTORS

As announced by the Company on 25 September 2024, Dr. Kaixian Chen resigned as Independent Non-executive Director. Following the resignation of Dr. Kaixian Chen, the number of Independent Non-executive Directors on the Board was less than three, resulting in the Company needing to fulfil the minimum number of Independent Non-executive Directors required under Rule 3.10(1) of the Listing Rules within three months from the date of resignation of Dr. Kaixian Chen under Rule 3.11 of the Listing Rules. The Hong Kong Stock Exchange granted the Company a waiver and extension of time to 24 January 2025 to comply with Rules 3.10(1) and 3.11 of the Listing Rules. Following the appointment of Prof. Kunliang Guan as an Independent Non-executive Director on 21 January 2025, the Company is in compliance with Rules 3.10(1) and 3.11 of the Listing Rules. For further details, please refer to the announcements of the Company dated 25 September 2024, 24 December 2024, 13 January 2025, and 21 January 2025.

Save as disclosed above, for the six months ended 30 June 2025, the Board at all times met the requirements of Rules 3.10(1) and (2) and 3.10A of the Listing Rules relating to the appointment of at least three Independent Non-executive Directors representing at least one-third of the board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

USE OF NET PROCEEDS

Use of Net Proceeds from the IPO

The Shares were listed on the Main Board of the Stock Exchange on 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 HK$2,415.67 million. Up to 30 June 2025, HKD1,615.2 million, representing 66.9% out of the net proceeds have been utilized. The remaining proceeds will be used in the timeframe specified in the below table. The completion time for usage of proceeds is determined based on the Company's actual business needs and future business development.

	Use of proceeds as stated in the Prospectus (in HK$'000) (approximate)	**Net proceeds unutilized as of 1 January 2025** (in HK$'000) (approximate)	**Actual use of proceeds during the Reporting Period** (in HK$'000) (approximate)	**Actual use of proceeds as of 30 June 2025** (in HK$'000) (approximate)	**Net proceeds unutilized as of 30 June 2025** (in HK$'000) (approximate)	**Expected timeline for usage of proceeds**
50% for ongoing and planned clinical trials, preparation for registration filings and potential commercial launches (including sales and marketing) of Orelabrutinib concurrently in both China and the U.S.[Note 1]	1,207,835	209,974	24,086	1,021,947	185,888	The amount is expected to be fully utilized before the second half of 2026
40% for our other clinical stage product candidates[Note 1]	966,268	616,684	2,149	351,733	614,535	The amount is expected to be fully utilized by the second half of 2026
10% for working capital and general corporate purposes[Note 1]	241,567	6,015	6,015	241,567	—	
Total	**2,415,670**	**832,673**	**32,250**	**1,615,247**	**800,423**	

Note 1: To the extent that any of such unutilized Net Proceeds are not immediately required for the allocated purpose, or if the Company is unable to put into effect any part of its plans as intended, the Company may temporarily use such funds to invest in wealth management products with terms of maturity not exceeding 12 months so long as it is deemed to be in the best interests of the Company. In such event, the Company will comply with the appropriate disclosure requirements under the Listing Rules. Together with the income to be generated from the investment in wealth management products, the Company will continue to apply the unutilized Net Proceeds in the manner disclosed in the Prospectus. For details, please refer to the Company's announcement dated 11 November 2024.

Use of Net Proceeds from Subscription Agreements in February 2021

On 2 February 2021, the Company and certain investors had entered into two subscription agreements pursuant to which the Company has conditionally agreed to allot and issue and the investors, namely Gaoling Fund L.P., YHG Investment L.P. and Vivo, have conditionally, on a several but not joint basis, agreed to subscribe for an aggregate of 210,508,000 Shares of the Company, representing approximately 16.33% of the then total issued shares of the Company as at the date of the subscription agreements and approximately 14.04% of the total issued shares of the Company as enlarged by the allotment and issue of the subscription shares, at the subscription price of HK$14.45 per subscription share. The aggregate nominal value of the subscription shares under the subscription was US$421.02. The net price of each subscription share based on the net proceeds of approximately HK$3,041.44 million and 210,508,000 subscription shares were estimated to be approximately HK$14.45. The closing price as quoted on the Stock Exchange on 2 February 2021 was HK$15.72 per Share. The gross proceeds and net proceeds from the issued subscription shares were approximately HK$3,041.84 million and HK$3,041.44 million (the "**Subscription Net Proceeds**"), respectively. The above-mentioned subscription was completed on 10 February 2021. Such use of proceeds will be in line with the planned use according to the intentions previously disclosed by the Company and it is expected there will be no significant change or delay.

The table below sets out the planned applications of the Subscription Net Proceeds and actual usage up to 30 June 2025:

Intended use of proceeds	Proceeds from the subscription (in HK$'000) (approximate)	Net proceeds unutilized as of 1 January 2025 (in HK$'000) (approximate)	Actual use of proceeds during the Reporting Period (in HK$'000) (approximate)	Actual use of proceeds as of 30 June 2025 (in HK$'000) (approximate)	Net proceeds unutilized as of 30 June 2025 (in HK$'000) (approximate)	Expected timeline for usage of proceeds
(i) R&D cost, which includes, expanding and accelerating ongoing and planned clinical trials in domestic and international regions, and expanding and accelerating internal discovery stage programs (including the multiple IND-enabling stage candidates in our pipeline)[Note 2]	N/A[Note 1]	N/A[Note 1]	1,398	247,466	N/A[Note 1]	All remaining proceeds are expected to be fully utilized before 2027 in accordance with the intended use of proceeds the respective exact sum of which will depend on the Company's actual business needs with reference to evolving market conditions
(ii) Retain and recruiting domestic and international talents to strengthen the Group's capabilities in discovery, clinical, business development and commercialization functions (including commercial team expansion to ensure successful launches of Orelabrutinib and subsequent products)[Note 2]			19,174	698,360		
(iii) Reserve fund for any potential external collaboration and in licensing opportunities[Note 2]			134	273,856		
(iv) To use as working capital and other general corporate purpose[Note 2]			11,563	788,560		
Total	**3,041,440**	**1,065,467**	**32,269**	**2,008,242**	**1,033,198**	

Note:

1. Pursuant to the subscription agreements dated 2 February 2021, there is no allocation on how the proceeds would be applied to each intended use. Accordingly, there were no numerical value applicable to the relevant columns.

2. To the extent that any of such unutilized Subscription Net Proceeds are not immediately required for the allocated purpose, or if the Company is unable to put into effect any part of its plans as intended, the Company may temporarily use such funds to invest in wealth management products with terms of maturity not exceeding 12 months so long as it is deemed to be in the best interests of the Company. In such event, the Company will comply with the appropriate disclosure requirements under the Listing Rules. Together with the income to be generated from the investment in wealth management products, the Company will continue to apply the unutilized Subscription Net Proceeds in the manner disclosed in the Prospectus. For details, please refer to the Company's announcement dated 11 November 2024.

Use of Net Proceeds from RMB Share Issue

On 21 September 2022, the RMB Shares were listed on the STAR Market. The gross proceeds amounted to approximately RMB2,919.07 million. After deducting issuance expenses of RMB140.25 million in accordance with the related requirements, the net proceeds amounted to approximately RMB2,778.82 million. The net proceeds raised from the RMB Share Issue have been used and will be used in accordance with the intended uses disclosed in the Company's RMB Share prospectus dated 16 September 2022, which has been attached to the overseas regulatory announcement of the Company dated 16 September 2022.

As of 30 June 2025, the net proceeds of the RMB Share Issue had been utilised as follows:

	Proceeds from the subscription (in RMB$'000) (approximate)	**Net proceeds unutilized as of 1 January 2025** (in RMB$'000) (approximate)	**Actual use of proceeds during the Reporting Period** (in RMB$'000) (approximate)	**Actual use of proceeds up to 30 June 2025** (in RMB$'000) (approximate)	**Net proceeds unutilized as of 30 June 2025** (in RMB$'000) (approximate)	**Expected timeline for usage of proceeds**
New drug research and development ("**R&D**") projects	1,494,220.6	1,085,626.7	70,945.5	479,539.4	1,014,681.2	Expected to be fully utilized by 2027, and subject to, among other things, change of market conditions
Upgrade of drug R&D platform	116,146.6	21,890.1	164.9	94,421.4	21,725.2	Expected to be fully utilized by 2027, and subject to, among other things, change of market conditions
Construction of marketing network	273,851.4	113,023.4	4,819.0	165,647.0	108,204.4	Expected to be fully utilized by 2027, and subject to, among other things, change of market conditions
Construction of IT system	60,952.3	28,859.5	2,139.6	34,232.4	26,719.9	Expected to be fully utilized by 2027, and subject to, among other things, change of market conditions
Replenishment of cash flow	833,644.7	101,178.6	43,474.4	775,940.5	57,704.2	Expected to be fully utilized by 2027, and subject to, among other things, change of market conditions
Total	**2,778,815.6**	**1,350,578.3**	**121,543.4**	**1,549,780.7**	**1,229,034.9**	

For further details regarding the use of net proceeds from the RMB Share Issue, please refer to the Company's announcement titled "Update in Use of Proceeds of RMB Share Issue" dated 27 March 2025.

REVIEW OF INTERIM RESULTS

The independent auditors of the Company, namely Ernst & Young, have carried out a review of the interim financial information in accordance with the Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. 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 30 June 2025) 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 30 June 2025, 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 [1]
Dr. Jisong Cui	Interest in controlled corporation, beneficial owner	103,118,916[(L)(2)]	5.85%
Dr. Renbin Zhao	Interest in controlled corporation, beneficial owner, interest of spouse	117,439,593[(L)(3)]	6.66%
Dr. Yigong Shi	Beneficial owner, interest of spouse	117,439,593[(L)(4)]	6.66%

Notes:

(1) The calculation is based on the total number of 1,762,567,202 Shares issued as of 30 June 2025.

(2) Including (1) 79,326,827 Shares indirectly held by Dr. Jisong Cui through Sunland BioMed Ltd as beneficial owner and (2) 23,792,089 Shares directly held by Dr. Jisong Cui.

(3) Including (1) 92,460,375 Shares indirectly held by Dr. Renbin Zhao through Sunny View Holdings Limited as beneficial owner, (2) 21,079,218 Shares directly held by Dr. Renbin Zhao, and (3) 3,900,000 Shares directly held by Dr. Yigong Shi, the spouse of Dr. Renbin Zhao.

(4) Including (1) 3,900,000 Shares directly held by Dr. Yigong Shi, and (2) the 113,539,593 Shares held by Dr. Renbin Zhao, the spouse of Dr. Yigong Shi.

Save as disclosed above, as of 30 June 2025, 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 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 C3 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 30 June 2025, 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.

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[1]
Mr. Hebert Pang Kee Chan	Interest in controlled corporation	133,581,412[(L)(2)]	7.58%
		35,000,000[(S)(3)]	1.99%
HHLR Advisors, Ltd.	Investment manager	208,671,222[(L)(4)]	11.84%
HHLR Fund, L.P.	Beneficial owner	200,475,300[(L)(4)]	11.37%
The Goldman Sachs Group, Inc.	Interest in controlled corporation	88,062,004[(L)(5)]	5.00%
		39,233,711[(S)(6)]	2.23%

Notes:

(1) The calculation is based on the total number of 1,762,567,202 Shares issued as of 30 June 2025.

(2) Mr. Hebert Pang Kee Chan indirectly held 133,581,412 Shares consisting of 48,528,909 Shares directly held through Success Growth Limited and 85,052,503 Shares directly held through King Bridge Investments Limited. To the best knowledge of the Company, Success Growth Limited and King Bridge Investments Limited are directly and wholly owned by Mr. Hebert Pang Kee Chan.

(3) Mr. Hebert Pang Kee Chan is also indirectly interested in 35,000,000 Shares directly held by King Bridge Investments Limited.

(4) HHLR Advisors, Ltd. (formerly known as Hillhouse Capital Advisors, Ltd.) is the investment manager and general partner of HHLR Fund, L.P. (formerly known as Gaoling Fund, L.P.) and YHG Investment, L.P., (collectively "**Hillhouse Entities**") of which HHLR Fund, L.P. held 200,475,300 Shares. As such, under the SFO, HHLR Advisors, Ltd. (through its interest in the controlled corporations, i.e. the Hillhouse Entities) is deemed to be interested in 208,671,222 Shares collectively held by the Hillhouse Entities.

(5) The Goldman Sachs Group, Inc. is the management company of (i) Goldman Sachs International, (ii) Goldman Sachs Group UK Limited, and (iii) Goldman Sachs (UK) L.L.C (collectively "**Goldman Entities**"). As such, under the SFO, The Goldman Sachs Group, Inc. (through its interest in the controlled corporations, i.e. the Goldman Entities) is deemed to be interested in 88,062,004 Shares collectively held by the Goldman Entities, including through the holding of certain unlisted derivatives — physically settled (49,448,000 Shares) and cash settled (1,972,381 Shares).

(6) The Goldman Sachs Group, Inc is also interested in 39,233,711 Shares, including through the holding of certain unlisted derivatives — cash settled (878,945 Shares).

Save as disclosed above, as of 30 June 2025, 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.

PRE-IPO INCENTIVISATION PLANS

The 2015 Pre-IPO Incentivisation Plan and the 2016 Pre-IPO Incentivisation Plan were adopted and approved by resolutions in writing by the Board and the Shareholders on 6 September 2016. The 2016 Pre-IPO Incentivisation Plan was subsequently amended by resolutions in writing by the Board and Shareholders passed on 5 February 2018. The 2018 Pre-IPO Incentivisation Plan was adopted and approved by resolutions in writing by the Board and the Shareholders on 28 November 2018. The terms of each of the Pre-IPO Incentivisation Plans are substantially similar.

The Pre-IPO Incentivisation Plans provides for awards of options, share purchase rights and RSUs.

1. **Options.** On and subject to the Pre-IPO Incentivisation Plans, the Administrator shall be entitled to make an offer to any eligible participant to take up options in respect of such number of Shares as the Administrator may determine and at the exercise price determined by the Administrator in its sole discretion and disclosed under the award agreement. An option shall be deemed exercised when the Company receives (i) notice in writing from the eligible participant to the Company in the specified form under the award agreement; (ii) full payment for the Shares with respect to which the option is exercised, together with any applicable tax withholding; and (iii) all representations, indemnifications and documents requested by the Administrator.

2. **Share Purchase Rights.** On and subject to the Pre-IPO Incentivisation Plans, each share purchase right shall be evidenced by an award agreement. The purchase price and exercise price (as the case may be) shall be determined by the Administrator in its sole discretion and any Shares awarded or sold pursuant to the share purchase rights shall be subject to such forfeiture conditions, rights of repurchase or redemption, rights of first refusal and other transfer restrictions as the Administrator may determine or as provided in the memorandum of association of the Company and the Articles of Association.

3. **RSUs.** A restricted share unit may be earned in whole or in part upon the passage of time or the attainment of performance criteria established by the Administrator and may be settled for cash, Shares or other securities or a combination of cash, Shares or other securities as established by the Administrator.

Summary of Terms

Purpose. The purpose of the Pre-IPO Incentivisation Plans is to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentives to selected employees, Directors, and consultants and to promote the success of our business.

Eligible participants. Any employee, Director or consultant of the Company who is engaged by the Group to render consulting or advisory services to the Group shall be eligible to participate in the Pre-IPO Incentivisation Plans.

Administration. The Pre-IPO Incentivisation Plans shall be subject to the administration of the Board or a committee appointed by the Board. Each award or option granted under the Pre-IPO Incentivisation Plans shall be evidenced by an award agreement between the Company and a participant, the form of which shall be approved from time to time by the administrator of the Pre-IPO Incentivisation Plans (the "**Administrator**").

Duration. Subject to the termination provisions under the Pre-IPO Incentivisation Plans, the Pre-IPO Incentivisation Plans shall be valid and effective for a period of 10 years commencing on the adoption date after which period no further awards or options will be granted, but the provisions thereof shall in all other respects remain in full force and effect and shall not affect the ability of the Administrator to exercise the powers granted to it under the Pre-IPO Incentivisation Plans with respect to awards granted under the Pre-IPO Incentivisation Plans prior to the date of such termination.

The Administrator shall determine the time or times at which an option may be exercised by the grantee in whole or in part, and vesting period of options or awards granted under the Pre-IPO Incentivisation Plans in whole or in part.

Effective from 31 August 2023, each of the 2015 Pre-IPO Incentivisation Plan, the 2016 Pre-IPO Incentivisation Plan and the 2018 Pre-IPO Incentivisation Plan was terminated and no new grants will be made pursuant to the foregoing plans thereupon. Following such termination, remaining life of each of the 2015 Pre-IPO Incentivisation Plan, the 2016 Pre-IPO Incentivisation Plan and the 2018 Pre-IPO Incentivisation Plan is not applicable.

Maximum number of Shares. Pursuant to the Pre-IPO Incentivisation Plans, the maximum number of Shares in respect of which options and awards may be granted shall not exceed 274,586,514 Shares (183,888,050 Shares for the 2015 Pre-IPO Incentivisation Plan, 22,200,000 Shares for the 2016 Pre-IPO Incentivisation Plan, and 68,498,464 Shares for the 2018 Pre-IPO Incentivisation Plan) which represents approximately 15.56% (10.42% for the 2015 Pre-IPO Incentivisation Plan, 1.26% for the 2016 Pre-IPO Incentivisation Plan, and 3.88% for the 2018 Pre-IPO Incentivisation Plan) of the total issued shares of the Company as at the date of this report.

As at 30 June 2025, an aggregate of 214,522,990 Shares have been issued to directors, senior management and employees of the Group or their affiliates pursuant to share awards already vested, and 15,485,417 Shares have been reserved and are currently held by Golden Autumn Group Limited and Strausberg Group Limited for vesting of awards only under the Pre-IPO Incentivisation Plans and held under trusts to be transferred to individual grantee after they exercise their grants. Such 15,485,417 Shares include (i) a total of 8,581,917 Shares held by the relevant trustees the underlying RSUs of which were lapsed during the Reporting Period; and (ii) a total of 6,903,500 Shares the underlying RSUs of which were granted but not yet vested prior to the termination of the Pre-IPO Incentivization Plans. Each of Golden Autumn Group Limited and Strausberg Group Limited is a special purpose vehicle managed by the trustee of Lakeview Trust and Summit Trust, TMF (Cayman) Ltd., established for the purpose of holding Shares pursuant to the Pre-IPO Incentivisation Plans.

Following the terminations of all the Pre-IPO Incentivisation Plans on 31 August 2023, all remaining number of Shares held by Golden Autumn Group Limited and Strausberg Group Limited in connection thereto, being 51,481,607 Shares in aggregate (that is, excluding a total of 8,581,917 Shares held by the relevant trustees the underlying RSUs of which were lapsed during the Reporting Period), representing approximately 2.92% of the total issued share capital of the Company as at the date of shareholders' approval of the 2023 Share Award Scheme, have been used for further grant or vesting of awards under the 2023 Share Award Scheme. For details, please see the subsection headed "2023 Share Award Scheme" below.

Maximum entitlement of each participant. No employee of the Group shall be granted an award which, if exercised or settled in full, would result in such employee becoming entitled to subscribe for such number of Shares as, when aggregated with the total number of Shares already issued under all the awards previously granted to him which have been exercised, and, issuable or settled under all the awards previously granted to him/her which are for the time being subsisting and unexercised, would exceed ten percent (10%) of the aggregate number of Shares for the time being issued and issuable under the plan.

Consideration. The consideration to be paid for the Shares to be issued under the Pre-IPO Incentivisation Plans, including the method of payment, shall be determined by the Administrator subject to the provisions in the Pre-IPO Incentivisation Plans and applicable law. The tax withholding to be paid for the Shares shall be determined according to the provisions in the Pre-IPO Incentivisation Plans and applicable law. Depending on the specific plan of the Pre-IPO Incentivization Plans under which the underlying RSUs were granted, the relevant consideration for each RSU is US$0.178. The Administrator may determine in its absolute discretion the purchase price of the RSUs, taking into account (including but not limited to) the purpose of the relevant Pre-IPO Incentivisation Plan and the characteristics and profile of the grantee. The Board believes that it is in the best interests of the Company to retain the flexibility to impose appropriate conditions in light of the particular circumstances of each grant, which would then be a more meaningful reward for the grantees' contribution or potential contribution. Such room for discretion provides the Board with flexibility to stipulate, if necessary, a purchase price for the RSUs, while balancing the purpose of the award and the interests of Shareholders. Therefore, the aforesaid term regarding the purchase price aligns with the purpose of the respective Pre-IPO Incentivisation Plan. There is no other payable amount on application or acceptance of the option or award. There is no prescribed period within which payments or calls must or may be made or loans for such purposes must be repaid in respect of the options and/or awards offered under the Pre-IPO Incentivisation Plans.

As at the date of this report, the aggregate number of underlying Shares available for issue pursuant to the unvested RSUs granted under the Pre-IPO Incentivisation Plans is 5,005,750 Shares (that is, excluding a total of 8,581,917 Shares held by the relevant trustees the underlying RSUs of which were lapsed during the Reporting Period), representing approximately 0.28% of the total issued share capital of the Company as at the date of this report. During the Reporting Period, there were no movements with regard to share options or share purchase rights. As at 30 June 2025, there were no outstanding share options or share purchase rights under the Pre-IPO Incentivisation Plans. Accordingly, there are no discloseable matters with regard to share options or share purchase rights pursuant to Rule 17.07 of the Listing Rules.

Vesting and Exercise period of the share options. All options available under the Pre-IPO Incentivization Plans were granted and exercised prior to the commencement of the Reporting Period.

Vesting period of the RSUs. RSUs granted under the Pre-IPO Incentivization Plans are subject to time based vesting condition of four or five years since the date of the grant and performance milestone vesting conditions.

For further details, please refer to the section headed "Statutory and General Information — Pre-IPO Incentivisation Plans" in Appendix V to the Prospectus and note 17 to the Interim Condensed Consolidated Financial Information of this report.

Since the adoption of Pre-IPO Incentivisation Plans, and up to 30 June 2025, the Company did not grant or vest any share purchase rights pursuant to the Pre-IPO Incentivisation Plans.

During the Reporting Period, the movements in the RSUs granted under the Pre-IPO Incentivisation Plans were as follows:

	Number of RSUs													
Name and category of grantee	Unvested as at 1 January 2025	Granted during the Reporting Period[1]	Vested during the Reporting Period[2]	Lapsed during the Reporting Period	Cancelled during the Reporting Period	Expired during the Reporting Period	Unvested as at 30 June 2025	Under which Pre-IPO Incentivisation Plan	Date of grant of RSUs	Fair value of RSUs at the grant date	Vesting period of RSUs	Grant price of RSUs	Closing price per Share immediately before the grant date of awards	Weighted average closing price per Share underlying the RSUs vested during the Reporting period
Other Grantees in aggregate														
	2,350,000	0	0	0	0	0	2,350,000	2015 Plan (RSU)	N/A	N/A	N/A	N/A	N/A	0
	50,000	0	0	0	0	0	50,000	2016 Plan (RSU)	N/A	N/A	N/A	N/A	N/A	0
	5,128,083	0	580,000	44,583	0	0	4,503,500	2018 Plan (RSU)	N/A	N/A	N/A	N/A	N/A	HKD13.44
Subtotal	7,528,083	0	580,000	44,583	0	0	6,903,500							
Total	7,528,083	0	580,000	44,583	0	0	6,903,500							

Notes:

(1) Pursuant to the commitments made by the Company in the circular dated 3 May 2023, the Company has refrained from making grants under Pre-IPO Incentivization Plans from 3 May 2023.

(2) Refers to the timing when the relevant grantees became beneficially entitled to the underlying Shares represented by the corresponding number of RSUs.

POST-IPO RSU SCHEME

The Company has adopted the Post-IPO RSU Scheme by resolutions passed by the Board of the Company on 6 July 2020. The Post-IPO RSU Scheme does not comply with Chapter 17 of the Listing Rules.

Since the adoption of the Post-IPO RSU Scheme, and up to the date of its termination, the Company did not grant or vest any RSU pursuant to the Post-IPO RSU Scheme. Accordingly, as of the date of this report, no Share has been issued pursuant to or in connection with the Post-IPO RSU Scheme.

Accordingly, there are no discloseable matters with regard to RSUs under the Post-IPO RSU Scheme pursuant to Rule 17.07 of the Listing Rules.

Summary of Terms

Purpose. The purpose of the Post-IPO RSU Scheme is to reward employees for their past contribution to the success of the Company and to provide incentives to them to further contribute to the Company.

Eligible participants. The Eligible Participants include any employee or officer of the Company or any subsidiary including (without limitation to) any executive or non-executive director in the employment of or holding office in the Company or any subsidiary of the Company.

Administration. The Post-IPO RSU Scheme shall be subject to the administration of the Board who may delegate all or part of such administration to a committee or any other authorized agent. The decision of the Board or persons to whom the Board has delegated relevant powers shall be final and binding on all parties for any matters concerning the interpretation or application of this Post-IPO RSU Scheme.

Maximum number of Shares. The maximum number of Shares in respect of which RSU may be granted under the Post-IPO RSU Scheme when aggregated with the maximum number of Shares in respect of which options or awards may be granted under any other share-based incentive scheme shall not exceed 10% of the total issued share capital of the same class of the Company as of the date of adoption (or of the refreshment of the 10% limit).

Nil and nil Shares are underlying awards available for grant under the Post-IPO RSU Scheme as of 1 January 2025 and 30 June 2025, respectively.

Pursuant to the circular of the Company and the poll results announcement dated 16 August 2023 and 31 August 2023, respectively, the Post-IPO RSU Scheme was terminated on 31 August 2023, that is the date the 2023 Share Award Scheme, a Chapter 17 compliant share award scheme, was approved by the Shareholders. Following such termination, remaining life of the Post-IPO RSU Scheme is not applicable.

Accordingly, as at the date of this report, the total maximum number of Shares in respect of which RSUs may be granted under the Post-IPO RSU Scheme would be nil, representing 0% of the number of Shares in issue as at the date of this report.

Maximum entitlement of each participant. The Post-IPO RSU Scheme does not specify maximum entitlement of each participant.

Vesting period. The vesting schedule shall be determined by the Board subject to the provisions in the Post-IPO RSU Scheme and applicable laws.

Purchase price. The purchase price of RSUs shall be determined by the Board subject to the provisions in the Post-IPO RSU Scheme and applicable laws. No grant of RSUs under the Post-IPO RSU Scheme was made prior to the termination.

Term. Unless terminated earlier in accordance with the rules of Post-IPO RSU Scheme, the Post-IPO RSU Scheme will be valid and effective for a period commencing from the date of adoption and expiring on the tenth anniversary thereof. Any early termination of the Post-IPO RSU Scheme shall not affect any subsisting rights of any grantee thereunder.

For further details, please refer to the announcement of the Company dated 6 July 2020.

2023 RMB SHARE INCENTIVE SCHEME

The Company adopted the 2023 RMB Share Incentive Scheme upon approval of the Shareholders during the AGM held on 2 June 2023. The 2023 RMB Share Incentive Scheme is a share incentive scheme comprising awards in the form of restricted shares underlined by RMB Shares only, prepared in accordance with the PRC related financial regulations and listing rules and the Hong Kong Listing Rules. For details of the 2023 RMB Share Incentive Scheme, please refer to the circular of the Company dated 3 May 2023.

Summary of Terms

Purpose. The purpose of the 2023 RMB Share Incentive Scheme is to improve the Company's long-term incentive mechanism, attract and retain outstanding personnel, fully mobilise the enthusiasm of the Company's employees, effectively bring together the interests of shareholders, the Company and core teams, enable all parties share a common concern for the long-term development of the Company, and under the premise of fully safeguarding the interests of shareholders.

Eligible participants. The eligible participants include the Directors, senior management, core technicians and other employees of the Group (together, the "**Incentive Participants**").

Administration. The Board, as authorised by the shareholders at the AGM held on 2 June 2023, will administer the 2023 RMB Share Incentive Scheme and be responsible for the implementation of the 2023 RMB Share Incentive Scheme.

Duration/validity period. The validity period of the 2023 RMB Share Incentive Scheme will be from 2 June 2023 and until all restricted shares are granted but in no event shall exceed 72 months since the date of the adoption thereof. The remaining life of the 2023 RMB Share Incentive Scheme is three years and eight months.

Maximum number of restricted shares. The number of restricted shares to be granted to the Incentive Participants under the 2023 RMB Share Incentive Scheme is 8,948,750 RMB Shares, representing approximately 0.51% of the total issued shares of the Company as of 2 June 2023, being the date of adoption thereof, and 0.51% of the total issued shares of the Company as of 30 June 2025.

As at 30 June 2025, an aggregate of 8,312,750 restricted shares have been granted to Directors, senior management, core technicians and other employees of the Group pursuant to the 2023 RMB Share Incentive Scheme.

As of the date of this report, no further Shares are available for issue under the 2023 RMB Share Incentive Scheme.

Maximum entitlement of each participant. Under the 2023 RMB Share Incentive Scheme, the number of issued Shares granted to any Incentive Participants through all share incentive schemes of the Company within the validity period will not exceed 1% of the total issued Shares of the Company as at 2 June 2023. In addition, for the Incentive Participants who are Directors or chief executives of the Company, the grant of share awards to such persons must be approved by the Independent Non-executive Directors, and the grant of share awards to such persons in any 12-month period will be subject to the approval of the Independent Shareholders if such grant exceeds 0.1% of the total issued Shares of the Company. There is no sublimit for a service provider as set out under Chapter 17 of the Listing Rules for the 2023 RMB Share Incentive Scheme.

Consideration. The consideration to be paid for the grants is RMB6.95 per restricted share which was determined with reference to 50% of the average trading price of RMB Shares on the 120 trading days preceding the date of announcement of the 2023 RMB Share Incentive Scheme. In accordance with the relevant provisions of the national tax laws and regulations, the Company shall withhold and pay the individual income tax and other taxes payable by the Incentive Participants for participation in the 2023 RMB Share Incentive Scheme. There is no other payable amount on application or acceptance of the option or award. There is no prescribed period within which payments or calls must or may be made or loans for such purposes must be repaid in respect of the options and/or awards offered under the 2023 RMB Share Incentive Scheme.

Vesting Period and conditions of the restricted shares. Subject to the Incentive Participants fulfilling the vesting conditions, the restricted shares so granted will be vested in equal instalments in the first trading day of the start of each of the four consecutive twelve-month periods since the date of the grant. For details of the vesting conditions, please refer to the circular of the Company dated 3 May 2023.

During the Reporting Period, the movements in the restricted shares granted under the 2023 RMB Share Incentive Scheme were as follows:

	Number of RSUs (0,000 shares)												
Name and category of grantee	Unvested as at 1 January 2025	Granted during the Reporting Period	Vested during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period	Expired during the Reporting Period	Unvested as at 30 June 2025	Date of grant of restricted shares	Fair value of RSUs at the grant date	Vesting period of restricted shares	Grant price of restricted shares	Closing price per Share immediately before the grant date of awards	Weighted average closing price per Share underlying the restricted shares vested during the Reporting period
1. Directors, Senior Management and Core Technicians													
Dr. Jisong Cui	123.750	0	0	0	0	0	123.750	2 June 2023	N/A	N/A	N/A	N/A	N/A
Dr. Xiangyang Chen	37.500	0	0	0	0	0	37.500	2 June 2023	N/A				N/A
Dr. Renbin Zhao	30.000	0	0	0	0	0	30.000	2 June 2023	N/A				N/A
Subtotal	191.250	0	0	0	0	0	191.250						
2. Other Incentive Participants													
Other employees whom the Board considers necessary to be incentivized (47 persons)	494.575	0	0	18.025	0	0	476.55	2 June 2023 and 30 May 2024	N/A	N/A	N/A	N/A	N/A
Subtotal	494.575	0	0	18.025	0	0	476.55						
Total	685.825	0	0	18.025	0	0	667.8						

2023 SHARE AWARD SCHEME

Pursuant to the Company's circular dated 16 August 2023 on, among other things, the proposed adoption of the 2023 Share Award Scheme and the Scheme Mandate Limit, and the poll results announcement on 31 August 2023, the 2023 Share Award Scheme was approved by the Shareholders. Immediately following the successful adoption of the 2023 Share Award Scheme, the Company has terminated all existing share schemes, being the Pre-IPO Incentivization Plans and the Post-IPO RSU Scheme, in accordance with the relevant scheme rules thereof. The 2023 Share Award Scheme has been in operation since the date of the EGM on 31 August 2023, being the adoption date thereof.

Accordingly, the Company is able to make grants under the 2023 Share Award Scheme, a Chapter 17 compliant share scheme, also being the one and only share scheme with respect to Hong Kong Shares, and all underlying shares were issued prior to the Hong Kong IPO and are currently held by the relevant trustee (the "**Trustee Shares**"). These Trustee Shares, taking up 2.92% of the issued share capital as of the date of passing the 2023 Share Award Scheme, is the scheme mandate limit of the 2023 Share Award Scheme. Solely for the purpose of complying with the Listing Rules, the 2023 Share Award Scheme is to be regarded as a share scheme involving issue of new shares with respect of the Trustee Shares and accordingly is subject to the relevant provisions under Chapter 17 of the Listing Rules governing share schemes involving issue of new issues.

Summary of Terms

Purpose. The specific objectives of the 2023 Share Award Scheme are to: (i) recognise the contributions by certain selected participants with an opportunity to acquire a proprietary interest in the Company; (ii) encourage and retain such individuals for the continual operation and development of the Group; (iii) provide additional incentives for them to achieve performance goals; (iv) attract suitable personnel for further development of the Group; and (v) motivate the selected participants to maximise the value of the Company for the benefits of both the selected participants and the Company, with a view to achieving the objectives of increasing the value of the Group and aligning the interests of the selected participants directly to the shareholders of the Company through ownership of Shares.

Eligible participants. The eligible participants include employee participants and service providers, each as defined under the Listing Rules.

Administration. The 2023 Share Award Scheme shall be subject to the administration of the Board and the relevant trustee with respect to their respective functions in accordance with the terms of the 2023 Share Award Scheme and the relevant trust deed. Unless otherwise specified in the terms of the 2023 Share Award Scheme, the decision made in accordance with the trust deed regarding the administration and operation of the 2023 Share Award Scheme shall be final and binding on all parties.

Duration/validity period. Subject to any early termination, the 2023 Share Award Scheme shall be valid and effective for a term of 10 years commencing on the date of adoption on 31 August 2023. The remaining life of the 2023 Share Award Scheme is eight years.

Maximum number of restricted shares. The number of Shares which may be awarded by the Board under the 2023 Share Award Scheme shall not exceed 51,481,607 Shares (that is, excluding a total of 117,000 Shares held by the relevant trustees the underlying RSUs of which were lapsed during the Reporting Period), representing approximately 2.92% of the total number of issued shares of the Company as at the adoption date, all of which were already issued to the relevant trustee in the form of Trustee Shares. Amongst which, the number of Shares that available for grant under the service provider sublimit shall not exceed 1,764,321 Shares, representing not more than 0.1% of the total number of issued Shares as of the adoption date.

As at 30 June 2025, an aggregate of 10,270,000 restricted shares have been granted to Directors, senior management, core technicians and other employees of the Group pursuant to the 2023 Share Award Scheme, representing 0.58% of the total issued capital of the Company as of the date of this report. The remaining 41,211,607 restricted shares have been reserved for further grants pursuant to the 2023 Share Award Scheme, representing 2.34% of the total issued capital of the Company as of the date of this report.

51,481,607 and 41,211,607 Shares are underlying awards available for grant under the 2023 Share Award Scheme as of its adoption date and 30 June 2025, respectively (representing 2.92% and 2.34% of the total issued capital of the Company as of the date of this report, respectively), within which 1,764,321 and 1,764,321 Shares are underlying awards available for grant to service providers under the 2023 Share Award Scheme as of its adoption date and 30 June 2025 (representing 0.1% and 0.1% of the total issued capital of the Company as of the date of this report, respectively).

As all Shares to satisfy the awards granted under the 2023 Share Award Scheme have been issued and held by the trustee for the purpose of the 2023 Share Award Scheme, there is no Share available for issue under the 2023 Share Award Scheme.

Maximum entitlement of each participant. No award may be granted to any one eligible participant such that the total number of Shares issued and to be issued in respect of all awards granted to such person (excluding any awards lapsed in accordance with the terms of the scheme) in any twelve (12) month period up to the date of the latest grant exceeds 1% of the total issued shares of the Company from time to time, unless such grant is separately approved by shareholders of the Company in general meeting with such grantee and his/her close associates (with the meaning ascribed thereto under the Listing Rules) (or his/her associates if the grantee is a connected person) abstaining from voting in accordance with Rule 17.03D(1) of the Listing Rules. The maximum number of new Shares which may be awarded to all of the selected participants who are Service Providers (including, where the Service Provider is an entity, its employees, directors, consultants, advisers or agents who provides service to the Group) in aggregate under the 2023 Share Award Scheme shall not exceed 0.1% of the issued Shares as at the adoption date.

Consideration. As the 2023 Share Award Scheme is an attempt for the Company to consolidate and bring the Pre-IPO Incentivization Plans into compliance with Chapter 17 of the Listing Rules, the basis for determination of the purchase price of the Award will follow those of the Existing Plans, that is to be at the Board's sole discretion. Accordingly, the Board has resolved to set the relevant consideration for each award to be within the range of US$0.000002 and US$0.178. In setting the consideration, the Board took into account (including but not limited to) the purpose of the 2023 Share Award Scheme and the characteristics and profile of the grantee. The Board believes that it is in the best interests of the Company to retain the flexibility to impose appropriate conditions in light of the particular circumstances of each grant, which would then be a more meaningful reward commensurate to the grantees' contribution or potential contribution. Such room for discretion provides the Board with flexibility to stipulate a purchase price for the restricted shares, while balancing the purpose of the award and the interests of Shareholders. Therefore, the aforesaid term regarding the purchase price aligns with the purpose of the 2023 Share Award Scheme.

Vesting Period and conditions of the restricted shares. Subject to fulfilling the relevant vesting conditions, the vesting period in respect of an award held by the Employee Participant must be at least 12 months, except a shorter vesting period may be granted to an Employee Participant in the circumstances referred to in Question No. 10 of FAQ No. 092–2022 published by the Hong Kong Stock Exchange. For the avoidance of doubt, the vesting period in respect of an award held by the selected participant that is a Service Provider must be at least 12 months with no exceptions allowing for a shorter vesting period thereof.

For details of the terms of the 2023 Share Award Scheme, see the Company's circular dated 16 August 2023.

During the Reporting Period, the movements in the RSUs granted under the 2023 Share Award Scheme were as follows:

	Number of RSUs												
Name and category of grantee	As at 1 January 2025	Granted during the Reporting Period	Vested during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period	Expired during the Reporting Period	As at 30 June 2025	Date of grant of restricted shares	Fair value of RSUs at the grant date	Vesting period of restricted shares	Purchase price of restricted shares	Closing price per Share immediately before the grant date of awards	Weighted average closing price per Share underlying the restricted shares vested during the Reporting period
Other grantees													
Twenty-one employee participants	10,320,000	0	737,500	50,000	0	0	9,532,500	28 September 2023, 19 December 2023, 28 June 2024 and 31 December 2024	N/A	N/A	N/A	N/A	11.26
Subtotal	10,320,000	0	737,500	50,000	0	0	9,532,500						
Total	10,320,000	0	737,500	50,000	0	0	9,532,500						

2024 RMB SHARE INCENTIVE SCHEME

The Company adopted the 2024 RMB Share Incentive Scheme upon approval of the Shareholders during the EGM held on 17 December 2024. The 2024 RMB Share Incentive Scheme is a share incentive scheme comprising awards in the form of restricted shares underlined by RMB Shares only, prepared in accordance with the PRC related financial regulations and listing rules and the Hong Kong Listing Rules. For details of the 2024 RMB Share Incentive Scheme, please refer to the circular of the Company dated 28 November 2024.

Summary of Terms

Purpose. The purpose of the 2024 RMB Share Incentive Scheme is to continue to improve the Company's long-term incentive mechanism, attract and retain outstanding personnel, fully mobilise the enthusiasm of the Company's employees, effectively bring together the interests of shareholders, the Company and core teams, enable all parties share a common concern for the long-term development of the Company, and under the premise of fully safeguarding the interests of shareholders.

Eligible participants. The eligible participants include the Directors, senior management, core technicians and other employees of the Group (together, the "**Incentive Participants**").

Administration. The Board, as authorised by the shareholders at the EGM held on 17 December 2024, will administer the 2024 RMB Share Incentive Scheme and be responsible for the implementation of the 2024 RMB Share Incentive Scheme.

Duration/validity period. The validity period of the 2024 RMB Share Incentive Scheme will be from 17 December 2024 and until all restricted shares are granted but in no event shall exceed 77 months since the date of the adoption thereof. The remaining life of the 2024 RMB Share Incentive Scheme is five years and eight months.

Maximum number of restricted shares. The number of restricted shares to be granted to the Incentive Participants under the 2024 RMB Share Incentive Scheme is 12,337,750 RMB Shares, representing approximately 0.70% of the total issued shares of the Company as of 17 December 2024, being the date of adoption thereof, and 0.70% of the total issued shares of the Company as of 30 June 2025.

As at 30 June 2025, an aggregate of 9,750,200 restricted shares have been granted to Directors, senior management, core technicians and other employees of the Group pursuant to the 2024 RMB Share Incentive Scheme.

As of the date of this report, 2,467,550 Shares are available for issue under the 2024 RMB Share Incentive Scheme, representing 0.14% of total issued Shares as at the date of this report.

Maximum entitlement of each participant. Under the 2024 RMB Share Incentive Scheme, the number of issued Shares granted to any Incentive Participants through all share incentive schemes of the Company within the validity period will not exceed 1% of the total issued Shares of the Company as at 17 December 2024. In addition, for the Incentive Participants who are Directors or chief executives of the Company, the grant of share awards to such persons must be approved by the Independent Non-executive Directors, and the grant of share awards to such persons in any 12-month period will be subject to the approval of the independent shareholders if such grant exceeds 0.1% of the total issued Shares of the Company. There is no sublimit for a service provider as set out under Chapter 17 of the Listing Rules for the 2024 RMB Share Incentive Scheme.

Consideration. The consideration to be paid for the grants is RMB6.65 per restricted share which was determined with reference to 50% of the average trading price of RMB Shares on the 20 trading days preceding the date of announcement of the 2024 RMB Share Incentive Scheme. In accordance with the relevant provisions of the national tax laws and regulations, the Company shall withhold and pay the individual income tax and other taxes payable by the Incentive Participants for participation in the 2024 RMB Share Incentive Scheme. There is no other payable amount on application or acceptance of the option or award. There is no prescribed period within which payments or calls must or may be made or loans for such purposes must be repaid in respect of the options and/or awards offered under the 2024 RMB Share Incentive Scheme.

Vesting Period and conditions of the restricted shares. Subject to the Incentive Participants fulfilling the vesting conditions, the restricted shares so granted will be vested in equal instalments on the first trading day after 17 months from the date of grant and on each of the three consecutive twelve-month periods thereafter. For details of the vesting conditions, please refer to the circular of the Company dated 28 November 2024.

During the Reporting Period, the movements in the restricted shares granted under the 2024 RMB Share Incentive Scheme were as follows:

	Number of RSUs (0,000 shares)												
Name and category of grantee	Unvested as at 1 January 2025	Granted during the Reporting Period	Vested during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period	Expired during the Reporting Period	Unvested as at 30 June 2025	Date of grant of restricted shares	Fair value of RSUs at the grant date	Vesting period of restricted shares	Grant price of restricted shares	Closing price per Share immediately before the grant date of awards	Weighted average closing price per Share underlying the restricted shares vested during the Reporting period
Directors, Senior Management and Core Technicians													
Dr. Jisong Cui	258.000	0	0	0	0	0	258.000	17 December 2024	N/A	N/A	N/A	N/A	N/A
Dr. Renbin Zhao	60.000	0	0	0	0	0	60.000	17 December 2024	N/A				
Dr. Xiangyang Chen	70.000	0	0	0	0	0	70.000	17 December 2024	N/A				
Mr. Xin Fu	10.000	0	0	0	0	0	10.000	17 December 2024	N/A				
Subtotal	398.000	0	0	0	0	0	398.000						
Other Incentive Participants													
Other employees whom the Board considers necessary to be incentivized (72 persons)	589.020	0	0	12.000	0	0	577.020	17 December 2024	N/A	N/A	N/A	N/A	N/A
Subtotal	589.020	0	0	12.000	0	0	577.020						
Total	987.020	0	0	12.000	0	0	975.020						

2024 SHARE AWARD SCHEME

The Company has adopted the 2024 Share Award Scheme by resolutions passed by the Board of the Company on March 28, 2024. The grant of awards under the 2024 Share Award Scheme will comprise existing Shares purchased or to be purchased by the designated trustee of the Company on-market or off market. There will be no new Shares to be issued to satisfy the grants under the 2024 Share Award Scheme. Therefore, the number of Shares that may be issued in respect of awards granted under the 2024 Share Award Scheme during the six months ended June 30, 2025 divided by the weighted average number of Shares in issue for the six months ended June 30, 2025 is not applicable since there is no Share available for issue under the 2024 Share Award Scheme.

The following is a summary of the principal terms of the 2024 Share Award Scheme.

Summary of Terms

Purpose. The objectives of the 2024 Share Award Scheme are to: (i) recognise and reward the contribution of certain eligible participants to the growth and development of the Group and to give incentives thereto in order to retain them for the continual operation and development of the Group; and (ii) to attract suitable personnel for further development of the Group.

Eligible participants. The eligible participants include employee participants, related entity participants and service providers, each as defined under the Listing Rules.

Administration. The 2024 Share Award Scheme shall be subject to the administration of the Board or the committee (as delegated by the Board) whose decisions on all matters arising in relation to the 2024 Share Award Scheme or its interpretation or effect shall be final, conclusive and binding on all persons who may be affected thereby, provided that such administration shall not prejudice the powers of the designated trustee pursuant to the trust deed.

Duration/validity period. Subject to any early termination, the 2024 Share Award Scheme shall be valid and effective for a term of ten (10) years commencing from the date of adoption on March 28, 2024. The remaining life of the 2024 Share Award Scheme is eight years and seven months.

Maximum number of restricted shares. The number of Shares which may be awarded by the Board under the 2024 Share Award Scheme shall not exceed 176,258,245 Shares, representing approximately 10% of the total number of issued shares of the Company as at the adoption date, all of which were already issued. There is no service provider sublimit adopted under the 2024 Share Award Scheme.

From the date of adoption of the 2024 Share Award Scheme to 30 June 2025, no grants have been made to any Directors, senior management, core technicians and other employees of the Group pursuant to the 2024 Share Award Scheme. Therefore, 176,258,245 Shares are underlying awards available for grant under the 2024 Share Award Scheme as of its adoption date and 30 June 2025 (representing 10% of the total issued capital of the Company as of the date of this report).

As all Shares to satisfy the awards granted under the 2024 Share Award Scheme were already issued for the purpose of the 2024 Share Award Scheme, there is no Share available for issue under the 2024 Share Award Scheme.

Maximum entitlement of each participant. No award may be granted to any eligible participant such that the total number of Shares issued and to be issued in respect of all awards granted to such person (excluding any awards lapsed in accordance with the terms of the scheme) in any twelve (12) month period up to the date of the latest grant exceeds 1% of the total issued shares of the Company as at the adoption date.

Consideration. There is no amount payable on application or acceptance of the awards and the purchase price of the awards is nil, and therefore (i) there is no period within which payments or calls must or may be made or loans for such purposes must be repaid under the 2024 Share Award Scheme, and (ii) basis of determining purchase price of Shares awarded is not applicable.

Vesting Period and conditions of the restricted shares. The Shares underlying an award shall vest on the date(s) to be determined by the Board and notified to the relevant grantee in the notice of grant on which the Shares underlying such award shall vest (the "**Vesting Date**"). In the event that the Board determines in its absolute discretion that any conditions and/or performance targets to be duly fulfilled by such eligible participant as specified in the related award notice has not been duly fulfilled or has not been waived by the Board, the Board shall be entitled to determine that the award made to such eligible participant shall lapse forthwith and the relevant awarded Shares shall not vest on the relevant Vesting Date.

NO MATERIAL CHANGES

Save as disclosed in this interim report, 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 during the Reporting Period.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

As of 30 June 2025, the Company does not have any disclosure obligations pursuant to Rules 13.20, 13.21 and 13.22 of the Listing Rules.

InnoCare Pharma Limited
Dr. Jisong Cui
Chairperson and Executive Director

19 August 2025

INDEPENDENT REVIEW REPORT

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To the shareholders of InnoCare Pharma Limited
(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 76 to 103, which comprises the condensed consolidated statement of financial position of InnoCare Pharma Limited (the "**Company**") and its subsidiaries (the "**Group**") as at 30 June 2025 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim Financial Reporting* ("**HKAS 34**") as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* as issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Ernst & Young
Certified Public Accountants
Hong Kong
19 August 2025

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
REVENUE	5	**731,434**	419,738
Cost of sales		**(76,713)**	(60,140)
Gross profit		**654,721**	359,598
Other income and gains	5	**130,842**	111,356
Selling and distribution expenses		**(244,071)**	(157,153)
Research and development expenses		**(449,698)**	(420,822)
Administrative expenses		**(94,762)**	(91,511)
Other expenses		**(141)**	(33,059)
Fair value changes of a convertible loan		**—**	(23,663)
Impairment gains/(losses) on financial assets		**146**	(668)
Share of loss of a joint venture		**(400)**	(1,536)
Finance costs		**(27,220)**	(10,465)
LOSS BEFORE TAX		**(30,583)**	(267,923)
Income tax expense	7	**(5,055)**	(29)
LOSS FOR THE PERIOD	6	**(35,638)**	(267,952)
Attributable to:			
Owners of the parent		**(30,091)**	(261,840)
Non-controlling interests		**(5,547)**	(6,112)
		(35,638)	(267,952)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted	9	**RMB(0.02)**	RMB(0.16)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Note	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
LOSS FOR THE PERIOD	6	**(35,638)**	(267,952)
OTHER COMPREHENSIVE INCOME/(LOSS)			
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**(19,858)**	36,331
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX		**(19,858)**	36,331
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		**(55,496)**	(231,621)
Attributable to:			
Owners of the parent		**(49,949)**	(225,509)
Non-controlling interests		**(5,547)**	(6,112)
		(55,496)	(231,621)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	10	**752,963**	784,328
Right-of-use assets		**269,708**	281,758
Goodwill		**3,125**	3,125
Other intangible assets		**32,718**	35,918
Investment in a joint venture		**—**	400
Other financial assets	11	**411,561**	459,187
Unlisted equity investment at fair value through profit or loss ("**FVTPL**")	12	**14,882**	—
Other non-current assets		**33,831**	22,590
Total non-current assets		**1,518,788**	1,587,306
CURRENT ASSETS			
Inventories		**117,755**	95,577
Trade and bills receivables	13	**392,691**	351,002
Prepayments, other receivables and other assets		**91,781**	88,084
Other financial assets	11	**284,235**	1,062,899
Cash and bank balances	14	**6,958,284**	6,222,626
Total current assets		**7,844,746**	7,820,188
CURRENT LIABILITIES			
Trade payables	15	**178,053**	128,363
Other payables and accruals		**667,845**	695,512
Interest-bearing bank borrowings		**144,377**	193,797
Deferred income		**11,642**	11,724
Lease liabilities		**29,972**	31,608
Income tax payable		**3,848**	—
Total current liabilities		**1,035,737**	1,061,004
NET CURRENT ASSETS		**6,809,009**	6,759,184
TOTAL ASSETS LESS CURRENT LIABILITIES		**8,327,797**	8,346,490

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings		**1,033,900**	1,018,700
Lease liabilities		**17,639**	27,440
Long term payables		**312,358**	303,134
Deferred income		**245,650**	251,281
Total non-current liabilities		**1,609,547**	1,600,555
NET ASSETS		**6,718,250**	6,745,935
EQUITY			
Equity attributable to owners of the parent			
Share capital	16	**23**	23
Treasury shares		**(9,010)**	(3,097)
Reserves		**6,712,150**	6,728,375
		6,703,163	6,725,301
Non-controlling interests		**15,087**	20,634
TOTAL EQUITY		**6,718,250**	6,745,935

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to owners of the parent										
	Share capital RMB'000 (note 16)	Treasury shares RMB'000	Share premium RMB'000 (note 16)	Other reserve RMB'000	Share-based payment reserve RMB'000	Asset revaluation reserve RMB'000	Foreign exchange reserve RMB'000	Accumulated losses RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2025 (audited)	23	(3,097)	11,947,046*	(55,600)*	199,797*	(6,036)*	137,992*	(5,494,824)*	6,725,301	20,634	6,745,935
Loss for the period	–	–	–	–	–	–	–	(30,091)	(30,091)	(5,547)	(35,638)
Exchange differences on translation of foreign operations	–	–	–	–	–	–	(19,858)	–	(19,858)	–	(19,858)
Total comprehensive loss for the period	–	–	–	–	–	–	(19,858)	(30,091)	(49,949)	(5,547)	(55,496)
Share-based payments (note 17)	–	–	–	–	32,039	–	–	–	32,039	–	32,039
Exercise of restricted stock units ("**RSUs**")	**	–	11,284	–	(9,599)	–	–	–	1,685	–	1,685
Purchase of own shares	–	(5,913)	–	–	–	–	–	–	(5,913)	–	(5,913)
At 30 June 2025 (unaudited)	23	(9,010)	11,958,330*	(55,600)*	222,237*	(6,036)*	118,134*	(5,524,915)*	6,703,163	15,087	6,718,250

* These reserve accounts comprise the consolidated reserves of RMB6,712,150,000 (31 December 2024: RMB6,728,375,000) in the condensed consolidated statement of financial position.

** The balance represents an amount less than RMB1,000 (note 16 and note 17).

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

	Attributable to owners of the parent										
	Share capital RMB'000 (note 16)	Repurchased shares to be cancelled RMB'000	Share premium RMB'000 (note 16)	Other reserve RMB'000	Share-based payment reserve RMB'000	Asset revaluation reserve RMB'000	Foreign exchange reserve RMB'000	Accumulated losses RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2024 (audited)	23	—	11,867,998	(19,292)	282,115	(6,036)	77,231	(5,054,191)	7,147,848	32,857	7,180,705
Loss for the period	—	—	—	—	—	—	—	(261,840)	(261,840)	(6,112)	(267,952)
Exchange differences on translation of foreign operations	—	—	—	—	—	—	36,331	—	36,331	—	36,331
Total comprehensive loss for the period	—	—	—	—	—	—	36,331	(261,840)	(225,509)	(6,112)	(231,621)
Share-based payments	—	—	—	—	(348)	—	—	—	(348)	—	(348)
Shares repurchased	—	(7,386)	(2,871)	—	—	—	—	—	(10,257)	—	(10,257)
At 30 June 2024 (unaudited)	23	(7,386)	11,865,127	(19,292)	281,767	(6,036)	113,562	(5,316,031)	6,911,734	26,745	6,938,479

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Note	For the six months ended 30 June 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Cash flows from operating activities			
Loss before tax		**(30,583)**	(267,923)
Adjustments for:			
(reversal of impairment)/Impairment loss on financial assets		**(146)**	668
Write-down of inventories		**141**	—
Finance costs		**27,220**	10,465
Foreign exchange (gains)/losses, net		**(11,576)**	33,005
Interest income	5	**(61,982)**	(94,559)
Investment income of wealth management products		**(21,206)**	(603)
Share of loss of a joint venture		**400**	1,536
Fair value change of a convertible loan		**—**	23,663
Fair value changes of wealth management products		**(4,943)**	(406)
Depreciation of property, plant and equipment		**37,044**	31,031
Depreciation of right-of-use assets		**17,239**	14,036
Amortisation of other intangible assets and other non-current assets		**4,666**	5,583
(Gains)/Losses on disposal of property, plant and equipment		**(5)**	14
Share-based payment expenses		**32,039**	(348)
		(11,692)	(243,838)
(Increase)/decrease in inventories		**(17,086)**	9,808
(Increase)/decrease in trade and bills receivables		**(42,088)**	25,790
Increase in prepayments, other receivables and other assets		**(29,066)**	(62,170)
Increase/(decrease) in trade payables		**49,699**	(17,663)
Decrease in other payables and accruals		**(27,308)**	(11,025)
Decrease in deferred income		**(5,713)**	(6,752)
Cash used in operations		**(83,254)**	(305,850)
Interest received		**21,567**	23,321
Overseas taxes paid		**(129)**	—
Net cash flows used in operating activities		**(61,816)**	(282,529)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Note	For the six months ended 30 June 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Cash flows from investing activities			
Investment income from time deposits with original maturity of more than three months when acquired and wealth management products		**55,156**	88,270
Increase in investments and placement of time deposits with original maturity of more than three months when acquired		**(4,708,364)**	(2,349,267)
Purchases of items of property, plant and equipment and other non-current assets		**(24,931)**	(55,139)
Proceeds upon maturity of investments and time deposits with original maturity of more than three months when acquired		**4,740,430**	2,198,347
Proceeds from disposal of items of property, plant and equipment		**5**	—
Net cash flows from/(used in) investing activities		**62,296**	(117,789)
Cash flows from financing activities			
Proceeds from exercise of RSUs		**16,118**	8,043
New interest-bearing bank borrowings		**83,240**	10,100
Repayment of bank loans		**(117,421)**	(2,500)
Repayment of long term payables		**—**	(25,000)
Pledged for bank loans		**86,421**	—
Interest paid		**(17,488)**	(1,658)
Principal portion of lease payments		**(16,626)**	(11,296)
Repurchase of shares		**(5,913)**	(10,257)
Net cash flows from/(used in) financing activities		**28,331**	(32,568)
Net increase/(decrease) in cash and cash equivalents		**28,811**	(432,886)
Cash and cash equivalents at beginning of period		**4,679,466**	4,202,564
Effect of foreign exchange rate changes, net		**(7,489)**	3,325
Cash and cash equivalents at end of period	14	**4,700,788**	3,773,003
Analysis of balances of cash and cash equivalents			
Cash and bank balances as stated in the statement of financial position	14	**6,958,284**	6,903,693
Time deposits with original maturity of more than three months when acquired	14	**(2,256,817)**	(3,128,440)
Restricted cash		**(679)**	(2,250)
Cash and cash equivalents as stated in the statement of cash flows		**4,700,788**	3,773,003

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on 3 November 2015. The registered office of the Company is located at the offices of Ogier Global (Cayman) Limited, 89 Nexus Way, Camana Bay, Grand Cayman KY1-9009, Cayman Islands.

The Company is an investment holding company. The Company's subsidiaries are principally engaged in the research and development, manufacture and commercialisation of biological products. The Company's ordinary shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited and STAR Market of the Shanghai Stock Exchange on 23 March 2020 and on 21 September 2022, respectively.

2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with HKAS 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 31 December 2024.

The interim condensed consolidated financial information is presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period's financial information.

Amendments to HKAS 21	*Lack of Exchangeability*

The nature and impact of the amended HKFRS Accounting Standard are described below:

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

4. OPERATING SEGMENT INFORMATION

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

Geographical information

(a) Revenue from external customers

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Mainland China	**638,409**	418,080
United States of America	**83,381**	955
Other countries/regions	**9,644**	703
Total	**731,434**	419,738

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

(b) Non-current assets

	30 June 2025	31 December 2024
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Mainland China	**1,071,585**	1,117,909
Other countries/regions	**1,583**	1,791
Total	**1,073,168**	1,119,700

The non-current asset information above is based on the locations of the assets and excludes deferred tax assets and financial instruments.

Information about major customers

Revenue from each of the major customers (aggregated if under common control) which amounted to 10% or more of the Group's revenue during the period is set out below:

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Customer A	**264,792**	187,063
Customer B	**85,969**	47,426
Customer C	**82,458**	—
	433,219	234,489

5. REVENUE, OTHER INCOME AND GAINS

Revenue is analysed as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	**731,434**	419,738

(a) Disaggregated revenue information

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Sales of goods	**641,228**	417,820
Business collaboration	**88,051**	—
Research and development services	**1,072**	955
Other services	**1,083**	963
	731,434	419,738
Geographical markets		
Mainland China	**638,409**	418,080
United States of America	**83,381**	955
Other countries/regions	**9,644**	703
	731,434	419,738

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Timing of revenue recognition from contracts with customers		
At a point in time	**730,362**	418,783
Over time	**1,072**	955
	731,434	419,738

5. REVENUE, OTHER INCOME AND GAINS (continued)

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Business collaboration

The performance obligation is satisfied at a point in time upon completion of transfer of know-how, and payment is based on the first upfront payment and subsequent development and commercialisation milestones.

Licensing out of ICP-B02

In January 2025, Beijing InnoCare Pharma Tech Co., Ltd. ("**Beijing InnoCare**"), Keymed Biosciences (Chengdu) Co., Ltd. ("**Keymed Chengdu**"), and Beijing Tiannuo Jiancheng Pharmaceutical Technology Co., Ltd. ("**Tiannuo Pharma**") entered into an exclusive license agreement (the "**Prolium Agreement**") with Prolium Bioscience, Inc. ("**Prolium**") for the development and commercialisation of ICP-B02, a CD20×CD3 bispecific antibody. Pursuant to the Prolium Agreement, Prolium would have the exclusive right to develop, register, manufacture, and commercialise ICP-B02 globally in non-oncology indications and in oncology indications outside Asia. Payment under the Prolium Agreement would be shared equally between Keymed Chengdu and Beijing InnoCare.

Keymed Chengdu and Beijing InnoCare were collectively entitled to receive an upfront and near-term payment of United States Dollars (US$)17,500,000, additional payments up to US$502.5 million and tiered royalties on net sales from Prolium and a minority equity interest in Prolium, based on their respective 50% interest in ICP-B02.

In February 2025, Beijing InnoCare received the upfront payment of US$6,250,000. In March 2025, Beijing InnoCare received the near-term payment of US$2,500,000.

Research and development services

The performance obligation is satisfied over time as the research and development services are provided to the customer, and payment is generally due within 30 days from the date of billing.

Sales of goods

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 30 to 90 days from the date of billing.

5. REVENUE, OTHER INCOME AND GAINS (continued)

(b) Performance obligations (continued)

Other services

The performance obligation is satisfied upon delivery of the testing service reports and payment is generally due within 30 days from delivery.

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Other income		
Government grants (note)	**28,957**	11,450
Bank interest income	**61,982**	94,559
Investment income from investments in wealth management products	**21,206**	603
Others	**1,873**	4,291
Total other income	**114,018**	110,903
Gains		
Fair value changes of financial assets at fair value through profit or loss	**4,943**	406
Foreign exchange gains, net	**11,576**	—
Others	**305**	47
Total gains	**16,824**	453
Total other income and gains	**130,842**	111,356

Note: Government grants have been received from the People's Republic of China ("**PRC**") local government authorities to mainly support the subsidiaries' research and development activities and compensate capital expenditures.

6. LOSS FOR THE PERIOD

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

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	**37,044**	31,031
Depreciation of right-of-use assets	**17,239**	14,036
Amortisation of other intangible assets	**3,366**	3,021
Fair value change of a convertible loan	**—**	23,663
Share-based payment expenses	**32,039**	(348)
Employee wages and welfare	**305,605**	287,898
Research and development expenses, excluding share-based payment expenses	**434,080**	402,493
Cost of inventories sold	**76,713**	60,140
Foreign exchange (gains)/losses, net	**(11,576)**	33,005

7. 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/or 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**"), Ocean Prominent Limited is not subject to tax on income or capital gains. In addition, upon payments of dividends by Ocean Prominent Limited to its shareholder, no BVI withholding tax is imposed.

Hong Kong

The subsidiary incorporated in Hong Kong, which is a qualifying entity under the two-tiered profits tax rates regime, was subject to income tax at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. The first HK$2,000,000 (2024: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%).

Mainland China

Pursuant to the Corporate Income Tax Law of the PRC 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. Preferential tax treatment of 15% is available to entities recognised as High and New Technology Enterprises. Beijing InnoCare Pharma Tech Co., Ltd. ("**Beijing InnoCare**"), Nanjing Tianyin Jian Hua Pharma Tech Co., Ltd. and Guangzhou InnoCare Pharma Tech Co., Ltd. ("**Guangzhou InnoCare**") were recognised as High and New Technology Enterprises and were entitled to a preferential tax rate of 15% in 2025 (2024: 15%).

Beijing Tianshi was qualified as a small and micro enterprise and was entitled to a preferential corporate income tax rate of 5% during the year ended 31 December 2024. The CIT rate for Beijing Tianshi was 25% during the period ended 30 June 2025.

United States of America

The subsidiary incorporated in the United States is subject to statutory United States federal corporate income tax at a rate of 21% (2024: 21%). It is also subject to the state income tax in relevant states to fulfil compliance requirements.

Deferred tax assets have not been recognised in respect of tax losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

7. INCOME TAX (continued)

Current income tax for the six months ended 30 June 2025 and 2024 is as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current — Hong Kong	**3,844**	—
Current — Taiwan	**1,139**	—
Current — United States of America	**72**	29
Total	**5,055**	29

8. DIVIDEND

No dividends have been declared and paid by the Company for the six months ended 30 June 2025 (for the six months ended 30 June 2024: Nil).

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amount attributable to ordinary equity holders of the parent is based on the following data:

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss		
Loss for the period attributable to ordinary equity holders of the parent, used in the basic loss per share calculation	**(30,091)**	(261,840)

	For the six months ended 30 June	
	2025	2024
	Number of shares	Number of shares
	'000	'000
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic loss per share calculation	**1,693,601***	1,688,294*

The computation of basic loss per share amounts for the six months ended 30 June 2025 and 2024 excluded the unvested restricted stock units of the Company. Details of these restricted stock units are set out in note 17 to the interim condensed consolidated financial information.

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (continued)

No adjustment has been made to the basic loss per share amounts presented for the six months ended 30 June 2025 and 2024 in respect of dilutions as the impact of the exercise of restricted stock units had an anti-dilutive effect on the basic loss per share amounts presented. Accordingly, the dilutive loss per share amounts for the six months ended 30 June 2025 and 2024 were the same as the basic loss per share amounts.

* The weighted average number of shares was after taking into account the effect of treasury shares held.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired assets at a cost of RMB8,367,000 (30 June 2024: RMB84,030,000).

11. OTHER FINANCIAL ASSETS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Financial assets measured at amortised cost (note (i))	**620,732**	762,907
Financial assets at fair value through profit or loss (note (ii))	**75,064**	759,179
	695,796	1,522,086
Classified as:		
Current assets	**284,235**	1,062,899
Non-current assets	**411,561**	459,187

Notes:

(i) As of 30 June 2025, the financial assets measured at amortised cost consisted of fixed-rate time deposits issued by banks in Mainland China, comprising RMB209,171,000 with maturities within one year and RMB411,561,000 with maturities exceeding one year.

(ii) As of 30 June 2025, the financial assets at fair value through profit or loss consisted of a structured deposit of RMB75,064,000 issued by a bank in Mainland China with an original maturity of less than one year. The structured deposit featured floating rates linked to the price of gold. The fair value of the financial asset approximated to the cost plus expected interest.

12. UNLISTED EQUITY INVESTMENT AT FVTPL

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Unlisted equity investment at FVTPL (note)	**14,882**	—

Note: The Group acquired certain equity interests in newly formed biotech companies as part of the consideration of the Prolium Agreement. The Group had elected to measure these investments at FVTPL in accordance with HKFRS 9.

13. TRADE AND BILLS RECEIVABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade receivables	**394,021**	352,898
Bills receivable	**419**	—
Impairment	**(1,749)**	(1,896)
Trade and bills receivables	**392,691**	351,002

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

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 3 months	**368,916**	345,906
3 months to 6 months	**23,775**	5,096
	392,691	351,002

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns by product type and rating. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

14. CASH AND BANK BALANCES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Cash and bank balances	**6,958,284**	6,222,626
Less: Time deposits with original maturity of more than three months when acquired	**(2,256,817)**	(1,456,738)
Restricted cash	**(679)**	(86,421)
Cash and cash equivalents	**4,700,788**	4,679,467

14. CASH AND BANK BALANCES (continued)

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Denominated in:		
RMB	**4,212,770**	3,923,764
US$	**457,021**	720,739
Others	**30,997**	34,964
Cash and cash equivalents	**4,700,788**	4,679,467

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 are deposited with creditworthy banks with no recent history of default.

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

Time deposits are made for varying periods of between seven days and twelve months depending on the immediate cash requirements of the Group and earn interest at the respective short-term time deposit rates. The time deposits are deposited with creditworthy banks with no recent history of default.

15. TRADE PAYABLES

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

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Less than 1 year	**168,955**	111,795
1 year to 2 years	**6,519**	13,457
2 years to 3 years	**2,377**	2,990
Over 3 years	**202**	121
	178,053	128,363

The trade payables are non-interest-bearing.

16. SHARE CAPITAL

The Company was incorporated in the Cayman Islands on 3 November 2015 with an initial authorised share capital of US$50,000 divided into 500,000,000 shares with a par value of US$0.0001 each. In September 2016, the authorised share capital was further sub-divided into 25,000,000,000 shares with a par value of US$0.000002 each.

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Issued and fully paid: 1,762,567,202 (2024: 1,762,567,202) ordinary shares	23	23

A summary of the movements in the Company's share capital is as follows:

	Number of shares in issue '000	Share capital RMB'000	Share premium RMB'000
As at 31 December 2023 and 1 January 2024 (audited)	1,689,851	23	11,867,998
Shares repurchased and cancelled	(2,198)	—	(10,257)
Exercise of RSUs and restricted shares	7,367	—*	88,659
Transfer of share-based payment reserve upon the expiry of restricted shares	—	—	646
As at 31 December 2024 and 1 January 2025 (audited)	1,695,020	23	11,947,046
Exercise of RSUs	1,318	—*	11,284
As at 30 June 2025 (unaudited)	1,696,338	23	11,958,330

The Company purchased 1,126,000 of its shares on The Stock Exchange of Hong Kong Limited at a total consideration of HK$6,421,700 (equivalent to RMB5,913,000). No purchased shares were cancelled during the period ended 30 June 2025. As at 30 June 2025, the Group had 1,686,000 (31 December 2024: 560,000) purchased shares classified as treasury shares held for resale, consideration for future acquisitions, or funding existing share schemes of the Company.

As at 30 June 2025, 66,229,528 shares (31 December 2024: 67,547,028 shares) were reserved under the share-based payment schemes for future share grants or vesting of awards and held under trusts to be transferred to individual grantees after they exercise their grants.

* The increase in share capital resulting from the exercise of RSUs and restricted shares in the period ended 30 June 2025 and in the year ended 31 December 2024 was less than RMB1,000 (note 17).

17. SHARE-BASED PAYMENTS

The Company operates one H share-based payment scheme, namely the 2023 Share Award Scheme (the "**H Share Scheme**"), and two A share incentive schemes, namely the 2023 STAR Market Restricted Share Incentive Scheme and the 2024 STAR Market Restricted Share Incentive Scheme (the "**A Share Schemes**"), for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the H Share Scheme and A Share Schemes include the Company's directors, the Group's employees and consultants.

2023 Share Award Scheme

The 2023 Share Award Scheme became effective on 31 August 2023 and, unless otherwise cancelled or amended, will remain in effect for a term of 10 years from the date of grant. The maximum aggregate number of shares that may be issued under this plan is 51,481,607 Class B Ordinary Shares. The 2023 Share Award Scheme permits the awards of RSUs, which do not confer rights to the holders to vote or receive dividends or any other rights until the shares are issued.

RSUs

Subject to the fulfilment of certain milestone conditions and certain performance conditions and the directors and employees' continued status as service providers through each of the applicable vesting dates, and to the extent permitted by applicable law, the RSUs shall be vested in whole or in part in accordance with the rules and the vesting schedule.

The following RSUs were outstanding under the H Share Scheme:

	2025		2024	
	Weighted average exercise price US$ per share	Number of RSUs '000	Weighted average exercise price US$ per share	Number of RSUs '000
At 1 January	0.1454	17,848	0.1440	23,748
Granted during the period	—	—	0.1780	2,790
Forfeited during the period	0.1780	(94)	0.1780	(4,240)
Exercised during the period	0.1780	(1,318)	—	—
At 30 June	0.1426	16,436	0.1418	22,298

The weighted average share price at the date of exercise for RSUs exercised during the period ended 30 June 2025 was US$1.5596 (2024: Nil).

17. SHARE-BASED PAYMENTS (continued)

RSUs (continued)

The exercise prices and exercise periods of the share awards outstanding as at the end of the reporting period are as follows:

For the six months ended 30 June 2025

Number of RSUs '000	Exercise price US$ per share	Exercise period
2,350	0.000002	1 August 2024 to 1 August 2029
50	0.055	16 March 2025 to 15 March 2031
14,036	0.178	16 September 2022 to 30 December 2034
16,436		

For the six months ended 30 June 2024

Number of RSUs '000	Exercise price US$ per share	Exercise period
2,650	0.000002	25 December 2020 to 1 August 2029
1,450	0.055	16 September 2023 to 15 September 2031
18,198	0.178	16 September 2022 to 27 June 2034
22,298		

The fair value of each RSU at the respective grant date is determined by using the binomial method, taking into account the terms and conditions upon which the RSUs were granted. The following table lists the key assumptions that the model used.

	For the six months ended 30 June	
	2025	2024
Expected volatility (%)	N/A	62.17
Risk-free interest rate (%)	N/A	4.26–4.96
Expected life of RSUs (year)	N/A	10
Closing price of the Company's H share at the grant date (US$)	N/A	0.62

The Group recognised share-based payment expenses of RMB13.18 million during the six months ended 30 June 2025 (for the six months ended 30 June 2024: RMB(10.22) million).

17. SHARE-BASED PAYMENTS (continued)

2023 STAR Market Restricted Share Incentive Scheme

2023 STAR Market Restricted Share Incentive Scheme ("**2023 A Share Scheme**") became effective on 2 June 2023 and the validity period of this scheme is from 2 June 2023 to the date when all the restricted shares granted to the incentive objects are vested or invalidated, and the maximum period is not more than 72 months. 2023 A Share Scheme permits the awards of restricted shares, which do not confer rights to the holders to vote or receive dividends or any other rights until the shares are issued. As of 30 May 2024, the remaining 2,750 restricted shares under the 2023 A Share Scheme were no longer granted, and the Company forfeited them in 2024.

2024 STAR Market Restricted Share Incentive Scheme

2024 STAR Market Restricted Share Incentive Scheme ("**2024 A Share Scheme**") became effective on 17 December 2024 and the validity period of this scheme is from 17 December 2024 to the date when all the restricted shares granted to the incentive objects are vested or invalidated, and the maximum period is not more than 77 months. 2024 A Share Scheme permits the awards of restricted shares, which do not confer rights to the holders to vote, receive dividends or any other rights until the shares are issued.

The Group recognised share-based payment expenses of RMB18.86 million during the six months ended 30 June 2025 (for the six months ended 30 June 2024: RMB9.87 million).

The fair value of the equity-settled incentive granted on the grant date is estimated using the Black-Scholes option pricing model, in combination with the terms and conditions of the equity incentive granted. The following table lists the inputs to the model used:

	For the six months ended 30 June	
	2025	2024
Expected volatility (%)	**N/A**	32.48–35.18
Risk-free interest rate (%)	**N/A**	1.66–2.01
Expected life (year)	**N/A**	2–5
Closing price of the Company's A share at the grant date (RMB)	**N/A**	7.44

The following restricted shares were outstanding under the A Share Scheme during the period:

	2025		2024	
	Weighted average exercise price RMB per share	**Number of RSUs '000**	Weighted average exercise price RMB per share	Number of RSUs '000
At 1 January	**6.77**	**16,728**	6.95	7,090
Granted during the period	**—**	**—**	6.95	1,737
Forfeited during the period	**6.83**	**300**	6.95	183
At 30 June	**6.77**	**16,428**	6.95	8,644

17. SHARE-BASED PAYMENTS (continued)

2024 STAR Market Restricted Share Incentive Scheme (continued)

The exercise prices and exercise periods of the share awards outstanding as at the end of the reporting period are as follows:

For the six months ended 30 June 2025

Number of awards '000	Exercise price RMB per share	Exercise period
6,678	**6.95**	**30 May 2025 to 30 May 2029**
9,750	**6.65**	**17 May 2026 to 17 May 2030**
16,428		

For the six months ended 30 June 2024

Number of awards '000	Exercise price RMB per share	Exercise period
8,644	6.95	2 June 2024 to 30 May 2029

18. COMMITMENTS

The Group had the following contractual commitments at the end of the reporting period:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Plant and machinery	**35,246**	34,378

19. RELATED PARTY TRANSACTIONS

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

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Short-term employee benefits	**8,820**	11,969
Pension scheme contributions	**78**	105
Share-based payment expenses	**9,220**	(22,215)
Total compensation paid to key management personnel	**18,118**	(10,141)

(b) Name and relationship of the related parties:

Name	**Relationship**
Nanjing Bowang Pharmaceutical Technology Co., Ltd. ("**Nanjing Bowang**")	Director of the entity acts as an executive director of the Company and the entity is controlled by their immediate family members
Westlake University	Organisation in which the entity's non-executive director acts as president
Shi Yigong	Non-executive director of the Company

(c) Transactions with related parties:

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Service from Nanjing Bowang (note (i))	**54**	54
Payments on behalf of Nanjing Bowang (note (ii))	**53**	53

Notes:

(i) The purchase of service from Nanjing Bowang was mutually agreed after taking into account the prevailing market prices.

(ii) As mutually agreed between the Group and Nanjing Bowang, the Group pays the lessor on behalf of Nanjing Bowang for using certain of machinery and equipment.

19. RELATED PARTY TRANSACTIONS (continued)

(c) Transactions with related parties: (continued)

Notes: (continued)

(iii) On 4 January 2016, Beijing InnoCare signed a strategic cooperation agreement with Shi Yigong. On 8 August 2018, Beijing InnoCare signed another strategic cooperation agreement with Shi Yigong, and Shi Yigong Tsinghua University Laboratory (Shi Yigong is the principal of the scientific research laboratory), which refined and replaced the above strategic cooperation agreement signed on 4 January 2016. On 10 July 2020, Beijing InnoCare and its subsidiaries signed a new strategic cooperation agreement with Shi Yigong and Shi Yigong Tsinghua University Laboratory, which refined and replaced the previously signed strategic cooperation agreement. The main content of the above strategic cooperation agreement is that Shi Yigong or Shi Yigong Tsinghua University Laboratory provide diversified services to the Group, such as assisting the Group to solve specific problems in protein crystal screening, protein structure analysis, protein function analysis, combination optimisation of target protein and candidate compounds encountered in the process of new drug research and development and provide in-depth guidance on the selection of drug targets by using existing technology and platform. During the reporting period, no specific cooperation projects were carried out under the above strategic cooperation agreement.

(d) Outstanding balance with related party:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Prepayments to Westlake University (note)	2,000	—

Note:

On 13 May 2025, Beijing InnoCare and Westlake University entered into the Strategic Cooperation Framework Agreement and the Scientific Research Cooperation Agreement (collectively, the "**2025 Agreement**"). Under this agreement, the parties will collaborate on innovative drug research and development, platform co-construction, talent cultivation, and achievement transformation. Beijing InnoCare will provide initial financial support for the joint research and development project and make milestone payments based on project progress. The 2025 Agreement became effective upon execution by both parties and will remain in force for three years.

20. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and bank balances, financial assets at fair value through profit or loss, trade and bills receivables, financial assets included in deposits, prepayments, other receivables and other assets, trade payables, loans and borrowings, 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 headed by the finance manager 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 the period ended 30 June 2025, the finance department analysed the movements in the values of financial instruments and determined the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee for interim 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.

20. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

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

Assets measured at fair value:

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	RMB'000	RMB'000	RMB'000
As at 30 June 2025 (unaudited)				
Financial assets at FVTPL				
— Structured deposits	—	**75,064**	—	**75,064**
— Unlisted equity investment	—	—	**14,882**	**14,882**
— Unlisted equity investment to be delivered	—	—	**9,921**	**9,921**
Financial assets at fair value through other comprehensive income				
— Bills receivable	—	**419**	—	**419**
	—	**75,483**	**24,803**	**100,286**
As at 31 December 2024 (audited)				
Financial assets at FVTPL				
— Structured deposits	—	759,179	—	759,179

Financial instruments in Level 2

The fair value of investments in wealth management products and bills issued by commercial banks is determined by referring to the publicly quoted price from the commercial banks.

Financial instruments in Level 3

For the fair value of the unlisted equity investment at FVTPL, management has estimated the potential effect of using reasonably possible alternatives as inputs to the valuation model.

Set out below is a summary of significant unobservable inputs to the valuation of the unlisted equity investments measured at FVTPL as at the end of the reporting period.

	Valuation technique	Significant unobservable inputs
Unlisted equity investment at FVTPL	Back-solve from recent transaction price	Recent transaction price/Liquidation/ IPO probability/Risk-free rate/Expected volatility/Discount for lack of marketability/ Discount for lack of control

21. EVENT AFTER THE REPORTING PERIOD

The restricted shares granted under the A Share Schemes on 2 June 2023 and 30 May 2024 each has 4 tranches with different vesting conditions. The vesting conditions for the second tranche of the restricted shares granted in June 2023 were fulfilled in June 2025. The vesting conditions for the first tranche of the restricted shares granted in May 2024 were fulfilled in May 2025. On 14 July 2025, the Company completed the registration for both the first tranche (394,500 shares) and the second tranche (1,682,250 shares).

Pursuant to the framework agreement on equity arrangement with Guangzhou Kaide in July 2021, the Company recognized a liability for the redemption obligation of its 7% non-controlling interest in Guangzhou InnoCare, recorded at net present value. On 19 August 2025, the Board of Directors of the Company approved the Minority Shareholder Exit Scheme for Guangzhou InnoCare. Pursuant to the scheme, The Company plans to use its own funds, in an amount not exceeding RMB476.336 million, to acquire the remaining 7% equity interest in its controlling subsidiary, Guangzhou InnoCare Pharma, held by Guangzhou Kaide. By mutual agreement of the parties, Guangzhou Kaide will transfer the target equity in two batches — the first transfer will be 50% of the target equity, and the second transfer will be the remaining target equity. If InnoCare Pharma and Beijing InnoCare Pharma, or their designated qualified domestic subsidiaries, successfully bid for the target equity through the property rights exchange (including both the first and second transfers), upon completion of the transaction, the Company will hold 100% equity interest in Guangzhou InnoCare Pharma.

INNOCARE

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